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# House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. EVERETT].

## DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
*July 24, 1996.*

I hereby designate the Honorable TERRY EVERETT to act as Speaker pro tempore on this day.

NEWT GINGRICH,
*Speaker of the House of Representatives.*

## PRAYER

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

Help us, O gracious God, to see more clearly a vision of life where good triumphs over evil, where health conquers sickness, where reconciliation prevails over intolerance, and where justice overcomes inequity. Too often we strain with our minds and struggle with ideas seeking that vision and we can be overwhelmed. So we pray, O God, that Your spirit will so abide with us and Your grace will forgive all that is past so that we cannot only see that vision where life is truly lived, but also walk in that good path prepared for us. Bless us this day and every day, we pray. Amen.

## THE JOURNAL

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

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

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New Jersey [Mr. ANDREWS] come forward and lead the House in the Pledge of Allegiance.

Mr. ANDREWS led the Pledge of Allegiance as follows:

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

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes on each side.

## IN MEMORY OF KYLE AND AMY MILLER, PASSENGERS ON TWA FLIGHT 800

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

Mr. HOLDEN. Mr. Speaker, it is with great sadness that I rise today to ask my colleagues to join me for a moment in memory of Kyle and Amy Miller of Tamaqua, PA.

Kyle and Amy were among the passengers on the TWA Flight 800 which crashed on route from New York to Paris last Wednesday night. They were on their way to Paris to celebrate their fifth wedding anniversary. Their loss, and the loss of all of the passengers and crew on the plane, was a horrible tragedy.

Kyle and Amy symbolized the American spirit and were outstanding members of their community. Kyle was a small businessman and owned part of his family hardware and plumbing businesses. Amy worked at the hardware store and was a member of the Tamaqua Area School Board. Her work in local education programs was outstanding and she was the top vote-getter in both the primary and general election.

Both Amy and Kyle were well liked and well respected in the community. I would like to offer my condolences to their families. Amy and Kyle were very special young people and they will be missed greatly.

## SHEDDING CROCODILE TEARS FOR AUSTRALIAN TAXPAYERS

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

Mr. TRAFICANT. Mr. Speaker, I thought only American families spent an average of $6,000 a year on burdensome regulations, but I guess Australia has come forward spending millions of dollars on a study to determine the dangers of crocodiles. And after millions, here is what they have determined.

First, never put your hand in a crocodile's mouth.

Second, never ride a crocodile. They can really hurt you.

Third, never try to collect crocodile eggs or baby crocs. Mama crocodiles get real mad.

And, finally, never ever attempt to capture a crocodile, especially if it is bigger than your boat.

Beam me up, Mr. Speaker. This is a crock of what? One thing for sure, America is not the only government that wastes money. But evidently the bureaucrat training school for meaningless redtape and regulations in America is now open to all of the government workers of the world, especially Australia.

I yield back the balance of all those crocodile tears for those Australian taxpayers.



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## MEDICARE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the American people have a right to know where their elected officials stand on issues. And America's seniors have a right to know what their elected officials want to do to Medicare. House Speaker NEWT GINGRICH has been quoted as saying that he wants Medicare to ''wither on the vine.'' Now the Republicans are saying he did not mean that. They are trying to get an ad that uses Speaker GINGRICH's quote off the air.

Well, Mr. Speaker, the Republicans are trying to rewrite history, claiming that Speaker GINGRICH meant that the Health Care Financing Administration would wither on the vine not Medicare. But as the New York Times pointed out on Saturday ''Not only is it hard to imagine how individuals—except perhaps its employees—could leave the agency, this is only one of the explanations Mr. GINGRICH gave at the time.''

The Republican budget proposes $168 billion in Medicare cuts over the next 6 years. All to pay for tax breaks for the wealthy. Truth in advertising—it is what the American people demand and what they need to hear.

## MEDICARE

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

Mr. KENNEDY of Rhode Island. Mr. Speaker, it seems as though in the heat of the campaign season, some people just do not like to face the truth. The Republicans right now are running away from their record in the 104th Congress, a report where they are going after Medicare to fund tax breaks for the very rich.

Just think about their budget. They ran on deficit reduction, but what did they do when they came here? They want to cut taxes $245 billion over 7 years. Better than half of that money goes to individuals and families earning over $100,000. What are they going to do to pay for this big tax cut? Well, they are going to cut $270 billion from the Medicare Program. What is that going to mean to senior citizens? It is going to mean out-of-pocket expenses that are going to grow for them.

Mr. Speaker, NEWT GINGRICH said we are not going to kill it right away because that would not be politically popular. We are going to let it die on the vine.

Now what do the Republicans want to do? They want to run away from their record of this statement. They want to say, cut off all advertising that tells the truth about what the Republicans intend to do with Medicare.

## MEDICARE: SENIORS BEWARE

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

Mr. PALLONE. Mr. Speaker, NEWT GINGRICH is now running away from this quote and saying that he did not mean to say that Medicare would wither on the wine, but the bottom line is that the Republican leadership's actions and the legislation that they pass in this House would accomplish that goal.

By cutting Medicare by $270 billion in order to finance tax breaks for the wealthy, essentially what happens is that the Medicare Program will not have enough money to finance quality health care for seniors and the level of services for seniors. In addition, the Republican Medicare plan would have doubled premiums and forced seniors out of traditional Medicare because they would no longer have their choice of doctors. That is what the Republican Party is all about.

Lest anybody think that they were not going to continue this policy, they voted on another budget this year in this House of Representatives that again would slash Medicare in order to finance tax breaks to the wealthy. Today was the day when they were supposed to report back on how they were going to destroy and change Medicare structurally so that it would basically wither on the vine. Well, that deadline is passed. But I would still like to know what the Republican leadership has in mind for Medicare in this Congress. We still do not know, but one thing is for sure: The seniors should beware.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair appreciates the cooperation of Members in listening to the Chair when he advises the Members after they have spoken for 1 minute that their time is up.

## ROADBLOCK CONGRESS

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

Mr. DOGGETT. Mr. Speaker, we have a town down there in Texas called Wink and a number spread out across the State that are so small they could be called Blink because you would blink and miss them.

That is the way it is with Reform Week here in this Congress. You blink and you miss it because they just abandoned it. Instead of the reform Congress, this has become the roadblock Congress and so much of the roadblock that they would throw up is to our seniors on Medicare. Because if they are ultimately successful with their plan to erect roadblocks to access to care, as Speaker NEWT GINGRICH said with pride last year and with shame this year, ''Medicare will wither on the vine.''

You see, it was not just one comment. It was the similar comment of Majority Leader ARMEY that he views Medicare as an imposition on his freedom and more than the comments is the action. Instead of reforming this Congress and changing business as usual, they concentrate their efforts on weakening and dismantling the Medicare system that is serving so many of our Nation's seniors. Let us reject their Medicare approach and hold them accountable for their outrageous comments.

## THE REAL GINGRICH AGENDA

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

Mr. BONIOR. Mr. Speaker, Republicans are trying to tell us today that NEWT GINGRICH did not say he wants Medicare to wither on the vine. But the record suggests otherwise.

Thirteen separate times, this Gingrich Congress voted to cut Medicare to pay for tax breaks for the wealthy.

Bob Dole brags about his 1965 vote against Medicare. DICK ARMEY says Medicare is a program he would have no part of in a free world. BILL THOMAS calls Medicare ''socialism.'' And last February, NEWT GINGRICH'S own think tank ran this editorial in their newsletter with this headline: ''For Freedom's Sake, Eliminate Social Security.''

Mr. Speaker, that is the direction the Republicans are heading. And now that the labor movement has had the courage to tell the truth about the Gingrich agenda, and stand up for working families, the Republicans are doing all they can to silence them.

Mr. Speaker, there's an old saying: Salt doesn't hurt unless it hits an open wound. First, it was Medicare. Next, it is Social Security. That is the real Gingrich agenda.

## MEDICARE

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute.)

Mrs. KENNELLY. Mr. Speaker, the Speaker has said he was misquoted on Medicare. Therefore, let us for a moment consider the majority's actions on Medicare, rather than their rhetoric.

The majority passed the largest reduction in Medicare's history—$270 billion. The majority also proposed allowing some doctors to bill beneficiaries extra charges. Furthermore, the majority's plan would have capped Medicare's expenditures below the level of expected medical inflation. And under their bill, the Medicare premium would have doubled over the next 7 years from its current level. These facts are not in dispute.

In the end, actions speak louder than words. And the majority's actions on

Medicare, as much as their rhetoric, certainly give America's seniors reason for concern.

Mr. Speaker, we need reform that protects Medicare's solvency. But we cannot afford legislation that destroys Medicare in the name of saving it.

## THE TRUTH HURTS

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

Mr. ANDREWS. Mr. Speaker, the truth hurts and the truth is that what the Speaker asserted in 1995, that Medicare should wither on the vine is still true in his opinion in 1996.

The truth also is that this is a Congress that has reacted when people have opposed their positions in very negative and harmful ways to all of us. In 1995 they threw a national temper tantrum and shut the Government down because they could not get what they wanted. And now in 1996 when working men and women who are members of unions like the laborer's union exercise their constitutional right to protest statements like this, they try to intimidate, coerce, and shut them down with hearings like those that are happening today. Real crime is happening on the streets of America but the crime is not happening with statements like this. We ought to give people the right to say what they want. The truth, indeed, hurts.

□ 1015

## TRIBUTE TO MUHAMMAD ALI

(Mr. WARD asked amd was given permission to address the house for 1 minute and to revise and extend his remarks.)

Mr. WARD. Mr. Speaker, I rise today to commemorate a beautiful moment that will stay with me forever. Last Friday night, my family, and I watched the opening of the Olympic games. It was a wonderful spectacle of color, music, people, and culture.

The great surprise of the evening, however, was watching probably the world's most famous American, Muhammad Ali, mark the official beginning with the ceremonial lighting of the Olympic torch. We could not be prouder to have such a great sports figure calling Louisville home.

Muhammad Ali is a role model for us all. He used his talent along with fierce determination to become the best boxer in the world, proved in 1960 as he won an Olympic Gold Medal and proven in his professional career as he remains the only man to hold the boxing heavyweight crown on three separate occasions.

As he struggles under the grip of Parkinson's disease, he remains a role model. He stood tall and proud while lighting the flame, accepting this physical burden with the dignity and grace he has exhibited for his entire career. He truly is the greatest.

## UTAH IS THE RIGHT PLACE

(Ms. GREENE of Utah asked and was given permission to address the House for 1 minute.)

Ms. GREENE of Utah. Mr. Speaker, today marks the 149th anniversary of the day that Brigham Young and his advance party entered the Salt Lake valley in 1847 and declared: ''This Is the Right Place.'' My great, great grandfather, William Clayton, was part of Young's group that made that epic journey which began in Illinois. And so it is with great appreciation and personal enthusiasm for my State, and its unique heritage, that I say: ''Utah Is Still the Right Place.''

Today, Utah is a place that has seen the desert blossom as a rose as its residents have come together to forge an existence out of a harsh, inhospitable environment. It is also a place of great cultural diversity, that will continue to require all to come together and meet their differences with mutual respect. It is a place that embraces a prosperous economy that continues to foster a warmhearted, hometown feeling, making it one of our most livable States. And now Utah will be the right place for the 2002 Winter Olympic Games.

For all Utahns, July 24 has come to be a day for reflection on what continues to make our State the right place. While our business requires me to be here today, my heart, and that of many across the country, is home in Utah today.

## THE GOP IS CUTTING THE DEFICIT

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

Mr. BARTLETT of Maryland. Mr. Speaker, both the White House and my colleagues on the other side of the aisle have been patting themselves on the back so hard they've been wrenching their shoulders, all to claim credit for deficit reduction which wasn't their doing. The facts are these: The deficit would be at least $56 billion higher today if we had followed the President's budget, but instead, we Republicans did the hard work of finding the savings the Democrats didn't have the guts to make.

The rest of the deficit reduction came from three places: First, cuts in defense as a result of the peace dividend which occurred because Ronald Reagan killed communism; second, sales of assets from the S&L cleanup already in place before Clinton took office; and third, the one thing that was the Democrats' doing; namely, tax hikes on gasoline, social security recipients, and small businessmen.

Republicans want to cut those Democratic taxes and create jobs as a result. More jobs would mean a stronger economy, which would mean a smaller deficit—no thanks at all to the Democrats.

## PESIDENT CLINTON FLIP–FLOPS ON WELFARE REFORM

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

Mr. KNOLLENBERG. Mr. Speaker, what really is going on with the President. I know he likes to change his mind and switch his position, but this week, the President and his friends were in rare form.

We know the President has promised to reform welfare as we know it. Yet he has managed to veto reform twice behind thinly veiled excuses.

Then he supported Wisconsin's reform in a speech, but changed his mind.

Then he spoke to the Nation's Governors and said he supported welfare reform, but the next day, his handlers were changing his tune.

The very next day, Leon Panetta said the President would veto the House-passed welfare reform. And on Sunday, Vice President GORE said the very same thing.

The following day in Denver, the President changed his mind again saying he thinks he can support welfare reform.

I can not wait for tomorrow.

With the President flipping around more than a fish out of water, who knows where he will land. But remember, as my Democrat friends have said, if you do not like the President's position, just wait awhile.

With all the flips and flops, it may soon be called the Waffle House.

I yield back the balance of broken Clinton promises.

## PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule:

Committee on Agriculture; Committee on Banking and Financial Services; Committee on Commerce; Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on the Judiciary; Committee on Resources; Committee on Science; and Committee on Small Business.

Mr. Speaker, it is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mr. ROGERS). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MODIFICATION TO UNANIMOUS-CONSENT AGREEMENT PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3814, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. ROGERS. Mr. Speaker, last night I offered a unanimous-consent request that was agreed to for the further consideration of H.R. 3814. There was an inadvertent error in that request that I would now like to correct. I ask unanimous consent that the earlier agreement be modified so that the gentleman from Iowa [Mr. GANSKE] may offer an amendment regarding the patenting of medical procedures for 20 minutes instead of amendment No. 16 printed in the RECORD that is on the same subject.

Mr. Speaker, I understand this has been cleared with the minority.

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

There was no objection.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the further consideration of H.R. 3814, and that I may and include tabular and extraneous material.

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

There was no objection.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 479 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3814.

□ 1023

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3814) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes, with Mr. GUNDERSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Tuesday, July 23, 1996, the amendment offered by the gentleman from Florida [Mr. MILLER] had been disposed of and the bill was open for amendment from page 49, line 3, through page 116, line 5.

Are there further amendments made in order by the order of the House of Tuesday, July 23, 1996?

AMENDMENT OFFERED BY MR. ROGERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROGERS:

On page 55, line 22, strike ''$66,000,000'' and insert in lieu therof ''$68,000,000''.

On page 56, line 4, strike ''$1,837,176,000'' and insert in lieu therof ''$1,839,176,000''.

On page 56, line 6, strike ''$71,276,000'' and insert in lieu therof ''$73,276,000''.

On page 56, line 10, strike ''$292,907,000'' and insert in lieu therof ''$298,907,000''.

On page 56, line 13, strike ''$429,897,000'' and insert in lieu thereof ''$425,897,000''.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Kentucky [Mr. ROGERS] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. ROGERS].

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

Mr. Chairman, this is a noncontroversial amendment. I am offering this amendment to address concerns raised by some coastal Members on both sides of the aisle. The amendment would make some minor internal shifts within NOAA in order to restore funding for endangered species recovery programs, primarily for salmon recovery in the Pacific Northwest.

Funding for these activities would be offset from within NOAA. It would cost no extra money. I know of no objections.

Mr. Chairman, I yield such time as she may consume to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, I thank the chairman for yielding me the time, and I rise in strong support of this amendment. It will ensure adequate funding for two of NOAA's programs that are critical to our coastal ecosystems and to the fishing industry. It is an amendment which will help the endangered species and, indeed, endangered fishermen and endangered coastal communities.

It will restore to the fiscal year 1996 level the endangered species recovery programs. These are NOAA programs. When a species is listed, the recovery is in place.

As many as 16 million salmon once made it up the Columbia River, and they were just a basis of our economy. But as recently as 1988 those species began to diminish. The recovery plans will mean that our environmental protection will be in place for those species, and it will also help us recover nearly 50,000 jobs that have been lost.

Mr. Chairman, this amendment is supported by Oregon's Governor, by the commercial and sports fishing industry, and it is also supported by those who represent several billion dollars in annual economic activity and more than 100,000 family wage jobs.

This is a vote for the environment. It is a vote for America's fishing men and women. It is a vote in favor of recreational fishing and critical tourism dollars. It is a small investment, but it will have an enormous benefit for working Americans.

Mr. Chairman, I want very much to thank the gentleman from Kentucky, Chairman ROGERS, and the gentleman from West Virginia, Mr. MOLLOHAN, the ranking member for working on this amendment, for bringing it forward. I believe that it is a great amendment. I thank you for looking out for our fishing men and women and our coastal communities, and I really support this amendment. I thank the Members for all their fine work on it.

Mr. ROGERS. Reclaiming my time, congratulations to the gentlewoman. She has been a real stalwart supporter of this cause. We congratulate her on this effort.

Mr. Chairman, I know of no opposition, no other speakers. I urge adoption of the amendment.

Mrs. SMITH of Washington. Mr. Chairman, I would like to commend Chairman ROGERS for his very responsible amendment to increase funding for the NOAA Operations, Research and Facilities account.

I am hopeful that some of these funds will be used to augment one of most important programs in this appropriations bill, the Mitchell Act hatcheries. For decades the Federal Government has financed a hatchery program to compensate for the loss of salmon due to hydroelectric projects on the Columbia River. These facilities supported by the so-called Mitchell Act are critical to the maintenance of the region's multi-million dollar commercial and sports fishing industries.

The funding in this bill for Mitchell Act hatcheries was initially less than we need to maintain this vital program. However, I am pleased that Chairman ROGERS has agreed to increase the funds for NOAA activities so that the agency has more flexibility to fund the Mitchell Act hatcheries at a level that ensures a viable fishery in the Northwest.

While I am a strong proponent of balancing the budget, I believe that deep cuts in the Mitchell Act program will actually create more economic hardship for the already depressed fishing industry. I look forward to working with my colleagues in the Senate to ensure that we pass a bill that keeps our commitment to the people of the Northwest.

I urge my colleagues to adopt this amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. ROGERS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ALLARD

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ALLARD:

Page 58, strike lines 18 through 23 (relating to the Under Secretary for Technology and the Office of Technology Policy).

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Colorado [Mr.

ALLARD] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Colorado [Mr. ALLARD].

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

Mr. Chairman, I want to commend my colleague from Kentucky and the Appropriations Committee for their diligence and commitment to reducing government spending. However, we must not pass up an opportunity to eliminate a needless layer of bureaucracy and an unauthorized appropriation of $5 million for the Commerce Department's Under Secretary for Technology.

Both the Authorization Committee and the Budget Committee have now recommended that the Under Secretary for Technology be terminated. The Budget Committee has accurately labeled this a redundant bureaucracy.

Mr. Chairman, we are never going to balance this budget unless we stop funding unauthorized and redundant programs.

This amendment is supported by the Citizens for a Sound Economy, the National Taxpayers Union, and the Citizens Against Government Waste. In fact, Citizens Against Government Waste will be including this vote in its deficit reduction vote rating.

Last year, this amendment nearly passed. This year there is no reason for it not to pass. When I offered the amendment in 1995, opponents argued that the appropriations bill was the wrong vehicle to make these changes and that the authorizing process would be the proper place to review this issue. Well, the authorization process has been completed, and this office was not reauthorized by the Science Committee in H.R. 3322, the Omnibus Civilian Science Authorization Act, approved by the House on May 30, 1996.

Not one Member voted for funding this office in the authorization legislation when it passed the House. If the Appropriations Committee is against this amendment, then I ask why you were not fighting for this office on the House floor on May 30.

By the Department of Commerce's own description, the Technology Administration leads the Department's advanced civilian technology strategy. We do not need a central command and control office to direct the private sector's commercialization of technology. This industrial policy office is especially no longer needed in light of Chairman ROGERS' amendment earlier to close out the Advanced Technology Program.

The Under Secretary for Technology is nothing more than another layer of bureaucracy. It is time to end this needless bureaucracy. The Federal Government should not be attempting to pick winners and losers in the area of technology, the marketplace can do this quite well. Let us follow through on our commitment to end corporate subsidies and excess government regulation. I do not believe Microsoft or Netscape or any other technology company needs another bureaucrat to keep them competitive.

If Congress is determined to spend this $5 million, or a portion thereof, it would certainly be preferable to spend it directly on research programs, rather than on a 47-person Federal bureaucracy.

Therefore, I urge my colleagues to support this amendment and end this unauthorized $5 million appropriation.

□ 1030

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

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

Mr. MOLLOHAN. Mr. Chairman, I seek time in opposition.

The CHAIRMAN. The gentleman from West Virginia [Mr. MOLLOHAN] is recognized for 5 minutes.

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

Mr. Chairman, I rise in strong opposition to the gentleman's amendment to eliminate funding for the Technology Administration.

The world is changing, Mr. Chairman, and technology is the driving force. Technology is changing the way we work, the way we live, and the way we compete in the world.

If the United States is to maintain world economic leadership into the 21st century, we must respond quickly and precisely to these economic changes. The Technology Administration is the engine behind this critical effort. I do not know of any public servant who is more capable, more dedicated, more effective in the performance of her responsibilities than Under Secretary for Technology, Dr. Mary Good.

The Technology Administration serves as an advocate for American industries, ensuring that government policies, government programs and regulations promote U.S. competitiveness. Additionally, the Technology Administration is the only Federal agency that analyzes the civilian technology activities of our foreign competitors, working to promote and protect the U.S. technology interests in global research and development efforts.

While eliminating the Technology Administration will only have a negligible impact on the budget deficit, it will deprive U.S. industry of an effective advocate for technology innovation at a time of intensifying global competition. In fact, eliminating the Technology Administration in the heat of today's battle for global markets is like eliminating the Department of Defense at the height of the cold war.

In an era where U.S. economic prosperity will largely be determined on our ability to develop and commercialize new technology, we cannot afford to eliminate this important advocate for American industry.

To this end, Mr. Chairman, I urge my colleagues to join me and many others in this body in protecting U.S. interests, U.S. jobs, and economic growth by voting against this amendment.

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

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

Let me make a few comments in response to the gentleman's comments from West Virginia.

First of all, we are just eliminating an unnecessary bureaucracy. We have had an opportunity to reauthorize this Under Secretary position and the Congress refused to do that. So we are not talking about reducing the ability for us to compete on the international market. These functions are already performed and can easily be performed by the International Trade Administration. Under the ITA there is a Trade Advocacy, Trade Law Enforcement, Trade Development, an International Economic Policy, and U.S. and Foreign Commercial Service offices.

Wayne Berman, a former Assistant Secretary and Counselor to the Secretary of Commerce Department, asserted that the Technology Department should be terminated immediately. He assured the committee no harm would come to the core programs under the Commerce Department's jurisdiction, and in fact the agencies would probably perform its core functions better at less cost.

As I pointed out last year, the Department of Commerce seems particularly bureaucratic. Below the Secretary level there is a Deputy Secretary, an Under Secretary and Administrator, an Under Secretary for International Trade, an Under Secretary for Export Administration, an Under Secretary for Economic Affairs, an Assistant Secretary for Oceans and Atmosphere and Deputy Administrator, an Assistant Secretary for International Economic Policy, an Assistant Secretary for Export Administration, an Assistant Secretary for Export Enforcement, an Assistant Secretary and Director General for the U.S. and Foreign Commercial Service, and the bureaucracy goes on and on and on.

I just think that this should be an easy vote for Members of the House. This is an unauthorized program. We should not continue to fund programs that are redundant in nature, continue to fund programs that are unauthorized. If we want to balance the budget, this is one place that we ought to address that concern. It is something that needs to be done for the future of our children and grandchildren. It is one small step for their future.

Mr. MOLLOHAN. Mr. Chairman, I yield 1 minute and 40 seconds to the distinguished gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I thank the gentleman from West Virginia [Mr. MOLLOHAN] for the excellent job that he has done in this regard.

Mr. Chairman, this may be one of the more shortsighted amendments that we address in the Congress this year,

unfortunately. In fact, it may be the most shortsighted amendment.

As the gentleman from West Virginia [Mr. MOLLOHAN] said in his comments, in a time of global competition the Technology Administration is the one place in the Federal Government where the Government is an ally, not an enemy of business.

The Technology Administration acts as a focal point for all industry concerns, both foreign and domestic, such as monitoring the activities of foreign firms and their parent governments, the unintended consequences of legislation and regulations that emanate from here and, as I said, a rapidly changing global economy.

This place in our Government is the one place where industry and American business has an ally. It is an advocate for industry in our country at a time when businesses need help to meet this worldwide competition. A recent report by the Council on Competitiveness and a position statement by the Industrial Research Institute urge our Government to work more closely with industry and to strengthen existing ties. This amendment is a step backward from that, the very essence of what we are trying to do in terms of an ally of our American businesses.

It manages and oversees the very things that make our businesses competitive, or helps make them so, and in a time when the short-term marketplace, and the pressures there, is squeezing the ability of American firms to do necessary long-term high-risk research and development, this is the one thing we need to do as a nation.

Mr. MOLLOHAN. Mr. Chairman, I yield myself the balance of my time. I thought there was someone on the majority side that wanted to speak and I was going to yield them time, but they have not arrived.

I will close, Mr. Chairman, by saying I think this is a very ill-advised amendment. The Commerce Department generally, and Dr. Good's office specifically, is the headquarters for strategic thinking about how we deal with the new economic challenges facing this Nation.

The gentleman from Colorado talked a lot about trade, and that is certainly a dimension to the strategic effort; however, Dr. Good does not focus on trade advocacy. Dr. Good focuses on technology development advocacy, identifying core areas where the United States has to be particularly competent if we are going to be particularly competitive into the future.

Again, I urge opposition to this very unwise amendment, and hope that the body will defeat it.

Mr. BROWN of California. Mr. Chairman, this week is the first anniversary of the House of Representatives' last rejection of an amendment by Congressman ALLARD to strike all funding for the Technology Administration from a Commerce, Justice, State, and the judiciary appropriations bill. The reasons for rejecting this amendment are just as valid today as they were then. I urge my colleagues once again reject this short-sighted amendment.

The vote is a rather hollow, symbolic gesture to cut Government spending. The Technology Administration costs taxpayers 2 to 3 cents each per year. Any savings, by the time we finish the appropriations process, will be spent on something else. Alternatively, they will be lost in the rounding error when computing next year's deficit.

The program is hardly corporate welfare either. Most of the funds pay for the Office of Technology Policy of the Department of Commerce, which from the Reagan administration onward has been a tiny, but strong advocate for the private sector. Over the years this office has successfully advocated antitrust reform, a pro-industry Federal patent policy, a technology transfer policy that makes sure the results of Federal research are readily available to U.S. companies, and for making sure that the needs of U.S. manufacturers, especially small businessmen who manufacture goods, and a U.S. trade policy that is sensitive to the needs of U.S. manufacturers. I expect that the millions spent on this office over the years have brought returns in the hundreds of millions if not billions to private sector companies who have benefited from the policy changes the office has advocated.

Someone in the Government needs to be an advocate for American technology-based industry, and the Technology Administration has been unrelenting in its support of U.S. business in economic, trade, tax, and regulatory matters. In each successive administration, successful business men and women have joined the Technology Administration to spend a few years providing a fresh private sector perspective within the Government. They have kept an eye on foreign competitors to help ensure that U.S. firms are not handicapped in the global marketplace. They have done much of the interagency coordination related to technology. If the Technology Administration did not exist, and we wished to be effective and competitive in world commerce, we would have to create it.

Therefore, please join me in striking a blow for U.S. manufacturers and U.S. competitiveness and once again vote to defeat an Allard amendment to strike Technology Administration funding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. ALLARD].

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

Mr. MOLLOHAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 479, further proceedings on the amendment offered by the gentleman from Colorado [Mr. ALLARD] will be postponed.

Does any Member seek recognition?

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 479, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: The amendment offered by the gentleman from Florida [Mr. GOSS] and the amendment offered by the gentleman from Colorado [Mr. ALLARD].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote.

AMENDMENT OFFERED BY MR. GOSS

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Florida [Mr. GOSS] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GOSS:

Page 48, line 7, after the dollar amount, insert the following: ''(reduced by $98,550,000)''.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 113, noes 301, not voting 19, as follows:

[Roll No. 346]

AYES—113

| | | |
|---|---|---|
| Allard | Franks (NJ) | Paxon |
| Archer | Frelinghuysen | Petri |
| Armey | Goss | Pombo |
| Bachus | Greene (UT) | Porter |
| Baker (CA) | Gunderson | Pryce |
| Ballenger | Gutknecht | Radanovich |
| Barr | Hancock | Ramstad |
| Barrett (NE) | Hansen | Rohrabacher |
| Barton | Hastert | Roukema |
| Bass | Hayworth | Royce |
| Bereuter | Hefley | Salmon |
| Bilirakis | Hobson | Sanford |
| Bliley | Hoekstra | Saxton |
| Boehner | Hoke | Scarborough |
| Bono | Hostettler | Schaefer |
| Brownback | Hyde | Schumer |
| Bunning | Inglis | Seastrand |
| Burton | Istook | Sensenbrenner |
| Callahan | Johnson, Sam | Shadegg |
| Chabot | Kasich | Shaw |
| Christensen | Kim | Smith (MI) |
| Chrysler | Klug | Solomon |
| Coble | Kolbe | Souder |
| Combest | Largent | Stearns |
| Cooley | Laughlin | Stockman |
| Cox | Leach | Stump |
| Cremeans | Manzullo | Talent |
| Cubin | McCollum | Tate |
| Cunningham | McInnis | Thomas |
| Doolittle | McIntosh | Thornberry |
| Dreier | McKeon | Tiahrt |
| Dunn | Metcalf | Walker |
| Ehlers | Mica | Weller |
| Ensign | Miller (FL) | White |
| Fawell | Moorhead | Wolf |
| Fields (TX) | Myrick | Zeliff |
| Foley | Nethercutt | Zimmer |
| Fowler | Neumann | |

NOES—301

| | | |
|---|---|---|
| Abercrombie | Barrett (WI) | Bevill |
| Ackerman | Bartlett | Bilbray |
| Andrews | Bateman | Bishop |
| Baesler | Becerra | Blumenauer |
| Baker (LA) | Beilenson | Blute |
| Baldacci | Bentsen | Boehlert |
| Barcia | Berman | Bonilla |

Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Buyer
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Chapman
Chenoweth
Clay
Clayton
Clement
Clinger
Clyburn
Coburn
Coleman
Collins (GA)
Condit
Conyers
Costello
Coyne
Cramer
Crapo
Cummings
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Duncan
Durbin
Edwards
Ehrlich
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fazio
Fields (LA)
Filner
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Graham
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hastings (WA)
Hayes
Hefner
Heineman
Herger
Hilleary
Hilliard
Holden
Houghton
Hoyer
Hunter
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kingston
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Lantos
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Meyers
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Myers
Neal
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Portman
Poshard
Quillen
Quinn
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Scott
Serrano
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Spence
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Whitfield
Wicker
Williams
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Collins (IL)
Collins (MI)
Crane
Flake
Hinchey
Horn
Lincoln
McDade
Menendez
Molinari
Morella
Nadler
Peterson (FL)
Riggs
Vucanovich
Weldon (PA)
Wilson
Young (AK)
Young (FL)

□ 1100

Mr. ROTH changed his vote from ''aye'' to ''no.''

Mrs. FOWLER changed her vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Chairman, on rollcall No. 346, I could not be present to vote due to an unavoidable conflict. Had I been present, I would have voted ''no.''

AMENDMENT OFFERED BY MR. ALLARD

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado [Mr. ALLARD] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 183, noes 229, not voting 21, as follows:

[Roll No. 347]

AYES—183

Allard
Andrews
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Costello
Cox
Crapo
Cremeans
Cubin
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehrlich
English
Ensign
Everett
Fawell
Fields (TX)
Foley
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Gunderson
Gutknecht
Hamilton
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hutchinson
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kim
King
Kingston
Klug
Kolbe
Largent
Latham
Laughlin
Lazio
Lewis (KY)
Linder
LoBiondo
Longley
Luther
Manzullo
Martini
McCollum
McCrery
McHugh
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Moorhead
Myrick
Nethercutt
Neumann
Norwood
Nussle
Parker
Paxon
Peterson (MN)
Petri
Pombo
Porter
Portman
Poshard
Pryce
Radanovich
Ramstad
Roberts
Roemer
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stump
Talent
Tate
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Visclosky
Walker
Wamp
Watts (OK)
Weller
White
Whitfield
Wicker
Zeliff
Zimmer

NOES—229

Abercrombie
Ackerman
Baesler
Baldacci
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Bunn
Campbell
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (MI)
Conyers
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Ehlers
Engel
Eshoo
Evans
Ewing
Farr
Fattah
Fazio
Fields (LA)
Filner
Flanagan
Foglietta
Forbes
Ford
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefner
Heineman
Hilliard
Hinchey
Holden
Houghton
Hoyer
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Knollenberg
LaFalce
LaHood
Lantos
LaTourette
Leach
Levin
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lofgren
Lowey
Lucas
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Meyers
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Myers
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pickett
Pomeroy
Quillen
Quinn
Rahall
Rangel
Reed
Regula
Richardson
Rivers
Rogers
Rose
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Spratt
Stark
Stenholm
Stockman
Stokes
Studds
Stupak
Tanner
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Weldon (FL)
Williams
Wise
Wolf
Woolsey
Wynn
Yates

NOT VOTING—21

Barr
Collins (IL)
Crane
Flake
Horn
Hunter
Lewis (CA)
Lincoln
McDade

| | | |
|---|---|---|
| McInnis | Nadler | Weldon (PA) |
| Menendez | Peterson (FL) | Wilson |
| Molinari | Riggs | Young (AK) |
| Morella | Vucanovich | Young (FL) |

□ 1109

Messrs. CALVERT, DELAY, ROBERTS, HUTCHINSON, DICKEY, and BARRETT of Wisconsin changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Chairman, on rollcall No. 347, I could not be present to vote due to other business. Had I been present, I would have voted ''yes.''

AMENDMENT OFFERED BY MRS. FOWLER

Mrs. FOWLER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. FOWLER: At the end of the bill, insert after the last section (preceding the short title) the following new section:

Sec. . None of the funds made available in this Act for Part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 shall be made available to an entity that is eligible to receive funds under such part when it is made known to the Federal official having authority to obligate or expend such funds that the application for funds by such an entity proposes to expend funds for a purpose other than to prevent crimes against persons or private property.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentlewoman from Florida [Mrs. FOWLER] will be recognized for 5 minutes and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, I want to bring to my colleagues' attention some concerns I have about grants which have been offered under the COPS Program. Several grants recently awarded by the Department of Justice under the COPS Program have made me concerned that the Justice Department is more interested in the number of police they fund as opposed to where the police go and how they are used.

On July 2 the Department of Justice awarded the Florida Department of Environmental Protection a $3.5 million COPS grant. When I learned of the grant I was curious to know how the funds would be used so I wrote to the Justice Department seeking an explanation for the grant. I have not received a response from the Justice Department; however, in an article which recently appeared in Investors Business Daily, a representative of the Florida Department of Environmental Protection claimed that the $3.5 million grant would be used to protect the coral sanctuary. In fact he explained, and this is a quote, that instead of our program being in a city's neighborhood, our neighborhood is marine environment itself.

Now while I wholeheartedly support conservation efforts and protecting natural resources, I personally do not consider patrolling a coral sanctuary to be community-oriented policing.

□ 1115

Frankly, I do not believe that the Justice Department knows how this grant is being used. In view of both the fact that these grants are supposed to be using taxpayers' money to protect taxpayers in their communities and the fact that there is other funding available for law enforcement and enforcement of environmental rules in parks and sanctuaries, I am concerned about the criteria used in awarding these COPS grants.

My hope is that we can work together to insert language into the conference report on this legislation to make the Justice Department aware of these concerns and indicate that Congress is not only interested in how many police are hired but how and where they are being used.

Mr. ROGERS. Mr. Chairman, will the gentlewoman yield?

Mrs. FOWLER. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I thank the gentlewoman from Florida for raising this issue. Obviously, I agree that we need to make sure that the funds awarded under the COPS grant program by the administration are in fact being used for fighting crime in our communities. I do not know of any coral reefs that they are guarding. I do not know that we have a problem with crime in the coral reefs.

There are legitimate sources of Federal funds for protecting a coral sanctuary, but I do not believe that the Congress intended that the COPS Program be one of them.

Further, I would be happy to work with the gentlewoman to develop report language with would help to resolve these concerns, and I congratulate her for bringing this matter to our attention.

Mrs. FOWLER. I thank the gentleman. I know the chairman of the subcommittee has worked very hard to make sure we maintain our crime efforts, and I look forward to working with him to make sure that the Justice Department uses these funds properly.

Mr. Chairman, I include for the RECORD the following article from Investor's Business Daily.

The article referred to is as follows:

[From the Investor's Business Daily, Los Angeles, CA, July 16, 1996]

CLINTON'S COPS: A SHELL GAME?

(By Adrienne Fox)

In his 1994 State of the Union Address, President Clinton pledge to put 100,000 more police officers on America's streets. That speech spawned the Community Oriented Policing Services, and has become one of Clinton's pet anti-crime success stories.

But the number of new police on the street falls way short of that lofty goal, and a significant number are patrolling parks and marine sanctuaries, not tough inner city streets or even suburban enclaves.

Investor's Business Daily has obtained documents showing the Clinton Justice Department is awarding a portion of the COPS funding to state parks and EPA officers—not to prevent violent crime.

At least $7.2 million in COPS grants has been used to hire 86 officers for state parks, marinas and other areas seemingly far removed from violent crime. Moreover, though Justice, and later Clinton, claimed some 43,000 new cops had been put on the streets by the program, Attorney General Janet Reno has since publicly cut that number to 17,000.

This wasn't the way it was supposed to happen.

''During the presidential campaign,'' Clinton said in the '94 State of the Union message, ''I promised the American people that I would cut 100,000 federal bureaucrats in Washington and use those savings to put 100,000 new police officers on America's streets.''

Later in 1994, Congress approved $8.8 billion over the next six years for the COPS program.

And in '95, Clinton hailed the program in a radio address, ''Police departments all around the country are putting this effort to work, hiring, training, and deploying officers as fast as we can give a go-ahead,'' he said.

Even though the number of officers hired for the questionable jobs is small, it raises questions about the program among elected officials who approved the funding. The list reads more like an Interior Department or Environmental Protection Agency budget than a Justice crime-fighting program.

In Florida, 30 ''enviro-cops'' were added to the state Department of Environmental Protection to keep watch over a coral sanctuary off the Florida Keys. The cost $3.5 million.

''(The cops) would be law enforcement officers to cover the new Florida Keys National Marine Sanctuary,'' said Maj. Kenneth Willoughby of the Florida DEP. ''These officers would help patrol and protect these areas.''

Florida also received a $1.8 million grant to hire 25 cops for its state parks.

Both grants were approved by and paid out of the COPS program, which covers 75% of the cost of each officer up to $75,000 annually for three years.

When Rep. Tillie Fowler, R–Fla., first learned of the Florida DEP award, she wrote to Reno asking her to explain the grant.

''The Florida EPA grant appears to be completely inconsistent with the intent of the program, which is to put more police on the streets to protect our communities,'' Fowler wrote.

Her colleague, Rep. Bill McCollum, R–Fla., agrees environmental police are not what Congress envisioned when it passed the program. He heads the Judiciary Subcommittee on Crime, which oversees the grants.

''Nobody debated that,'' McCollum said, ''I can guarantee you there's not a single person in the U.S. House who would have thought that it was going toward the purpose of anything other than a street cop.''

McCollum said that when Clinton gives stump speeches on how he's putting '''100,000 cops on the streets,'' most people picture a cop walking the beat in a crime-infested area.

''This is just one further sign of how much this administration wants to puff and exaggerate the success of this program,'' McCollum said.

At the same time the Florida DEP received its $3.5 million grant, Justice rejected a request from the St. Augustine Police Department in northern Florida to fund a one-year anti-domestic violence program.

The program would have cost $80,000 to hire one officer.

''It was to help build partnerships so that hopefully after the year, we could continue it,'' said St. Augustine Police Chief Bill Robinson. ''I guess we were in competition with other departments out there wanting money for domestic violence. And we weren't selected.''

His response to the $3.5 million DEP grant was one of disbelief. ''Thirty people to go watch some coral? I'm not sure that's what people are afraid of in our communities.''

Six months ago, Donald Coventry, chief of the park police in Decatur, Ill., won a $71,300 grant from the COPS program. He will use the money the way Congress intended—to teach youths about the dangers of drugs.

When told that some of the money is not being used to prevent violent crime, the 30-year police veteran said, ''Cut them off, and send me my check. It amazes me how these people get their hands on this money.''

The Murfreesboro. Tenn., Parks and Recreation Department got its hands on a $281,159 grant from Justice to hire five park rangers.

''They will not only be public information officers,'' explained Lanny Goodwin, deputy director of the park department. ''But they will also have the policing powers to enforce the rules and regulations of the parks.''

Those rules forbid drinking and overnight camping and make certain parking restrictions.

The Texas city of Shavano won a similar grant for $275,865 to add five park police.

And the Maryland Natural Resource Police received two grants totaling $1 million from the Justice Department's Web site as ''a number of grant initiatives to put more officers on America's streets and promote community policing strategies.''

Local agencies are supposed to be awarded grants if the money will be used for community policing. Other programs funded include problem-solving programs, anti-gang efforts, equipment and overtime budgets, combating youth violence and training retiring soldiers to become cops.

But, according to the data, that's not what happens, Charles Miller, spokesman for the COPS program, said as long as an agency hires law enforcement officers who have gone through a police academy and the budget meets COPS' guidelines the grant is approved.

He also said the guidelines don't include whether there has been a history of violent crime in an area to be covered or whether people even reside there.

There's no question that violent crimes are committed in state and national parks. But have they reached a crisis? In some cases yes, and in some cases no,'' Miller responded. ''The mandate we have received is to fund additional officers. And those jurisdictions are qualified if they hire sworn officers.''

But hasn't Clinton said repeatedly that the COPS program is to combat violent crime! ''No. Well, there is violent crime in parks,'' Miller stressed. ''But the whole point of this (program) was to add 100,000 police to the nation's streets and to have them involved in community policing.''

The dictionary definition of community is being stretched beyond the standard ''unified body of persons.''

For instance, the COPS office believes the coral reef off the Florida Keys is a community—even though it's marine life. ''But it's very unique.'' Florida DEP's Willoughby explained.

''Instead of our program being in a city's neighborhood, our neighborhood is the marine environment itself,'' he added.

The Justice Department points out that the bulk of the funding is going to cities and police departments.

Justice also said Congress is aware of all the grants approved and how the money is being awarded. The COPS application form, for instance, asks the local agency to check areas of priority. Two of the areas listed are agriculture crime and wildlife crime.

But Rep. McCollum and Coventry, Decatur's park police chief, agreed there are higher priorities.

''With the task we have before us, law enforcement should not be abusing one red cent of federal money to help fight crime,'' Conventry said.

McCollum said, ''Unless there truly is a law enforcement nexus that is real, this is just a sham.''

McCollum adds that while there may be a real need for more environmental policing, it should not come out of the COPS budget.

The House Subcommittee on Crime is starting an investigation into the COPS grants, McCollum suggested he might craft a bill setting limits on how the money can be spent.

*Cops On the Beat—How Some U.S. Law Enforcement Grants Were Used*

| | *Amount* |
|---|---|
| Florida: | |
| National Marine Sanctuary | $3,500,000 |
| Park patrol | 2,800,000 |
| Illinois: Water reclamation | 150,000 |
| Maryland: Natural resources | 1,000,000 |
| Tennessee: Murfreesboro parks and recreations | 281,159 |
| Texas: Shavano park police | 275,865 |

Source: Justice Department.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Florida?

Ms. BROWN of Florida. Reserving the right to object, Mr. Chairman, I rise in support of the COPS Program.

I want to commend my colleague, the gentlewoman from Florida, who has brought this forward. Many times we get some erroneous information from the paper, and we want to clear this up. We want to be sure that everybody understands that Florida is not Baywatch.

Mr. DEUTSCH. Mr. Chairman, will the gentlewoman yield?

Ms. BROWN of Florida. Under my reservation, I yield to the gentleman from Florida.

Mr. DEUTSCH. Mr. Chairman, I thank the gentlewoman for yielding.

A question to the gentlewoman from Florida [Ms. BROWN], if we can enter into a little dialog, and even with the gentlewoman from Florida [Mrs. FOWLER] as well; that the article that she cites, after followup with the agencies involved in Florida, provides some factually inaccurate information. I would ask, would she believe, but I think it is pretty self-evident, some of the statements, they were talking about, that in fact the money they went to Florida under the COPS Program was not for coral reefs watching; but some of the marine patrol organizations were in fact marine patrols offshore, catching drug dealers offshore. Even though they might be in boats and it might seem like a little more fun than walking the beat of an inner city, it is as dangerous and as important for law enforcement as those innercity cops that are doing that.

Ms. BROWN of Florida. I want to submit my statement for the RECORD, Mr. Chairman. But I want to point out that the Florida department of environment protection officers seized more cocaine last year than the U.S. Customs. This year the Florida State law enforcement officer of the year was a marine patrol officer who was involved in a shooting outside of Miami.

The COPS Program is an excellent program for Florida. We received over 200 cops, and in fact a child was killed in a campsite in a Florida park in 1993 before the COPS Program. In light of some of the other incidents going on around the country, I would suggest that we do not cut this program and in any way prohibit the States from having park police or marine patrol participate in the program.

Mr. Chairman, I rise today in the strongest opposition to any attempt to cut COPS awards from park police or marine patrols. I am outraged that Members, some from my State of Florida, have erroneously criticized the award of COPS funds to park police in general and specifically to the Florida Marine Patrol. I am disappointed that a Member of this House would complain about a grant award that benefits their State and their constituents—that provides badly needed assistance that officials in that State have told the Federal Government they need.

Claims that grants to Park Police are not appropriate uses of Federal crime fighting funds are absurd. Park Police provide important protection and crime prevention in our Nation's parks and waterways. This is critical for my State of Florida.

Scores of Florida law enforcement agencies have already applied for, and been awarded, badly needed crime fighting resources through the COPS Program. Thus far, the Third Congressional District has received almost 200 additional cops in 23 different communities through the COPS Programs and crime has gone down as a result.

Park Police and Florida Marine Patrol officers have helped bust drug dealers in Florida parks. In fact, Florida Department of Environmental Protection officers seized more cocaine last year than U.S. Customs. This year's Florida State Law Enforcement Officer of the Year was a marine patrol officer who was involved in a shooting outside Miami.

These important officers are doing more than guarding a coral reef. They are on duty 24 hours a day. In fact a child was killed at a campsite in a Florida park in 1993 before the COPS Program was put in place. In light of the terrible murder earlier this year of two young women in the Shenandoah Park, it makes no sense to cut back on Park Police in areas that have acknowledged that they need extra help.

Mr. Chairman, this is a horrible amendment and I urge my colleagues to oppose it.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Florida?

Mr. MOLLOHAN. Reserving the right to object, Mr. Chairman, I really appreciate the Members from Florida raising this issue. I think it gives us an opportunity to point out that one of the

really strong aspects of the COPS Program is the wonderful way in which it has been administered, the expeditious way in which these grants have been let out across the Nation, getting these cops on the beat, getting policemen on the beat.

Also, I think the gentlewoman's interest raises a very real strength with regard to the COPS Program. That it has flexibility, and the ability to adapt to different environments and provide additional law enforcement resources to local communities.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Florida?

Mr. ROGERS. Reserving the right to object, Mr. Chairman, I do not know the facts of the newspaper account. All I know is I have seen the newspaper account. If in fact the administration is giving money that we intended in the Congress to go to fighting crime, COPS on the beat, as advertised, if they are in fact giving that money to people who are swimming and guarding the coral reef in Florida, I want to know whether or not they have a badge on if they swim down there, if they are fighting crime under the waters of Florida. I doubt that they are. I suspect that some of this money in the COPS Program is going for this type of activity, if not this particular one.

Mrs. FOWLER. If the gentleman will yield, Mr. Chairman, the reason I withdrew the amendment was to give the ranking member and the chairman the opportunity during the conference to make sure that the language in our guidelines is appropriate and strong enough to ensure that the funding for these cops, for these policemen, is going to make our streets and neighborhoods safer, which was the original intent. I am assured that he will be working on that in the conference report.

Mr. ROGERS. Mr. Chairman, I withdraw my reservation of objection.

Ms BROWN of Florida. Mr. Chairman, I rise today in the strongest opposition to any attempt to cut COPS awards from park police or marine patrols. I am outraged that Members, some from my State of Florida, have erroneously criticized the award of COPS funds to park police, in general, and specifically to the Florida Marine Patrol. I am disappointed that a Member of this House would complain about a grant award that benefits their State and their constituents—that provides badly needed assistance that officials in that State have told the Federal Government they need.

Claims that grants to park police are not appropriate uses of Federal crime fighting funds are absurd. We are not talking about fictional ''Baywatch lifeguards,'' as one of my colleagues misstated to the press. These are badge-carrying, sworn officers with full arrest authority. The officers are on duty 24 hours a day and put their lives on the line every time they go to work. The underlying fallacy of the criticism of COPS funds for park police or marine patrols is that there is no crime in parks. According to the Florida Department of Environmental Protection, the nature of criminal activity in these parks is no different than any other community. Unfortunately, murders, sexual batteries, arson, child abuses, assaults and other heinous crimes cannot be kept outside of park boundaries. Serial criminals, escaped convicts, and other dangerous felons often drop out of society and seek out parks and woodlands as temporary campsites.

Park police provide important protection and crime prevention in our Nation's parks and waterways. This is critical for my State of Florida where shore areas make up such a large part of our State and where over 2 million people visit Florida parks each year.

Park police and marine patrol officers are not guarding coral reefs, as some have erroneously claimed. They are patrolling on bike and on foot protecting campers, hikers, boaters, and families trying to enjoy our parks. Scores of Florida law enforcement agencies have already applied for, and been awarded, badly needed crime fighting resources through the COPS program. Thus far, the Third Congressional District has received almost 200 additional cops. State-wide, Florida has received 2,200 officers through the COPS programs and crime has gone down as a result.

Park police and Florida Marine Patrol officers have helped bust drug dealers in Florida parks. In fact, Florida Department of Environmental Protection Officers seized more cocaine in Florida last year than U.S. Customs. This year's Florida State Law Enforcement Officer of the Year was a marine patrol officer who was involved in a shooting outside Miami. Just 2 weeks ago, a park officer was hospitalized after apprehending a violent suspect of domestic violence. In fact, a child was brutally murdered at a campsite in a Florida park in 1993 before the COPS program was put in place. In light of the terrible murder earlier this year of two young women in the Shenandoah Park, it makes no sense to cut back on park police in areas that have acknowledged that they need extra help.

Mr. Chairman, this is a horrible amendment and I urge my colleagues to oppose it. I would also like to include in the RECORD a letter from the Florida Department of Environmental Protection and a news article from the Tampa Tribune.

DEPARTMENT OF
ENVIRONMENTAL PROTECTION,
*Tallahassee, FL, July 24, 1996.*

Hon. CORRINE BROWN,
*Congressional Representative, District 3, U.S. House of Representatives, Jacksonville, FL.*

DEAR CONGRESSWOMAN BROWN: Recently, the Florida Department of Environmental Protection (FDEP) has been criticized for receiving a grant award under the United States Department of Justice's Community Oriented Policing Services (COPS) program. Congresswomen Tillie Kidd Fowler, District 4, and Congressman Bill McCollum, District 8, were quoted in July 16, 1996 Investor's Business Daily article expressing their displeasure with COPS funding being provided to the FDEP's Division of Law Enforcement. Particularly disconcerting is the fact that neither of your Florida Congressional colleagues contacted our agency to determine the proposed usage of the funds before making the disparaging comments, which included comparing our Division of Law Enforcement's Marine Patrol officers to ''Baywatch lifeguards.'' On the positive side, it was nice to receive support from your office and I will attempt to provide a brief explanation of the function of the FDEP's Division of Law Enforcement and our intended use of COPS grant dollars.

FDEP's Division of Law Enforcement is comprised of four bureaus, three of which are the Bureau of Florida Marine Patrol, the Bureau of Florida Park Patrol, and the Bureau of Emergency Response. The Bureaus of Marine Patrol and Park Patrol employ over 450 State of Florida certified sworn law enforcement officers. These officers are duly constituted police officers for the State of Florida, pursuant to Florida State Statutes, Chapter 943, and are authorized to make arrests for all misdemeanors and felonies occurring within the State of Florida. The officers of the Marine Patrol and Park Patrol are represented by the Police Benevolent Association, the same collective bargaining entity that represents the Florida Highway Patrol and other state law enforcement officers.

The Florida Marine Patrol (FMP) is Florida's oldest state law enforcement agency, dating back to 1913. Officers in the Florida Marine Patrol enforce boating laws, environmental laws, conservation statutes, and fisheries laws as a primary duty. Incidentally, these officers are required to enforce crimes against persons and property, and to provide frontline enforcement of laws prohibiting the importation of dangerous drugs into our nation. The Florida Marine Patrol was the first state law enforcement agency to be deployed to the Northwest Florida area impacted by Hurricane Opal last year. FMP officers were summoned due to their advanced training and specialized equipment available, allowing these officers to rapidly assist in aiding hurricane survivors, protecting the barrier island homes from waterborne looters, and providing general law enforcement for the citizens and visitors in the affected area. Similarly, in Congressman McCollum's district, FMP officers are currently augmenting federal law enforcement authorities in providing law enforcement for the Orlando soccer venue for the 1996 Olympic Games. Florida Marine Patrol officers, like landborne officers, are frequently placed in danger while making arrests. FMP officers have been confronted with gunfire, physical attacks, and even assaults by felons armed with spear guns. The State Law Enforcement Officer of the Year for 1996 was FMP Officer Kurt Kaloostian, who engaged in a battle with drug traffickers outside the waters of Miami, Florida, eventually arresting both after an extended chase into the Atlantic Ocean. FMP officers are often the first available search and rescue asset available to distressed boaters, waterborne immigrants, and other law enforcement agencies needing marine assistance.

The Florida Park Patrol is responsible for patrolling over 500,000 acres of State of Florida park properties, greenways, and trails. With over 145 parks and less than 80 officers to patrol these facilities, the task at hand is difficult. Over two million people visit Florida parks each year and the nature of criminal activity in these parks is no different than any other community. Unfortunately, murders, sexual batteries, arson, child abuses, assaults and other heinous crimes cannot be kept outside park boundaries. Serial criminals, escaped convicts, and other dangerous felons often ''drop out'' of society and seek out parks and woodlands as temporary campsites. Professionally trained, well equipped law enforcement officers are vital to ensure that park visitors are protected, thus the reason for our initial COPS grant application.

The COPS funding for the FMP officers assigned to the Florida Keys National Marine Sanctuary has received criticism from individuals who probably are unaware of the scope of the law enforcement needs for an

area the size of the states of Delaware and Rhode Island combined. To assert that these officers will be ''watching coral'' is insulting, degrading, and shows a lack of understanding for the nature of police work in protected areas. I can assure you that the COPS funds we sought are destined for quality law enforcement service, to protect the people and resources of the State of Florida from further harm.

Again, thank you for the opportunity to explain our duties and purposes. Your assistance is greatly appreciated by the many officers who place their lives in harm's way daily to make the State of Florida a better place.

If we may be of further assistance, please do not hesitate to call me at (904) 488–5600, extension 76. The Florida Marine Patrol can be reached 24 hours a day at 1–800–DIAL FMP.

Sincerely,

ERIC W. MILLER,
*Deputy Director/Field Operations,*
*Division of Law Enforcement.*

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[From the Tampa Tribune, June 24, 1996]

MARINE PATROL NOT LAUGHING AT 'BAYWATCH' JOKE

(By Gady A. Epstein)

TALLAHASSEE—The state Democratic and Republican party attack dogs relish in taking jabs at each other's candidates, but even the GOP chairman admits his operatives went too far last week.

The Republican Party of Florida's missive last week poked fun at the Florida Marine Patrol, which received a $3.5 million grant to help hire 30 officers to patrol the Florida Keys.

The fax criticized President Clinton for spending federal cash to put cops ''on the beach'' instead of on the street, and praised the Clinton administration for ''making a dent in this state's coral reef crime.'' ''We may need to fear a request for funding more lifeguards for 'Baywatch.''' the GOP wrote.

The Department of Environmental Protection, which oversees the marine patrol, was not amused.

''This agency is shocked and we're distressed that the Florida Republican Party would even suggest that Florida Marine Patrol officers, who risk their lives every single day, are even comparable to 'Baywatch' lifeguards,'' said Edie Ousley, DPE spokeswoman.

''Criminals don't discriminate about where they are going to commit a crime, whether it's in the streets of a downtown urban area or on the waterway.''

State GOP Chairman Tom Slade acknowledged his party went too far this time. ''Probably we got a bit carried away with the press release,'' Slade said Tuesday. ''We certainly didn't mean to offend them. The target of that press release was the president, not the Florida Marine Patrol.''

The author of the release was the party's communications director, Bob Sparks, who Slade said was unavailable Tuesday afternoon.

''Let me assume full responsibility,'' Slade said. ''I scanned it before it went out. If I had really read it, I probably would have doctored it a little bit.''

Ideally, Slade said, the parties should stick closely to the issues in its press releases, but then the media wouldn't pay attention. He said the point of the latest release was that if Clinton was going to hire officers to patrol the fishing reefs, then he should have said as much.

Ousley said the officers will be ''cross-deputized'' to enforce federal laws, including narcotics laws, as well as state laws.

''They're obviously not 'Baywatch' lifeguards,'' she said. ''They're real-life cops.''

The CHAIRMAN. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Mr. MORAN. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MORAN. Mr. Chairman, my fellow colleague, the gentleman from Virginia [Mr. DAVIS], and I would like to engage our colleague, the gentleman from Kentucky [Mr. ROGERS], in a brief colloquy on the status of the Office of Cuba Broadcasting, which is funded under this appropriation. In the 1996 appropriation, Congress directed that the headquarters of the Office of Cuba Broadcasting be moved from Washington, DC, to south Florida. That is all the legislation said.

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

Mr. MORAN. I yield to the gentleman from Virginia.

Mr. DAVIS. Mr. Chairman, now the USIA and the International Broadcasting Bureau are in the process of determining exactly how to carry out that vague mandate. They have been directed by the White House to move not just the headquarters but the entire broadcasting operation, nearly 200 people, and to move them as soon as possible. I never, never heard of a situation where the law specifies headquarters but affects the entire organization. This concerns me, as someone whose constituents are being face with an unwanted move.

Mr. MORAN. Reclaiming my time, Mr. Chairman, I am concerned as well for any constituents, who do not want to move, and for the independent integrity of the program.

As a member of the Committee on International Relations, which has jurisdiction over Radio and TV Marti, I am also concerned that before this language was inserted we had not had any hearings on this subject. I know this concerns the gentleman from Kentucky, and I would like to explore the issue very briefly.

The report that accompanies this appropriation directs USIA and the Broadcasting Board of Governors to provide to the Committee on Appropriations a report on the employees that are expected to move, the cost of the move, and the source of funds for the move.

I applaud the committee for requiring this report. Obviously, this repot has not been completed as yet, and legislation has not been enacted, and yet people are being asked to pack their bags for Florida pronto.

My question for the gentleman is this: Does the committee intend for the Agency to wait until the Agency has completed this report and submitted it to the committee before it begins carrying out the move? I know that the chairman would agree that that makes the most sense, to complete the report before taking any action, both from a management and a cost point of view.

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

Mr. MORAN. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I thank the gentleman for raising this point. It is a valid point, obviously. Certainly it is my intention that the agency have a very firm grasp of the costs and the numbers and the source of funds before beginning to put the move into effect.

It is also my intent that this information be submitted to the committee as soon as it becomes available to the agency's managers. I do not see how a plan can move forward until there is a plan. So we would expect to see a plan right away.

Mr. MORAN. Reclaiming my time, Mr. Chairman, that certainly makes a great deal of sense. I thank the gentleman. That is very helpful.

Mr. DAVIS. If the gentleman will continue to yield, that is most reassuring. I thank the chairman as well.

AMENDMENT OFFERED BY MR. ENSIGN

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ENSIGN:

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

SEC. . None of the funds made available in this Act to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

The CHAIRMAN. Pursuant to the order of the House of yesterday, the gentleman from Nevada [Mr. ENSIGN] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Nevada [Mr. ENSIGN].

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

Mr. Chairman, I am offering an amendment that will end Federal inmates' access to pornographic material. This commonsense proposal is long overdue.

My amendment, which is part of a larger crime package I introduced earlier this month, will prohibit the distribution of sexually explicit materials and other information to prisoners. Congress should not be fueling the sexual appetites of offenders, especially those who have been convicted of despicable sex offenses against women and children. Magazines that portray and exploit sex acts have no place in the rehabilitative environment of prison, nor should we pay Bureau of Prison staff to distribute them.

The infamous serial killer Ted Bundy, executed several years ago in Florida's electric chair, stated before his death his belief that pornographic materials directly contributed to his violent crimes. While a number of factors determine whether a prisoner will become a law abiding citizen upon release from prison, cutting prisoners off from their sexually explicit magazines will certainly do no harm.

Over 100,000 inmates are locked up in Federal prisons around the country. Each year it costs well over $21,000 to house, feed, clothe, and provide medical care to each prisoner. This cost will continue to rise. When taxpayers are footing the bill for their room and board, I think it is entirely reasonable to expect inmates to conform to acceptable levels of behavior and civility.

The bill we are considering today contains a $23 million increase in funding for the Violence Against Women Act. I support this increase and am glad we were able to dedicate resources to this important program. However, if we do not adopt my amendment, we are sending the message that it is OK to provide sexually explicit magazines and books to the very prisoners who have committed violent acts against women.

Ironically, the House-passed version of the Defense Authorization Act included a provision which prohibits commissaries on military installations from selling magazines such as Playboy and Penthouse. It is reprehensible that this Congress would contemplate denying these magazines to members of the armed services while distributing them to Federal prisoners in their daily mail.

I planned on offering a broader amendment which would have also banned materials which are vulgar, demeaning to women, disrespectful to law enforcement, and glamorize gang activity. Due to concerns of the authorizing committee and subcommittee, I narrowed my amendment to accommodate the Judiciary Committee's comments about the definition of some of these terms. It is not my intent to create confusing terminology that will create more demands on the Bureau of Prisons staff. Nevertheless, I do encourage the authorizing committee and subcommittee to take a close look at the types of materials prisoners have access to in the Federal prison system.

I hope all Members can join me in voting for this reasonable effort. It deserves our collective support.

Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. CHRISTENSEN].

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

It is deplorable, Mr. Chairman, to think that America's Federal prisoners are granted access to vulgar, sexually explicit materials while serving time in our Federal prisons.

Those predators who prey upon our families deserve to be treated like they are behind bars, not like they are in an adult book store.

Far too often, those individuals convicted of crimes have the opportunity, while in prison, to use materials that glamorize the very acts for which they were convicted.

It's amazing to think that after this House passed the Defense authorization bill, which banned pornography from our Nation's military bases, that we would still allow Federal prisoners to use sexually explicit materials. If restrictions are placed on those men and women in our Armed Forces, then the same should apply to Federal prisoners.

The time to reform our Federal prisons has come. For too long liberal judges, slick criminal defense attorneys, and misguided policies have turned prisons into playhouses. It is time to fix these problems and I believe that this piece of legislation will help us reach this attainable goal.

It is time to stop this ridiculous cycle of hypocrisy and end prisoner's access to sexually explicit materials.

I believe this bill will make sure prisons are punishment, not playgrounds.

Vote ''yes'' on the Ensign amendment. It's the right thing to do.

Mr. ENSIGN. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. ROGERS], chairman of the subcommittee.

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

Mr. Chairman, I have no objection to this amendment offered by the gentleman from Nevada [Mr. ENSIGN]. I thank the gentleman for working with the authorizing committee to develop the language of the amendment, and I congratulate him and his other colleagues for recognizing this as a major accomplishment and achievement.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

The question is on the amendment offered by the gentleman from Nevada [Mr. ENSIGN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BROWN OF CALIFORNIA

Mr. BROWN of California. Mr. Chairman, I offer amendment No. 20.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 20 offered by Mr. BROWN of California: Page 56, line 11, after the dollar amount insert ''(reduced by $4,099,000)''.

Page 56, line 12, after the dollar amount insert ''(increased by $4,099,000)''.

Page 56, beginning at line 12, after ''National Weather Service,'' insert ''including $429,715,000 for Operations and Research, Local Warnings and Forecasts''.

Page 56, line 15, after the period add the following: ''No funds made available under this heading may be used for the Great Lakes sea lampricide eradication program administered by the Department of State or the Regional Climate Centers of the National Weather Service.''.

□ 1130

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from California [Mr. BROWN] will be recognized for 10 minutes and a Member in opposition will be recognized for 10 minutes.

Mr. ROGERS. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Kentucky reserves a point of order.

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

Mr. BROWN of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to offer an amendment which I think would correct a major shortcoming in the bill related to the base operations for the National Weather Service.

The bill before us reduces the operations and research account of the National Weather Service by $18 million below current spending levels. Within this reduction, the bill eliminates all funding for the much-needed replacement of the radiosonde network and also reduces funding for the local warnings and forecast activities of the National Weather Service. These reductions will have very far-reaching negative consequences that Members should be aware of.

First, the reductions will virtually eliminate the National Weather Service forecast function in Silver Spring, MD. This vital office compiles weather data from satellite, radar, and ground observations and uses this data to run high resolution computer simulations of weather patterns on NOAA's supercomputers, the kind of weather patterns that we can see out in the Speaker's lobby broadcast over television. It is this central forecast model that is, in fact, the basis for the weather products that are then forwarded to the local offices. Without those, we are left with a ''mom and pop'' forecast system that we had decades ago.

It may be fashionable these days to cut personnel in Washington headquarters, as suggested by the bill's report language; but in this case it is in fact the Weather Service Headquarters that operates the forecast model that is essential to the rest of the system. It is the central office that does this. This is simply not something that can be done locally.

Another effect of the bill will be to eliminate the staffing needed for the three new weather offices that the Secretary of Commerce recently identified as being essential to regaining full coverage in critical areas such as northern Indiana and Alabama. We have worked long and hard to ensure that the new NEXRAD system will have the capability to provide adequate coverage. It is simply foolish to cut the very funding that will be needed to operate these new sites, and the Members from these areas have frequently indicated their strong support for the kind of coverage that this would provide.

Although the report language of the bill expresses an intent that only headquarters staffing should be impacted by the proposed reduction, the National Weather Service has determined that it will be impossible to meet the reduction with headquarters RIF's alone.

Additional reductions in the field would need to be made. This, in all likelihood, would mean a reduction of one shift in each field office nationwide.

Finally, the bill would cancel the radiosonde replacement network program of the National Weather Service thus terminating the principal source of upper air data required for all weather forecasts and warnings. Specifically, this network is critical for up-to-date data for major events such as hurricanes, snow storms, and major flooding.

It is ironic that we are taking this action at the outset of the hurricane season when national attention will be focused on the ability of the Weather Service to give us accurate information on the path and potential hazards of such major tropical storms.

Mr. Chairman, unfortunately my amendment would not fully restore the funding that was eliminated in the bill. I have taken only a very modest first step by proposing the elimination of several unauthorized programs that were never requested by the administration.

These programs include the Great Lakes lamprey eradication program that is presently being administered by the Department of State and also the Regional Climate Centers that were part of NOAA's old weather forecast network. Together, these programs have received $6 million in the bill, and my amendment would direct the funding freed up to the Operations and Research account of the Weather Service.

Mr. Chairman, it was never my intent, and I want to make this very clear, to eliminate the Great Lakes lampricide program which I fully support. I firmly believe, however, that it should remain in the State Department and the intended effect of my amendment was to accomplish this. This is the same aim that I understand most, if not all, the Members from that region would also prefer to have. I am aware, however, that the supporters of this program are uncomfortable with my amendment; and for that reason, Mr. Chairman, I do plan to withdraw it after this brief discussion.

I am certainly willing to work with the supporters of this program to put it on a firmer footing in conference and to ensure that it ends up in an agency that can sustain it.

I hope by offering my amendment that we can fully focus on the real problems this bill creates for the National Weather Service. I would ask the distinguished chairman and my colleagues to help rectify this problem before the bill gets to the President.

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

The CHAIRMAN. Does the gentleman from Kentucky continue his reservation?

Mr. ROGERS. I do, Mr. Chairman, but pending that, I seek time to oppose the amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] is recognized for 10 minutes.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. OBEY], the ranking member of the full committee.

Mr. OBEY. I thank the gentleman for yielding me this time.

Mr. Chairman, let me simply say that I think that those of us in the Great Lakes region who are concerned with the lamprey program agree with the intent of the gentleman in terms of who ought to be administering the program. We also agree with him in terms of the inadequacy of the funds provided for the Weather Service. But we do not like the third result of the gentleman's amendment, which would be to eliminate the program, because the lamprey eradication program is absolutely crucial to the retention of a healthy Great Lakes fisheries industry.

Mr. Chairman, I would simply say that I for one, and I know many others, would be very happy to work with the gentleman from California to work out the problems that he has indicated; but we appreciate the fact that he recognizes that it also has an additional result which would not be acceptable to us in the region, given our concern about the Great Lakes fisheries in general.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL]

Mr. DINGELL. Mr. Chairman, I want to express my thanks to the distinguished gentleman from Kentucky for yielding me this time. I want to begin by expressing great respect and affection for my dear friend from California, Mr. BROWN. I agree with him fully with regard to the impropriety of cutting the money to the Weather Service. I also agree with him with regard to the urgent need to see to it that that program is properly funded and that the conduct of the lamprey program should be within the State Department. However, I would like my colleagues to understand something about the importance of the lamprey control program in the Great Lakes. The cost of this program is miniscule. The value of the fishery in the Great Lakes alone is better than $4 billion. Each salmon and each lake trout which are a part of the prey of the lamprey is worth better than $70 each, to each of the States in which it is caught. So the value of this fishery is enormous. A great and prosperous fishery is threatened by an alien species which has come into the Great Lakes. A few years ago better than 1 in 3 fish caught in the Great Lakes had a lamprey attached to it. The destruction of the fishery was enormous and the cost to the people both in terms of aesthetics and in terms of fish and wildlife values and just plain cash money was enormous. It is my hope that this program can be continued unimpaired.

I recognize the value of the suggestions of the gentleman from California for whom I reiterate great respect, but I urge my colleagues to support this protection of one of the great treasures of the United States, the Great Lakes, and the precious fishery resources which are utilized for the benefit of all the people of this country.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. LATOURETTE].

Mr. LATOURETTE. Mr. Chairman, I was prepared to rise in opposition to the gentleman from California's amendment today; and I, like my colleagues from the Great Lakes, appreciate his offer to withdraw the amendment.

Mr. Chairman, I appreciate the support that Chairman ROGERS has shown in controlling the sea lamprey in the Great Lakes by providing level funding in this bill of over $8 million for the sea lamprey program.

The bill before us, however, already redirects over $4 million to the Department of Commerce for administration by NOAA. This in my opinion and the opinion of others from the Great Lakes region, jeopardizes a program that has been very successful, so successful in fact that we have seen an eradication to over 90 percent from record levels of the sea lamprey.

For those in the Chamber who are not familiar with the sea lamprey, let me assure you that it is not something you want in your backyard. In the Great Lakes we have seen an invasion of this eel-like nonindigenous species. In addition to being just a hideous-looking thing, it is parasitic and during its parasitic period can devour between 10 and 40 pounds of fish.

Before the creation of this commission, the sea lamprey virtually destroyed our entire region's prosperous recreational and commercial fisheries, practically wiped it out. We cannot backslide on these efforts.

I look forward to not only working with the chairman, but also the gentleman from California and Members on both sides of the aisle.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. STUPAK].

(Mr. STUPAK asked and was given permission to revise and extend his remarks.)

Mr. STUPAK. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. BROWN].

While Representative BROWN may be correct that funding for the sea lamprey control program belongs in the State Department, the elimination of this funding would be devastating to the Great Lakes fishing industry.

It's estimated that the total economic value of the Great Lakes fisheries is nearly $4 billion per year.

Between Americans and Canadians combined, over 3.3 million people fish the Great Lakes recreationally, supporting about 54,000 full-time jobs.

Over the course of its 1-to-2-year adult life, a single sea lamprey can kill 40 or more pounds of fish.

In 1992, 71 percent of the lake trout in Northern Lake Huron were killed by the lamprey. In Lake Superior, about 40 percent of the annual mortality of lake trout is attributable to lamprey predation.

For over 40 years, the United States and Canada have abided by a binational treaty to fight the sea lamprey problem. The elimination of funding for the U.S. portion of this program would violate this longstanding international agreement.

The sea lamprey control program has been a huge success. The binational control program has reduced sea lamprey population by 90 percent from their record highs in the 1950's.

However, cutting funding for sea lamprey control now would be devastating, as complete eradication of the species is not possible.

In addition, the conventional form of fighting the sea lamprey, the chemical lampricide treatment, is rapidly increasing in cost, having tripled since 1986.

The Great Lakes Fishery Commission has been able to suppress lampreys by 90 percent. Any reduction in funding would undermine the Commission's efforts and once again jeopardize the Great Lakes fishing industry.

Even a short-term interruption in lamprey control could be devastating to the fishery. A disruption in funding could allow for a severe increase in sea lamprey population, causing greater lamprey predation and a critical loss of Great Lakes fish.

The sea lamprey problem is not limited to the Great Lakes region. The lamprey has been known to appear in Lake Champlain and the Finger Lakes in New York.

The last thing we want is for the sea lamprey to become like the zebra mussel—another nonindigenous aquatic nuisance species that causes millions of dollars in damages.

Originally discovered in the Great Lakes in the 1980's, the zebra mussel is spreading rapidly across the United States, having been found throughout the Mississippi Valley to the Gulf Coast, in Chesapeake Bay, and in isolated locations as far away as California.

Cutting funding for the sea lamprey program would erase the progress we have made in controlling the sea lamprey, and threaten the fishing industry with a population explosion of this deadly species.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. I thank the gentleman for yielding me this time.

Mr. Chairman, I regrettably rise in opposition to the gentleman's amendment. I do not dispute the critical mission of the National Weather Service. I too, would like to see it funded more robustly. However, I cannot support the amendment's offsets, and I rise in opposition.

Mr. BROWN of California. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from Michigan [Ms. RIVERS].

Ms. RIVERS. Mr. Chairman, I rise in support of the goal of this particular amendment which is to increase funding to the National Weather Service but in strenuous opposition to the ultimate outcome which would cut funding from the Great Lakes Fisheries Commission and their strong record on lamprey eradication.

For those not familiar with this particular species, they are a primitive eel-like fish who in their lifetime can, by attaching to fish and feeding on their body fluids, kill 40 or more pounds of fish. By the 1950's lamprey predation in the Great Lakes greatly reduced the number of lake trout, whitefish and other desirable species in the Great Lakes and the once thriving fisheries were devastated. This is of tremendous economic impact to the Great Lakes. Generations of Americans and Canadians have grown up enjoying fishing in the Great Lakes and estimates place the total annual income value of the Great Lakes fisheries at up to $4 billion. Over 2.5 million Americans fish the Great Lakes, another 83,000 adult Canadians fish the Great Lakes and these sport fishermen stimulate over $3 billion in economic activity for the region and support roughly 54,000 jobs. By the same token a thriving commercial fishery is estimated to bring in an additional $300 million annually to both countries and employ thousands. So the continued work on keeping this predator at bay is tremendously important.

I want to make sure that we maintain the funding at levels that will maintain these programs, but more importantly that this program go back to the State Department and not remain in the NOAA system for several reasons: First is that the Great Lakes are under management jurisdiction of two Federal Governments, one Province, 8 States and several sovereign tribal authorities. We need to have the expertise of the State Department involved in the negotiations that regularly go on in this area.

The House subcommittee proposal is going to add another layer of bureaucracy to a system that works pretty well right now and there really is not an argument to rework it. Also the State Department has mechanisms in place to efficiently and effectively transfer funds to international organizations such as the Great Lakes Fisheries Commission. Plus the Great Lakes Fisheries Commission relies on the State Department to provide diplomatic guidance, to negotiate financial arrangements, bilateral coordination of fishery management programs, et cetera. It is important that funding remain at a constant level for this program and that the program be returned to States.

Mr. Chairman, I would urge Members to vote against this particular amendment and to send a message to the conference committee to go with the Senate in returning this program to the jurisdiction of the Department of State.

Mr. BROWN of California. Mr. Chairman, may I inquire of the Chair the time remaining on both sides?

The CHAIRMAN. The gentleman from California [Mr. BROWN] has 2½ minutes remaining, and the gentleman from Kentucky [Mr. ROGERS] has 5¾ minutes remaining.

The point of order still remains in front of the amendment.

Mr. BROWN of California. I think we can resolve that, Mr. Chairman.

Mr. Chairman, I yield myself the balance of my time. Let me just make one concluding statement.

Actually, the gentlewoman from Michigan [Ms. RIVERS] made a number of points that I had intended to make with regard to the existing management of the program which is conducted under a treaty agreement with Canada, with the State Department as the responsible party. One of the points that I intended to make and which she has already confirmed is that the committee's proposal could have serious negative impacts on the sea lamprey program.

If the committee is insistent on changing the funding mechanism for the Great Lakes Fisheries Commission, a successful arrangement that has worked very well, we propose, and NOAA recommends, that changes be postponed until an arrangement that does not contravene the convention can be developed.

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Mr. Chairman, I have taken this time, and I apologize because I know how precious the time is, because I think this is a matter of sufficient importance, both because of the impact on the weather service and of course the impact of the offset which dealt with the sea lamprey program. I had hoped that the members of the committee, for who I have high respect, could consider these points as they moved their bill forward into the conference proceedings.

With that, Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment at this time and save the gentleman the pain of his point of order.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OFFERED BY MR. DEUTSCH

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DEUTSCH: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . Of the funds appropriated in this Act under the heading ''OFFICE OF JUSTICE PROGRAMS—STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE'', not more than ninety percent of the amount to be awarded to an entity under part Q of title I of the Omnibus Crime Control and Safe Streets Act of 1968 shall be made available to such an entity when it is made known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968)

does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits that are paid by the entity at the time of retirement or separation.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Florida [Mr. DEUTSCH] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. DEUTSCH].

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

Mr. Chairman, the impetus for this amendment came out of an incident in my district where two Plantation police officers, Officers Alu and O'Hara, responded to a hostage situation. In their response to the hostage situation where there were two young girls being held by someone, they went into a residential home.

The gentleman set fire to himself and the two girls as well as the two police officers. The gentleman and two girls were killed. The two police officers were in critical condition. One officer, burned over 80 percent of his body, ended up spending 6½ months in intensive care.

During the initial period when they entered the hospital, they found out unfortunately that if they remain permanently disabled they would in fact lose their health care coverage for themselves and their family. They would be able to purchase COBRA coverage for 18 months. COBRA coverage, as most people know, is very expensive. But after that 18-month period they would become essentially uninsurable.

What this amendment would do is, throughout the country—the city of Plantation retroactively changed its ordinance, the State of Florida in its last session has required every jurisdiction in the State of Florida to continue health care benefits in the case of a law enforcement officer actively pursuing a criminal investigation or incident like that—to continue benefits. It does not require additional benefits. It only requires benefits that that law enforcement officer would have had had he been able to remain in the job.

I know there are at least one or two gentlemen that would like to speak, as well.

Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Chairman, I am in strong support of the Deutsch amendment. As you know, I was a police officer and have been a strong advocate of the COPS Program. At the age of 32 I suffered a permanent injury. I am medically retired from the Michigan State Police. At the time I was 32 years old. I have two children and a wife. How do you provide, not just for the injuries that you have suffered, but how do you provide for your family, how do you provide for your children health coverage if the jurisdiction that hired you does not provide it?

The Deutsch amendment says those that are involved in emergency situations, firefighters and police officers, would be allowed to continue their insurance coverage for not only themselves but also their families. We ask much of police officers and firefighters. The least we can do, when they are injured performing their duties, is to provide at least some degree of respectability and financial stability by providing health insurance for them.

I was fortunate that the State of Michigan provided that for me when I received my injuries, but unfortunately, as the gentleman from Florida [Mr. DEUTSCH] has pointed out, that is not the case all around this country.

We ask many things of police officers. I would ask that we not leave them hanging, that we provide some degree of security for them and their families when they do meet these permanently disabling injuries.

Mr. DEUTSCH. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. HEINEMAN], another former law enforcement officer who has been instrumental in this amendment and instrumental in its companion bill.

Mr. HEINEMAN. Mr. Chairman, I rise in strong support of the Deutsch amendment. It is an amendment based on the Alu-O'Hara Public Safety Benefits Act. As a 39-year law enforcement officer veteran, I know how difficult it is for public safety officers to put their lives on the line day after day protecting the public.

Last year two would-be rescuers, police officers Alu and O'Hara, were seriously burned when they entered an apartment where a deranged person was holding two hostages. Tragically, the two hostages and the officers were doused with gasoline by the hostage taker, who set fire to both the officers and the hostages. The hostages died.

After nearly losing their lives, the officers and their families who depended on them lost their health benefits. Unlike veterans who have risked their lives to protect our national security, those who protect our community can lose everything if they are injured in the line of duty. Public safety officers who suffer career-ending injuries often have their health insurance canceled by municipalities or States that they were fighting to protect.

This bipartisan legislation would create a safety net for injured officers. This amendment creates an incentive for communities that receive Federal crime dollars to extend health insurance to officers who are injured in the line of duty and would otherwise be left without health coverage. I urge my colleagues to support the Deutsch amendment.

Mr. DEUTSCH. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, I have no objection to this amendment offered by Mr. DEUTSCH, and I thank the gentleman for working with the authorizing committee to develop the language of the amendment and thank him for his work. I urge adoption of the amendment.

Mr. DEUTSCH. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, I want to compliment the gentleman on his leadership in this area. The problem that he addresses is certainly one that needs to be addressed and that we need to be successful in working. He has provided considerable leadership in this area.

I personally am concerned that in its present form there might be a possibility that it would encumber the COPS Program, and we do not in any way want to do that. I hope that we can assess that possibility, that concern, as this process moves forward, and achieve the desired result in a way that accommodates certainly every goal of the COPS Program and also the very worthy underlying goal of the gentleman's amendment.

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

Mr. Chairman, let me thank both the chairmen and ranking members and their staffs, as well as my staff, for their work to get to the point where hopefully this amendment is going to be adopted. As the ranking member pointed out, I have been a very strong supporter of the COPS Program. I do not think this penalizes it.

As this works through final passage, our hope is that our continued discussion might be able to resolve some of those issues.

Ms. ROS-LEHTINEN. Mr. Chairman, the Deutsch-Heineman amendment is to protect all of those who work to protect us.

Throughout this country thousands of men and women serve their communities as police officers, firefighters, and emergency medical technicians. They all perform the vital and dangerous work of keeping us and our families safe from crime, fire, and accident.

We all accept the contract between society and the members of the Armed Forces who are injured in our defense. It is simple fairness that we recognize that the same obligation exists between society and those who risk their lives defending us against domestic threats.

In a number of jurisdictions, an officer who can no longer work, due to job related injuries, can lose his health coverage. This nearly happened to two police officers, Officer Joseph Alu and Detective James O'Hara, who were severely wounded in responding to a hostage situation.

This amendment simply affirms the principle that those public safety officers who are injured in the line of duty will not have their heroism rewarded by being stripped of health coverage.

Mr. MANTON. Mr. Chairman, I rise today in strong support of the Deutsch amendment. There is nothing more tragic than the death or injury of an EMT, firefighter, or police officer

incurred while performing their job. But what is equally tragic is that these courageous men and women, and their families, are often left with huge medical bills they are unable to pay.

Under current law, there is no assurance that public safety officers retain their health benefits after being injured in the line of duty. These injured public servants are left disabled and unable to pay those expenses resulting from simply doing their job.

Mr. Speaker, every American citizen benefits from the protection and security that our police and firefighters provide. It is only fair that these individuals be taken care of financially after serving their community at their own risk. In 1989, I introduced the Steven McDonald Public Safety Officers' Compensation Act that subsequently was passed into law. This bill provides for a one-time Federal disability payment to law enforcement and public safety officers permanently disabled while performing an official duty. The Deutsch amendment will further this most important goal of providing these officers with well-deserved financial security upon the unfortunate event they are injured on the job.

As a former New York City police officer, I am pleased that Mr. DEUTSCH has brought this important measure to the House floor. I urge my colleagues to support law enforcement and all public health officers by voting in favor of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. DEUTSCH].

The amendment was agreed to.

Mr. LONGLEY. Mr. Chairman, I ask unanimous consent to strike the last word.

Mr. CHAIRMAN. Without objection, the gentleman from Maine is recognized for 5 minutes.

There was no objection.

Mr. LONGLEY. Mr. Chairman, I want to compliment the gentleman from Kentucky, Chairman ROGERS, for his willingness to work with other Members, particularly on the most recent amendment dealing with enhanced protection for our public safety officers.

I want to seek the Chair's cooperation, and also the members of the committee. I am very concerned about the deep cuts sustained by the State maritime academies in the Maritime Administration Operations and Training account in this bill. These six schools, including the Maine Maritime Academy in my home State of Maine, as well as schools in Massachusetts, New York, Texas, California, and the Great Lakes region, provide this Nation with three quarters of its licensed merchant marine officers, officers of superb quality and dedication.

They do this largely as State-supported institutions whose students pay the majority of the schools' operating costs through tuition. The Nation receives a tremendous return on this nominal investment in these schools. The total cost has been less than $10 million spread amongst all six institutions.

This money provides the maintenance and repair funds for the training ships which are provided by the Government and provide the students with the sea time that is required for them to receive their mariner's license. It also provides modest incentive stipends to some of these students, and in exchange the United States can rely on a cadre of qualified maritime officers to man its ready reserve force ships in times of national emergency.

This program has been a model of State-Federal partnership as well as cost sharing in a vital program which the Congress has been advocating. Yesterday, unfortunately, the committee cut its funding to less than a quarter of what is needed to sustain the program at the six schools, and in my opinion has imposed these reductions without rationale or justification.

We are hopeful that the Senate will fully fund these important schools and ensure that the appropriation is sustained when that bill comes to conference. I would appreciate the Chair's willingness to work with us to see that the funding can be restored consistent with the objectives of the committee and this legislation.

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

Mr. LONGLEY. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I assure the gentleman we will work with his concerns very deeply. I thank the gentleman very much for his help.

Mr. LONGLEY. Mr. Chairman, I thank the gentleman, and I yield back the balance of my time.

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer amendment No. 5.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK of Massachusetts: Before the short title at the end of the bill insert the following:

SEC. . None of the funds appropriated to the Federal Communications Commission by this Act shall be used to assign a license for advanced television services until the Commission has, by rule, specifically defined the obligations of holders of such licenses to operate in the public interest, convenience, and necessity, unless the assignment of such a license is by a system of competitive bidding (in the case of mutually exclusive applications for such a license).

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Massachusetts [Mr. FRANK] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

Mr. BLILEY. Mr. Chairman, I reserve a point of order against the amendment on the ground that it would constitute legislation in an appropriations bill in violation of rule XXI, clause 2 of the Rules of the House.

The CHAIRMAN. The gentleman from Virginia reserves a point of order.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume. I will not take very much now because, the point of order having been reserved, I think we will probably be debating the second of the amendments.

Mr. Chairman, I am very frustrated that we are about to make, as a government, a decision involving the disposition of one of our most valuable national resources, the currently unused portion of the broadcast spectrum. We were about to see it given, if we do not do something different, to the broadcasters, very wealthy entities. The broadcasters have already made it clear that when they accept this gift from us, they believe it is subsequently their property essentially to do as they wish with.

What is interesting is, we are talking not simply about a loss of revenue to the Federal Government, estimated upwards of $11 billion, some estimates go as high as $70 billion, but what is particularly striking to me is the majority is apparently expressing its preference here for central planning over the free market. We are being told that a Federal agency, the Federal Communications Commission, should as a matter of fiat decide how to allocate this valuable resource, and that the free market will not work to do it.

We will, as I said, be able to debate this at greater length. There are two versions of this amendment.

Mr. Chairman, I reserve the balance of my time at this point so that the gentleman's point of order could be acted on, and depending on how it is disposed of, we can proceed from there.

The CHAIRMAN. Does any Member seek time in opposition?

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Virginia insist on his point of order?

Mr. BLILEY. Mr. Chairman, regretfully and respectfully, I must insist on my point of order against the amendment on the ground that it would constitute legislation in an appropriations bill in violation of rule XXI, clause 2 of the Rules of the House.

The CHAIRMAN. Does any Member want to be heard on the point of order?

Mr. FRANK of Massachusetts. Mr. Chairman, I will be heard to say that I would not have offered legislation under an appropriations bill if we were offered the chance to legislate on a legislation bill. In the absence of our being given a chance to legislate any other way, I offered this.

The CHAIRMAN. Does any other Member seek to be heard on the point of order by the gentleman from Virginia?

If not, the Chair is prepared to rule.

The gentleman from Virginia makes a point of order that the amendment violates clause 2 of rule XXI by legislating on a general appropriation bill.

As stated by the gentleman from Virginia in support of his point of order, an amendment forbidding expenditure of an appropriation unless or until action is taken that is not currently required by existing law is not in order

as a limitation. this principle is recorded in Deschler's Precedents, volume 8, chapter 26, section 47.1.

Accordingly, the point of order is sustained.

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer amendment No. 6.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK of Massachusetts: Before the short title at the end of the bill insert the following:

SEC. . None of the funds appropriated to the Federal Communications Commission by this Act shall be used to assign a license for advanced television services.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Massachusetts [Mr. FRANK] will be recognized for 10 minutes in support of his amendment, and a Member opposed will be recognized for 10 minutes.

Does the gentleman from Virginia [Mr. BLILEY] seek to control the time in opposition?

Mr. BLILEY. Yes, Mr. Chairman, and I ask unanimous consent that half of my time be given to the gentleman from Michigan [Mr. DINGELL] and that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I had no objection to the gentleman from Virginia giving a significant chunk of time to the gentleman from Michigan. That is reasonable among colleagues. But giving a large part of the broadcast spectrum now owned by the public to some of the wealthiest entities in America for nothing seems to me to be in error.

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I would have preferred a legislative forum in which to discuss this because we have a fundamental decision here. We now have, through technology, available a significant part of the broadcast spectrum currently unallocated. No one has any legal right to it.

We have people who want simply to give that for nothing, this enormously valuable asset, the right to broadcast, to the TV networks, the TV license holders, entities wealthy in themselves, controlled by some of the wealthiest entities in America. The alternative, of course, would be to auction this off. The alternative would be to say, well, the public owns this important asset, it ought to be utilized. Let us let the free market decide.

Now, remember, there are two aspects to an auction. First, when you sell this to the highest bidder, and you could put conditions on it if you wanted to, but as you sell it you get two results: First, you get revenue for the public.

We are being told every day of the week that we cannot do things. The majority Member just complained that we are not doing enough for maritime, we are not doing enough for health care, we are not doing enough for the environment. Yet we will give $11 to $70 billion in assets away for free to some of the wealthiest people in the country. This retires the corporate welfare title for all time.

It would seem to me that those who advocate this, who then want to object to corporate welfare, would have a heavy burden of proof in differentiating this from that concept which they would then purport to lament. But there is another aspect to it which it seems to me the majority should like, the Republican majority. We have two ways to allocate this resource: One is by government fiat, by central planning. We can go to the Federal Communications Commission, that agency of public officials appointed by the President, and say, you decide. Forget all this market stuff. Market schmarket. Let us not get into this business. Let us make a nice central planning decision how to do this. Or we go the free-market route. We can say here is a valuable asset. The best way to decide how to use it is, in fact, to allocate it to the market and let the market decide.

We have had a series of auctions in other parts of the spectrum, and in every case they have produced even more money than we thought. My amendment simply says do not go forward. But as I made clear by offering the first amendment, to which people objected on procedural grounds, my preference is, in fact, to say either we have an auction or we say that this has public interest obligations, because I want to address now the approach of the broadcasters.

The broadcasters say, ''Oh, don't auction this off; we are the trustees of the public interest. This is something which we want to deal with as a matter of the public interest. Give it to us, don't have something as crass as an auction. Don't talk about money. We, after all, are seeped in the obligations to advance public debate.''

That is until they get it. Once they get it, as witness the debate over children's television or the fairness doctrine or anything else, once they get this asset for free, having justified the gift on the grounds they are the trustees of public opinion, it all of a sudden becomes private property. I have never seen such a transformation. When the broadcasters want to get it, the question is whether they should pay for it or get it for free. They are a charity. They are the United Way. They are the spokesperson for the public interest. Once they get it this becomes private property, and no one should tell them what to do with it.

My first version of the amendment, ruled out of order, would say it has to be one or the other. Either they pay for it in an auction and let the free market decide how to best use it or they get it under the guise of they are seeped in the public interest and we then make clear that their public interest obligations are.

Mr. Chairman, as I close off at this point, let me just quote from someone who says:

* * * the broadcasters should be happy with the deal they already have. They have been getting free channels for years. In return, they fulfill public interest obligations, such as reporting news and information. Now they want more airwaves for free.

Newspapers also report the news, but Congress has never had to buy them off. It seems to me, this man says, that giving broadcasters free spectrum is like giving newspapers free paper from our national forests.

Congress has never challenged whether broadcasters should be allowed to keep a channel. Instead, we are simply stating that if broadcasters want more channels, then they are going to pay the taxpayers for them. That does not kill television.

The broadcasters say they cannot afford to buy additional airways, which the Congressional Budget Office says is worth $12 billion.

Broadcasters say that if they had to pay for the extra airwaves, it would be the end of so-called free, over-the-air television. The facts speak otherwise. According to the Washington Post, over the last 2 years broadcasts deals in the private sector amounted to $31.3 billion.

All TV broadcast licenses in America were originally given away for free, but only 6 percent are still in the hands of the original licensee. The other 94 percent have been bought and sold. My point is that broadcasters have a long history of paying top dollar for existing channels. Somehow they cannot afford any new ones unless the taxpayer picks up the tab.

That was not just me speaking, Mr. Chairman; that was a private citizen by the name of Bob Dole. I suppose if he was a Senator under the rules I could quote him. But I quoted what Bob Dole said in April.

I just think it is disrespectful to the memory of that great Senate career so blatantly to disregard what Senator Dole said within a few months. Sic transit gloriea Dole. Here we have Senator Dole making this very important statement against this giveaway and within months of his departure his colleagues have forgotten the principles he enunciated.

I think on this issue Senator Dole, when he was Senator Dole, was right. I think Mr. Dole is still right. I think Mr. Dole would undoubtedly say himself that Mr. Dole is still right in exactly those same words, and I hope we will not make a multibillion dollar giveaway and allow the free market to make this decision.

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

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

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

(Mr. BLILEY asked and was given permission to revise and extend his remarks.)

Mr. BLILEY. Mr. Chairman, first, I want to correct a couple of statements of my good friend from Massachusetts, because I know he always wants to be accurate. He says that he would not be doing this here if there were hearings and it was done in the proper way in the authorizing committee.

I would remind the gentleman that we passed a telecommunications bill and this issue was in the bill. It was thoroughly debated in the committee. Since the time we passed the bill there has been a hearing in the other body and there has been a hearing over here by the very able chairman of the subcommittee, the gentleman from Texas [Mr. FIELDS]. It has not been done in the dark of the night.

The second thing I want to point out is it is not a gift, it is a loan. And why is it a loan? It is a loan because one has to have all new equipment to broadcast digital TV. It is estimated to cost $10 billion. While the broadcaster is purchasing his new equipment and broadcasting the signal under digital, he must continue to broadcast under analog, the existing technology, or he loses his audience.

We do not know when the American public will shift to advanced television. We do not even know if they will. We think they will, but we do not know when. And that is the reason for the loan.

Once the shift occurs, then the existing analog comes back, or if the station does not use the digital, that comes back. It is then packaged and auctioned off, and the taxpayers will get the highest dollar for it. The $12 billion CBO estimate is purely speculative.

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

Mr. DINGELL. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, I begin by expressing great respect and affection for my good friend from Massachusetts, Mr. FRANK. I have the most enormous regard for him. I would observe, however, that on this matter both he and Mr. Dole are dead wrong, and I would like to explain why.

First of all, I would point out that we have had this matter before the body for consideration on a number of occasions. It was debated on the floor last August, when the telecommunications bill was considered by the House. It was debated again in January when the House considered the conference report. And language similar to that which is offered by my good friend from Massachusetts was overwhelmingly rejected by the Congress.

Now, why? The gentleman claims this is a giveaway. Nothing is further from the truth. The FCC and the broadcast industry are attempting to bring forward new technology of value to this country, high definition television, and to do so by lending to the broadcasters an additional channel. This will enable us to make the shift from current technology, using old-fashioned analog technology, to the new digital technologies which will afford this country the best and the highest quality television in the world.

At the conclusion of that, the loan of the additional spectrum will have to be returned. Either the licenses which are now used by the broadcasters or the new licenses will have to be returned. The law requires that this exchange be done in the public interest. It is in the Communications Act of 1934. It was passed as part of the Telecommunications Act which was enacted last year.

The specific controlling language says this, and I am referring to section 336(c) of the Communications Act:

> Recovery of License. If the Commission grants a license for advanced television services to a person that, as of the date of such issuance, is licensed to operate a television broadcast station or holds a permit to construct such station or both, the Commission shall, as a condition of such license, require that either the additional license or the original license held by the licensee be surrendered to the Commission for reallocation or reassignment (or both) pursuant to Commission regulation.

What we are going is we are enabling this country to move forward into the digital age by making available spectrum which can be loaned to the licensees of the Commission, at the conclusion of which that spectrum must be returned to the Commission for reallocation.

Remember that the licensees are going to have to make a huge investment in new broadcasting facilities. That is for the benefit of the public, which is going to be watching a new kind of technology coming over their television sets. And so we have to provide first the spectrum to the broadcasters, and then we have to give the viewers the time to decide whether, and when, they want to acquire a digital television set in the home.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 2½ minutes.

First, I want to correct the correction of the gentleman from Virginia. He said we dealt with this in the telecommunications bill. No. What we did in the telecommunications bill was to say that we will deal with this later. Now that it is later, we are saying we dealt with it in the telecommunications bill.

I read from the letter of January 31, 1996 to Reed Hundt, signed by the gentleman from Virginia, chairman of the committee in the Senate, the Senate majority leader now, and the Speaker. ''We share Senator Dole's determination to protect American taxpayers.'' They did in January. Kind of faded. ''We wish to inform the Commission that it is our intention to conduct open hearings and move legislation to overhaul our Nation's policies governing the electromagnetic spectrum. We request the Commission not issue any initial licenses or construction permits until legislation is completed.''

There is no legislation. So, in fact, what they said when this came up in the telecommunications bill is we will do it later and now they say we did it in telecommunications bill.

Second, I say to my friend from Michigan, and I was delighted when he said he had great respect and affection for me. One day I will be here when he has respect and affection for someone he agrees with. It has not reached that.

We are only lending it to them. I accept that. This is the world's most expensive lendaway. This says here, ''You can have this extraordinarily valuable asset for a very long time, there is no end date, and you do not pay for the use of it.'' So it is now a giveaway; it is a new thing; it is a lendaway. But I have to say if the gentleman were going to lend me his house to rent out and not pay him anything, if he were going to lend me a couple billion dollars that I could lease out and get the interest on, I would be pretty happy. It is turning over to the private sector people an enormously important asset.

Finally, the gentleman from Michigan sketches out a thoughtful way that we should have this view, and I understand from his perspective why he does. It is particularly intriguing that Members on the majority side agree because this is central planning. This is a valuable asset. We have a question about how the economy will use it in the future.

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I am proposing the free market. I guess this shows that the broadcasters follow the model that Senator Magnuson said: All any business in America wants from the government is a reasonable advantage over the competition. All they want is that we give them this. Then they will be great enterprises, once they have got a $15- or $20- or $30-billion head start.

In fact, Senator Dole, when he was still Senator Dole, was right then when he said that. The letter which said, we will not do this until we have passed legislation was right. We should not countenance a giveaway or a lendaway today.

Mr. BLILEY. Mr. Chairman, I yield 30 seconds to the gentleman from Florida [Mr. STEARNS].

Mr. BLILEY. Mr. Chairman, I yield the balance of my time to the gentleman from Texas [Mr. FIELDS] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. DINGELL. Mr. Chairman, I yield 30 seconds to the gentleman from Florida [Mr. STEARNS].

The CHAIRMAN. The gentleman from Florida [Mr. STEARNS] is recognized for 1 minute.

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Chairman, I think what we have here is we have the

former chairman of the Energy and Commerce Committee and we have the present chairman of Committee on Commerce, under the Republicans, both agreeing that this is an issue where we should not charge the broadcasters to go into the higher spectrum.

The analogy I would like to bring you your attention is the Homestead Act. What happened was, we gave people land and we said, develop this land. Just like we gave the broadcasters the analog spectrum and we said, develop it. Now we are saying to the people on the homestead piece of land, we want you to go somewhere else. We are not going to go ahead and charge all these people to go somewhere else. We are asking them to go and try it out, and then we will auction off what they have. It is analogous to the Homestead Act.

I think if you think of it in those terms, you will realize we cannot charge the broadcasters for this. They already have huge mortgage payments, development of capital they have already invested. They cannot go ahead and reinvest on this new spectrum first without paying their old debt.

So what I am saying is, we need to allow them to go forward. Then we can auction off their old piece of property, their old analog. For that reason, I am against the Frank amendment.

Mr. Chairman, the telecommunications legislation we passed earlier this year calls for broadcasters to swap their current license to broadcast analog television for a new license to broadcast digital television. This approach allows for auctions to occur, which Mr. FRANK supports. However, it preserves the ability of American households' access to the best free television system in the world, something that does not seem to be of much interest of Mr. FRANK.

This approach, supported by many in Congress, follows the concepts agreed to about 8 years ago when the FCC directed broadcasters to develop advanced television. In an effort to develop and promote advanced television which uses the digital transmission of television signals as opposed to the analog transmission of signals, the FCC, with Congress' endorsement, agreed to provide broadcasters with an additional six megahertz of spectrum. Digital transmission is superior to analog transmission because it provides consumers with a clearer picture, higher-quality sound, greater interactivity, and improved data transmission.

Because broadcasters can't use existing spectrum to broadcast digital signals, it was agreed that a second channel would be provided to smooth the transition from the old analog format to the new digitized one. The purpose of having two channels was not to make the broadcasters happy, but to ensure that citizens yet to purchase new, and costly, digitally capable television sets would not lose their access to free, over-the-air services on their current television sets as the transition took place. This plan ensures that viewers will not lose access to current free over-the-air-television—which provides households with access to local news, weather, public service events, sports, not to mention entertainment.

The second channel is a straight swap of spectrum—not a giveaway. Once there are enough digital televisions in use throughout the country, the transition period would end. Then all broadcasts are to be digitally transmitted and the old analog spectrum currently in use would be returned to the Government which could auction it. If advanced television is a flop, broadcasters could return the digital spectrum and keep the old analog spectrum. Either way, the Government will have spectrum it can repackage into larger more valuable sections and then auction for other purposes such as cellular or PCS. In addition, the Government may charge broadcasters a fee if they provide ancillary or supplemental services such as faxing, paging or other subscription fee services on the spectrum. This straight swap preserves, protects, and improves television capability in our Nation.

Under the well-established 8-year-old plan which provides for the transition from an analog world to a digital world, each television station will already have to pay $8 to $10 million in moving, equipment, and upgrading costs. Obviously, this is a huge cost for many, but particularly for most broadcasters in small and medium-sized markets, like Ocala and Jacksonville, FL, in my district, with assets under $10 million. Heaping auction costs on top of this transition cost will make it virtually impossible for many local broadcasters to provide free, over-the-air programming in the digitized world. It does not take a genius to figure out that if enough broadcasters are forced out of the industry because of these costs, consumers will have less choice in their viewing options. This effect runs counter to the very purpose of the Telecommunications Act of 1996 which we envision to create more consumer choice. There is no reason the continuation of free television should be jeopardized needlessly in the information age.

Clearly, this rational approach is a win-win situation for all involved. Government wins because its coffers will be filled with auction proceeds and fees from ancillary or supplemental services. Those who care about the continued livelihood of free, over-the-air broadcasting win because television programming won't be interrupted in the transition from analog to digital. Broadcasters win because they will remain competitive in the new information age. But above all, consumers win because by following sensible public policy we will ensure their continued access to news and information and will keep their analog television sets from becoming obsolete overnight.

In passing the groundbreaking Telecommunications Act of 1996 we allowed every segment of the telecommunications industry to move forward and offer us new, innovative, and less expensive products. Lets not hold back the only segment of the telecommunications industry that provides us with a free service. Oppose the Frank amendment and support the preservation of free-over-the-air broadcasting.

The CHAIRMAN. Because no Member controlling time is a member of the committee; therefore, the gentleman from Massachusetts [Mr. FRANK], as the proponent, has the right to close the debate.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. HALL].

(Mr. HALL of Texas asked and was given permission to revise and extend his remarks.)

Mr. HALL of Texas. Mr. Chairman, I rise in objection to this amendment. To permit a digital spectrum auction, as this amendment does, would absolutely disrupt the economics of the broadcast industry and would make it, I think, impossible for broadcasters to continue to offer free television to American viewers.

The burden would fall heaviest on the middle- and lower- income classes. I think we have to allow broadcasters to make the transition to digital without any spectrum auction because the financial burden of an auction plus as much as $8 to $10 million of additional hardware cost to digital could kill a broadcast station.

Of course, we are talking about a compact between broadcasters and the public, as Mr. DINGELL said, dating back 60 years. Killing local television means destroying a major lifeline for many. It would mean the end to a part of the American culture. I oppose the amendment.

Mr. HALL of Texas. Mr. Chairman, I rise today in opposition to the amendment offered by my colleague, Mr. FRANK. This Congress has just succeeded in passing the landmark Telecommunications Act of 1996 following months of hearings and negotiations. This legislation represented a bipartisan effort that resulted in an agreement made by the House and the Senate to instruct the Federal Communications Commission to move forward to implement a digital broadcasting plan.

My colleague, Mr. FRANK, wants to pass an amendment that would destroy any plan for a successful transition to digital broadcast television. To permit digital spectrum auction, as is Mr. FRANK's intent, would disrupt the economics of the broadcast industry and would make it impossible for broadcasters to continue to offer free television to American viewers. The burden would fall heaviest on the middle and lower income classes.

We must allow broadcasters to make the transition to digital without any spectrum auctions. The financial burden of an auction plus as much as $8 to $10 million of additional hardware costs to digital could kill a broadcast station.

We are not talking about a free giveaway, as some people want to call it.

This agreement is the result of legislation that this House overwhelmingly passed and the President has signed it into law. I think it is a waste of time to come here today and readdress this issue.

I personally do not want to go back to my Fourth District of Texas and tell my constituents that they will have to start paying for their local broadcasting because someone turned public interest into a fiscal issue and is using this digital spectrum as a revenue potential instead of a communications issue that should be decided on its merits. I urge my colleagues to keep local television tax free and allow every American to reap the benefits of digital technology instead of being asked to reach into their pockets as they so often do.

Mr. FIELDS of Texas. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, if you like everything on television to be pay per view, if you want to pay extra to

see the Olympics every time you want to see any Olympic game, if you want to pay extra for baseball or for ER or for all the programs you enjoy on commercial broadcast television that is commonly called free television, vote with the gentleman from Massachusetts [Mr. FRANK]. That is the net result.

If you charge the broadcasters extra taxes to broadcast those programs, they will charge everything pay per view. That is the net result. If you agree with Chairman BLILEY and the former chairman, the gentleman from Michigan, Mr. DINGELL, then vote ''no'' on this amendment to protect free TV. That is what it is all about.

Mr. FIELDS of Texas. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, let me begin by saying that I respectfully disagree with my friend from Massachusetts on this particular amendment. However, there are some areas of agreement. An area of agreement is that the spectrum is a national resource. The taxpayer deserves its due from that national resource.

Second, I would agree with the gentleman that there should have been a decision this year on the transition from analog to digital. It is a very complex issue. But we went through the process. This should be an issue that comes up early next year through the process. This is not the time to do it.

I believe very strongly, Mr. Chairman, that there should be a transition as quickly as possible from the old technology of analog to digital. That is consumer beneficial. I believe that there should be an obligation for a period of time for a simulcast by the broadcaster, both in analog and digital. And I believe very strongly that as soon as there is adequate consumer penetration of the advanced television market, there should be a giveback of that analog and at that time there should be an auction.

It is my view that the consuming public, the taxpayer, gets more for an auction of that analog spectrum at that particular moment. It is important to recognize that we should not stifle or slow down in any way a transition that is going on, a very important part of this information age.

If you are for better television, if you are for television that remains free over the air to the consumer, at this particular moment, you must oppose the Frank amendment.

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

First the argument that this will be the end of free TV is, of course, nonsense, as Senator Dole pointed out. The broadcasters say, if you make us pay for this license, we will not be able to give you free TV. Ninety-four percent of the current broadcasters paid for that license. What they mean is, if we can pay each other billions of dollars, then we can do it for free. But if any of that leaks into the public, we will have to charge.

As Senator Dole pointed out in this speech, 94 percent of the current broadcasters paid for their license. What happens, of course, is they get the license for free. And that will happen with these licenses. We will give some digital, some licenses to the spectrum. People will get into the digital business. They will sell them back and forth to each other. Some of the wealthiest entities in this society are making money off of each other on this, which would be fine if it did not all begin with a free grant from the public. That is the second point.

My friend from Texas says, this is the way it ought to be, by Government fiat. Understand, and this, it seems to me, is the greatest inconsistency, I guess we once again understand, the free market is for minimum wage workers. The free market is for women on welfare. The free market is for little people. You reach a point where you are too big to be in the free market. Then you negotiate your deals with the Government, except it is not really a deal because you get this for nothing.

What we are being told is, given this new technology, given this great resource, the unused part of the spectrum, the central Government will decide how to do it. It will not be a free market decision. We will allocate by Government fiat these resources to the existing very wealthy entities, and they will decide how to do it. Should there be high definition television? Should it replace the other? Why is the free market not for that?

This reaffirms the majority's view here that they believe the free market is great for small people and working people, but when wealthy entities come, let us not disrupt them with the free market.

Mr. RICHARDSON. Mr. Chairman, I oppose the amendment offered by my friend from Massachusetts.

I'm concerned that this amendment, if enacted, would jeopardize Americans' access to free television, especially those who live in rural America. Rural stations simply cannot afford to spend $8–$10 million converting their stations to digital television technology. Jobs will be lost if we do not convert to digital soon.

Ironically, delaying the issuance of this spectrum, as this amendment would certainly do, will only push back the date when we can auction off the tremendous chunk of spectrum that will be opened up when stations return their analog spectrum.

The FCC, as well as the Commerce Committee, has studied this for many years. We had hearings on this issue earlier this year, and the committee benefited from Mr. FRANK's testimony at that time.

It's now time to put some closure on this issue, so in a way, I'm glad my colleague has offered his amendment. Let's send a message to the FCC that this body wants the transition to digital television to begin sooner rather than later. I urge my colleagues to vote ''no'' on the Frank amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I insert the following documents in the RECORD. First, a letter dated, July 22, 1996, from a broad coalition of liberal, moderate, and conservative organizations expressing their support for the amendment to prevent the Federal Communications Commission from giving away licenses for advanced television services; second, a statement by former Senator Bob Dole in support of auctioning the spectrum for advanced television services; and third, a letter dated January 31, 1996, from Republican leaders requesting that the FCC not issue any licenses or permits for the provision of advanced television services until they can ''move legislation to overhaul our Nation's policies governing the electromagnetic spectrum'' which the Republican leadership has not even tried to do.

JULY 22, 1996.

Hon. BARNEY FRANK,
*Rayburn House Office Building,*
*Washington, DC.*

DEAR REPRESENTATIVE FRANK: We are writing to express support for your amendment to the Commerce, Justice, State and the Judiciary appropriations bill to prevent the Federal Communications Commission from assigning licenses for advanced television services in fiscal year 1997.

The issue of whether incumbent broadcast licensees should simply be given additional spectrum for digital operations free of charge is of great importance to the debate over fiscal policies for the next decade. The FCC estimates the value of the digital spectrum at $11 billion to $70 billion. In a time of budget cutting and fiscal belt-tightening, it would be irresponsible for Congress to permit the FCC to assign digital spectrum to existing broadcasters without a thorough examination of the costs of such action. While we believe broadcasters should have the opportunity to convert to digital broadcasting format, we do not believe that an open-ended giveaway of an extra 6 MHz of spectrum to all existing broadcasters is the best way to accomplish that end.

We applaud your bold move to ensure that Congress will have the opportunity to take a hard look at whether to auction or give away the spectrum, and whether to establish a specific time frame for completing the transition process. American taxpayers deserve no less.

Sincerely,

Media Access Project; Center for Media Education; Common Cause; Consumer Federation of America; Council for Citizens Against Government Waste; National School Boards Association; National Taxpayers Union; People for the American Way; Small Business Survival Committee.

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REMARKS BY FORMER SENATOR BOB DOLE, CONGRESSIONAL RECORD S3443, APR. 17, 1996

Mr. DOLE. Mr. President, TV broadcasters have broken their trust with the American people. For more than 40 years, the American people have generously lent TV station owners our Nation's airwaves for free. Now some broadcasters want more and will stop at nothing to get it. They are bullying Congress and running a multimillion-dollar scare campaign to mislead the public.

The reason is simple: Why pay for something when you can get it for free? But there is one small problem. The airwaves are the nation's most valuable natural resource and are worth billions and billions of dollars. They do not belong to the broadcasters. They do not belong to the phone companies. They do not belong to the newspapers. Each and every wave belongs to the American people, the American taxpayers. Our airwaves are just as much a national resource as our national parks.

Enter the TV broadcasters. Earlier this year, I blocked their legislative efforts to get

spectrum for free. At my request, Congress is now holding open hearings on reforming our spectrum policies.

Apparantely, the democratic process is not good enough for most broadcasters. So TV broadcasters are now running ads and so-called public service announcements, claiming that TV will die without this huge corporate welfare program, this billions and billions of dollars they want to take away from the American taxpayers. Of course, they do not call this giveaway welfare; they call it a tax. Imagine calling a giveaway a tax.

Also, I am aware that some broadcasters have asked Members of Congress to drop by their stations. In the midst of these friendly discussions, the broadcasters say, 'I thought you might want to see the ad we are considering running in your district.'

So much for subtlety.

It seems to me the broadcasters should be happy with the deal they already have. They have been getting free channels for years. In return, they fulfill public interest obligations, such as reporting news and information. Now they want more airwaves for free.

Newspapers also report the news, but Congress has never had to buy them off. It seems to me that giving broadcasters free spectrum is like giving newspapers free paper from our national forests.

Congress has never challenged whether broadcasters should be allowed to keep a channel. Instead, we are simply stating that if broadcasters want more channels, then they are going to pay the taxpayers for them. That does not kill television.

The broadcasters say they cannot afford to buy additional airwaves, which the Congressional Budget Office estimates is worth at least $12 billion. Last time I checked, the American people

We are trying to balance a budget with tax cuts for families with children, reducing spending, and closing loopholes.

Broadcasters say that if they had to pay for the extra airwaves, it would be the end of so-called free, over-the-air television. The facts speak otherwise. According to the Washington Post, over the last 2 years broadcast deals in the private sector amounted to a whooping $31.3 billion. That is with a 'b'—billion dollars.

Here is another fact. All TV broadcast licenses in America were originally given away for free, but only 6 percent are still in the hands of the original licensee. the other 94 percent have been bought and sold. My point is that broadcasters have a long history of paying top dollar for existing channels. Somehow they cannot afford any new ones unless the taxpayer picks up the tab.

UNFUNDED MANDATE ON CONSUMERS

Before Congress lets huge moneyed interests get their fingers on this national resource, we must be certain that the American taxpayer is fully protected. The policy broadcasters want will not only force taxpayers to give away valuable airwaves, it will also force consumers to spend hundreds of billions of their own dollars on new equipment which is a point that I think has been overlooked. They have been trying to frighten everybody with television, and to get their way are going to have to have another television or some attachment.

The fact is that federally mandating a transition to digital broadcast will ultimately render all television sets in the country obsolete. You will not be able to use your television set.

Consumers will be forced to buy either new television sets or converter boxes to receive so-called free, over-the-air-broadcasts.

Last year we passed the unfunded mandates law. Perhaps some have forgotten, but that law applies to more than just State and local governments. It applies to the private sector and most importantly to individuals.

The impact of the broadcasters' plan would be dramatic. There are 222 million television sets in this country. At a Senate Budget Committee hearing last month, the broadcasters testified that the average digital television set's estimated cost is $1,500, while the less expensive converter box will cost approximately $500. Replacing every television set in America with a digital one would cost $333 billion. Using the less expensive converter box would cost $111 billion. No doubt about it, consumers will not be happy that Congress made this choice for them. That is precisely what we are going to do here unless we wake up and smell something.

The American people should have a say before Congress makes a decision on spectrum. After all, the airwaves are theirs and so are their TV sets. Neither belongs to the broadcasters.

NETWORK COVERAGE

Finally, TV broadcasters have rightly kept a watchful eye on a bloated Government. Whether it was $600 toilet seats or $7,000 coffee pots. they have always helped us quickly identify waste. But they have been strangely silent on this issue. In contrast, story after story, and editorial after editorial, protested this giveaway in the print media.

In fact, I have a whole bookful here. In fact, this is loaded with editorials and comments about this giveaway. You do not see it on television.

There have been a few exceptions. I want to be fair. CNN, which is a cable network, has reported on this issue, while CBS made an attempt a month ago. So-called public interest obligations seem to have gone out the window when it is not in the broadcasters' self-interest.

If five Senators took a legitimate trip somewhere overseas to investigate something that might be costing the American people money, that is reported on the evening news as a junket costing thousands and thousands of dollars to the American taxpayers because the Senators were over there trying to see if they were spending too much on foreign aid maybe in Bosnia or maybe somewhere else. That would be news. Maybe it is news. Maybe it should be reported. But when it comes to billion dollar giveaways, to them 'mum' is the word. You never hear about it on television. Dan Rather will not utter a word. Peter Jennings, Tom Brokow—maybe they do not know about it. But I would say to the American taxpayers and the people with TV sets that somebody had better protect the American public.

I have even had a threatening letter, which I will not put in the file, that if I do not shape up and stop talking about this, this broadcaster is going to get his 700 employees to vote for someone else in November. That is intimidation.

I have no quarrel with the broadcasters. I have always thought they were my friends. But it seems to me that when we are trying to balance the budget and when we are asking everybody to make a sacrifice, then we ought to make certain that we do not give something away worth billions and billions and billions of dollars.

Maybe the broadcasters felt this issue was not newsworthy. But if that is the case, why did the National Association of Broadcasters vote to go on the offensive and launch a multi-million-dollar ad campaign to preserve, as they spin it, free, over-the-air-broadcasting?

I have already indicated it is not going to be free. It is going to cost you $500 for a converter box or $1,500 for a new TV set. That is not free.

I did not realize that ad campaigns have replaced the evening news.

CONCLUSION

Mr. President, if the broadcasters have a case to make, Congress is prepared to hear them. We are having fair and open hearings, That is what democracy is all about. It is not about distorting the truth and making thinly veiled threats. The American people know this. And despite what some might think, we are not easily duped.

I hope that fairness will prevail. I do not know what the value should be. But we should find out. Maybe it is $1. Maybe it is $1 million. Maybe it is $50 billion. But I never found anything wrong with having a hearing and asking the people that might be impacted, including the American consumer, to come to testify. I believe many broadcasters understand their responsibility. Maybe there are only a few out there leading this effort to mislead the American public and to walk away with billions of dollars in welfare from the Congress of the United States.

I know this is not a very popular thing to do—to get up and take on TV broadcasters or radio broadcasters because they have a lot of free access to the airwaves. But I believe, if we are serious about the budget and serious about the future, serious about the taxpayers, that it at least ought to be raised.

So I think they are all legitimate. But I think those broadcasters who have not been blinded by greed—and there are a lot of them out there that have not—will help shape the future of television.

Again, I must say that I know it does not get a lot of attention. But there are all kinds of columns here by different people, William Safire and others, page after page, hundreds of pages of stories about this giveaway.

I know the broadcasters are meeting in Las Vegas, and I think it is time to throw the dice and have a hearing. Maybe they can make their case. That is what Congress is all about.

But it seems to me that the President, I think, should have an interest in this. It is not a partisan issue. It is an issue of how we are going to pay the bills, how we are going to balance the budget, and what amount will properly be received in charging for spectrum.

Mr. MOYNIHAN. Mr. President, will the majority leader yield for a question?

Mr. DOLE. I am happy to yield.

Mr. MOYNIHAN. Does the leader have in mind to schedule hearings and to ask the administration officials to testify?

Mr. DOLE. In fact, I think we have had one. Senator Pressler, chairman of the Commerce Committee, had 1 day of hearings. There will be another day of hearings, I think, next week to be followed by additional hearings. So there is an effort to have everybody come in and testify and then make a judgment.

I see the Senator from South Dakota is on the floor now. That was part of the agreement on the telecommunications bill—that the bill would go forward, there would be hearings, and Congress would make a judgment for the American people. We are going to have to cough up the money on what we should do.

Mr. MOYNIHAN. I thank the Senator. It is none too soon.

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CONGRESS OF THE UNITED STATES

*Washington, DC, January 31, 1996.*

HON. REED E. HUNDT,

*Chairman, Federal Communications Commission, Washington, DC.*

DEAR MR. CHAIRMAN: As you are aware, Senator Majority Leader Dole and others have raised legitimate concerns about giving additional spectrum to television broadcasters. As you are aware, these concerns

raise serious policy questions which include providing taxpayers fair compensation for the use of a national resource to the policy implications of giving preference to the broadcasters over all other potential competitors.

We share Senator Dole's determination to protect America's taxpayers, and to satisfactorily resolve this issue. We wish to inform the Commission that it is our intention to conduct open hearings and move legislation to overhaul our nation's policies governing the electromagnetic spectrum. We request that the Commission not issue any initial licenses or construction permits for Advance Television Services until legislation is completed. Furthermore, your input would be greatly appreciated as we work to solve this complicated issue.

We appreciate your cooperation in advance on this issue of the utmost importance.

Sincerely,

TOM BLILEY.
NEWT GINGRICH.
LARRY PRESSLER.
TRENT LOTT.

Mr. MANTON. Mr. Chairman, I move to strike the last word and I rise in opposition to the Frank amendment.

Mr. Chairman, new and advanced technology has made it possible for broadcasters to offer consumers high quality digital television that will eventually replace the current analog mode of broadcasting. Digital or advanced television promises consumers sharper pictures, CD quality sound, and more programming choices. But this transition to digital television will take time. Broadcasters will have to invest in new equipment and consumers will need new digital television sets or converters that will allow their current sets to received digital signals.

Congress has directed the FCC to allocate to the broadcasters additional spectrum to begin broadcasting advanced television signals while simultaneously continuing to broadcast current analog signals. Once consumers are fully prepared to receive digital television, the broadcasters will be required to return the spectrum they use for analog television. This spectrum will be repackaged and auctioned by the Federal Government.

We should reject the Frank amendment and allow the FCC to complete this proceeding and finalize a plan for the transition to digital television that is based on sound public policy designed to maximize the benefits of technological progress for consumers and the Federal Government.

Mr. Chairman, some proponents of the Frank amendment have argued that an immediate auction of the spectrum that has been set aside for the transition to digital television would yield billions of dollars for deficit reduction. But what these proponents ignore is that such an option would destroy an orderly transition to digital broadcasting, deny millions of Americans the benefits of advanced television services, and raised less money for the Federal Treasury than an auction of repackaged analog spectrum.

Mr. Chairman, sound communications policy, not fiscal policy, should guide the FCC toward the completion of this proceeding. I urge my colleague to reject the Frank amendment. Let's allow the FCC to do its job and proceed with a plan to make certain that all Americans reap the benefits of digital television.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FIELDS of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 479, further proceedings on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] will be postponed.

AMENDMENT OFFERED BY MS. JACKSON LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. JACKSON-LEE of Texas: Page 52, line 10, after the dollar amount, insert the following: ''(increased by $10,000,000)''.

Page 23, line 18, after the dollar amount, insert the following: ''(reduced by $10,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentlewoman from Texas [Ms. JACKSON-LEE] will be recognized for 7½ minutes, and the gentleman from Kentucky [Mr. ROGERS] will be recognized for 7½ minutes.

The Chair recognizes the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

I am offering an amendment to H.R. 3814 to increase the funding to the National Telecommunications and Information Administration grants programs in the Commerce Department. I would like my fellow colleagues to travel with me on a very brief journey in any order that we might invest in America's future.

As a member of the Committee on Science, I have always said that science is the work of the 21st century. My amendment would increase NTIA by 10 million. These funds will go to NTIA's information infrastructure grants program.

In 1995, out of the 1,800 applications representing over 4,000 organizations, only 117 grants to 47 States and the District of Columbia totaling more than 30.7 million were awarded; 1,800 applications representing over 4,000 organizations, we only got 117 grants.

These grants were matched by more than 60 million in non-Federal funds showing that there is a great interest in the private sector to partnership with the Government.

These grants will allow kids in farming communities and inner cities to bridge the information gap; bring better health care to seniors in their own homes; provide valuable training and new job opportunities to workers in economically depressed areas; and improve public safety by helping to extend emergency telephone service nationwide and much more.

The need for this important program is tremendous. As many communities in the country remain unable to access advanced networks or information. According to a 1995 study, only 20 to 25 percent of the Nation's hospitals and public libraries and only 9 percent of our classrooms have access to the Internet or advanced information services.

As a member of the telecommunications conference committee, one of the important issues was the access of Internet and telecommunications to our urban centers and, yes, our rural communities. I would hope my colleagues would recognize that we do a great disservice to the work force of the 21st century in not educating our children now and providing the resources for it.

NTIA also brings computer literacy and skills to millions of Americans who would not otherwise have access. This has a direct tie-in to economic development that will pay off by the year 2000, when 60 percent of the new jobs will require skills currently held by only 20 percent of the population.

I have an interest in the dissemination of technology throughout our Nation's society. Toward that end I am always exploring avenues on how to best achieve that mission, and NTIA serves us as a very viable vehicle for training our population. Unfortunately the lack of funding has slowed that progress. With 2.5 million classrooms and 50 million grade school students lacking access to this important innovation, it is critical that all avenues be explored to make their technological needs.

Without any rival to its supreme information status today, there are many moves to create access to this new technology for all sectors of our Nation. We must be competitive with our western nations and this entire world.

I am sure Members are aware, just as I am, of the great benefits personal computer technology has afforded modern society. It is an artificial extension of human intellect which has advanced the effectiveness of communication and the quality of information gathering. This technology will be the economic backbone for many communities far into the next century.

Mr. Chairman, it is my belief that we can do no greater contribution or make no greater contribution than the recognition of the valuable importance of technology in the 21st century and that we not leave one soul on the sidelines looking on, not one child from our rural communities, not one child from urban America, not one library, not one school teacher, not one school, not one university.

I ask my colleagues to support this amendment.

Mr. Chairman, I am offering an amendment to H.R. 3814, the Commerce-Justice-State and the Judiciary Appropriations Act for fiscal year 1997, to increase the funding to the National Telecommunications and Information Administration [NTIA], grants programs in the Commerce Department. I would like to invite my fellow colleagues to invest in our Nation's future by supporting this amendment.

My amendment would increase funding to NTIA by $10 million. These funds will go to NTIA's information infrastructure grants program.

In 1995, out of the 1,800 applications, representing over 4,000 organizations, only 117 grants to 47 States and the District of Columbia totaling more than $35.7 million were awarded. These grants were matched by more than $60 million in non-Federal funds. These grants will allow kids in farming communities and inner cities to bridge the information gap; bring better health care to seniors in their own homes; provide valuable training and new job opportunities to workers in economically depressed areas; and improve public safety by helping to extend emergency telephone service nationwide; and much much more.

The need for this important program is tremendous, as many communities in the country remain unable to access advanced networks or information. According to a 1995 study, only 20 to 25 percent of the Nation's hospitals and public libraries, and only 9 percent of our classrooms have access to the Internet or advanced information services.

NTIA also brings computer literacy and skills to millions of Americans who would not otherwise have access. This has a direct tie-in to economic development that will pay off by the year 2000 when 60 percent of the new jobs will require skills currently held by only 20 percent of the population.

As a member of the House Committee on Science, I have an interest in the dissemination of technology throughout our Nation's society. Toward that end, I am always exploring avenues on how to best achieve that mission, and I believe that NTIA has proven itself to be up to the task of spreading the information age to many deserving communities across this country.

Unfortunately, the lack of funding has slowed the progression of computer technology into our Nation's schools. With 2.5 million classrooms and 50 million grade school students lacking access to this important innovation it is critical that all avenues be explored to meet their technological needs. Without any rival to its supreme information status to date, there are many moves to create access to this new technology for all sectors of our Nation.

I am sure you are aware, just as I am, of the great benefits personal computer technology has afforded modern society. It is an artificial extension of human intellect which has advanced the effectiveness of communication, and the quality of information gathering. This technology will be the economic backbone for many communities far into the next century.

Let us act today, so that tomorrow we will not have debates on the disparity in life, liberty, and property of the information haves versus the information have nots.

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

Mr. ROGERS. Mr. Chairman, I rise in opposition to the gentlewoman's amendment and I yield myself such time as I may consume.

Let me say, I understand the gentlewoman's concerns about rural and underserved areas that they not be left off the information superhighway. I share that concern very deeply because my own district would qualify in that category.

Recognizing the importance of the information infrastructure grants program for rural and underserved areas, we inserted in the bill funding for the program at the 1996 level. We did not cut a penny off the program from its current levels. At a time when most other programs were being slashed in the bill, including most of the commerce programs. We maintained the funding level for this program. This amendment would seek a 47 percent increase for this program at the expense of the Federal prison system and specifically the building of new prisons.

Mr. Chairman, the need for new Federal prisons is clear. The Federal prison system is currently suffering from dangerous overcrowding: currently 23 percent overcrowded systemwide; 43 percent overcrowded at the high security facilities, obviously the most dangerous. By the year 2001, overcrowding at the high security facilities would exceed 50 percent as a result of the growing population of convicted criminals who are increasingly violent and subjected to longer sentences.

□ 1230

We continue on a path of building two new prisons this year at the higher security levels where we most desperately need relief from overcrowding. This amendment would jeopardize that program and seriously threaten the safety and security of the prison system and surrounding communities where people obviously are residing.

The accountability gap still exists at the Federal level. Repeat offenders continue to fill our prisons, and we want to ensure adequate space is available to ensure that these felons are off our streets.

There is no parole at the Federal level, and therefore the need for prison space is absolutely critical.

As much as I support the sentiments of the gentlewoman's amendment, I have to say to her that I am strongly opposed to it for the reasons I have said. One, we fully fund the information infrastructure grants program; two, the gentlewoman's amendment would jeopardized the Federal prison building program that we must continue. And so I urge a rejection of this amendment.

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

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

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

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I want to commend the gentlewoman from Texas for her concern about rural educational programs and for refocusing the direction of her amendment from reducing the funding for our international broadcasting system which is so sorely needed.

However, I am impressed by the gentleman's remarks with regard to the need for doing more in alleviating the overcrowding of our prison system, and I hope the gentlewoman might find a better way of funding the educational programs that she is so worthily advocating by her amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. BROWN], the ranking member of the Committee on Science.

Mr. BROWN of California. Mr. Chairman, I rise in support of this amendment. It will increase the funding for valuable programs at the National Telecommunications and Information Administration that will help spur the development of an advanced information infrastructure for the Nation.

I particularly commend the gentlewoman for her effort to provide additional support for a proven NTIA program that is assisting communities throughout the Nation to obtain connections to information networks and to develop and enlarge the uses for public benefits of networks, such as the Internet.

I refer to the NTIA Telecommunications and Information Infrastructure Assistance Program. This is a highly-competitive, merit-based grant program that provides seed money for innovative, practical technology projects throughout the United States. Many projects now in place to connect rural and urban underserved Americans to information networks would never have occurred without the Federal assistance provided by this program.

The NTIA program provides matching grants to nonprofit organizations such as schools, libraries, hospitals, and local governments. The grants are used to fund projects that improve the quality of, and the public access to, education, health care, and government services. The grants are used for a variety of purposes. For example, connections to networks are made possible by assistance with the purchase of computers, video conferencing systems, and network routers.

But in addition to physical network connections, the grants program assists communities in developing effective uses of networks by supporting purchase of software for organizing and processing all kinds of information; training in the use of equipment and software; and purchase of communications services, such as Internet on-line services.

This NTIA grants program has generated enormous enthusiasm and has been a recognized success. Over the 3 years of its existence, it has generated more than 3,600 applications from across the Nation. And because it is a matching grant program, the applications have spawned hundreds of millions of dollars in commitments from local, State, and private sector sources.

The importance of this program is in its potential to bring new opportunities for learning and job creation to residents in isolated areas and in underserved areas of the Nation by

unleashing the power of modern information technologies. Projects have been supported that will improve educational opportunities for children in farming communities and inner cities, will bring improved health care to elderly patients without requiring them to leave their homes, will provide worker training and new job opportunities in economically depressed areas, and will improve public safety by supporting the extension of emergency telephone service throughout the country.

Moreover, by serving as models that can be replicated in similar communities across the United States, projects supported by this program extend their effects far beyond the communities in which they take place, and provide economic and social benefits to the Nation as a whole.

Mr. Chairman, the amendment will strengthen a program that is helping to develop a nationwide, interactive, multimedia information infrastructure that is accessible to all citizens. The program has effectively leveraged Federal resources through partnerships with non-profit organizations in local communities.

The NTIA Telecommunications and Information Infrastructure Assistance Program has proven its value and deserves a higher priority in this appropriations bill. I urge my colleagues to vote yes on this amendment.

PARLIAMENTARY INQUIRY

Ms. JACKSON-LEE of Texas. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state her parliamentary inquiry.

Ms. JACKSON-LEE of Texas. Might I inquire of the proponent of the amendment if I have the right to close?

The CHAIRMAN. No. If a member of the committee is controlling time in opposition to the amendment, then he will have the right to close.

Ms. JACKSON-LEE of Texas. Then I will proceed at this time, Mr. Chairman.

Let me try to emphasize very quickly, first of all, we are talking about a $10 million increase out of a $395 million budgeting for prisons. I would say that the choices need to be made. We have empty beds available in various States who would welcome Federal prisoners. This does not mean colleagues are soft on crime, but it does mean that they can support the Texas A&M foundation grant that was to design a way of extending information infrastructure into underserved economically disadvantaged neighborhoods.

The grass-roots models will be locally driven and managed, or maybe they will be the Corpus Christi public library that will help them receive the library information network or the Texas children's hospital that helped to ensure medicine in the valley, a sophisticated medicine in the valley in Texas, to rural communities by telemedicine. This is a program that can effectively both save lives and create opportunity for young lives.

I would ask my colleagues to invest in the future and support the increase of $10 million for the National Telecommunications Information Administration making the right choice.

Mr. ROGERS. Mr. Chairman, I yield myself the balance of the time, and I shall not take the full time.

We have heard the arguments here. We have plenty of money in this bill for the information infrastructure grant programs for rural areas. I come from a rural area, and as chairman I saw to it there was sufficient funding in this bill for that purpose. We provide the same funding as last year, although we cut most of the other Commerce Department programs.

Second, the gentlewoman's amendment would take the money for the increase that she seeks from the Federal prison building program which we desperately need, and this will put in jeopardy the building of two new prisons in the next fiscal year.

So I urge a strong ''no'' vote to the gentlewoman's amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE].

The amendment was rejected.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

The CHAIRMAN. The gentlewoman from Texas is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the House for allowing me to have what I think is a very important debate on this issue. We may never agree, but I do believe that we should certainly have a consensus around the valuable role that technology and the Internet will play in the lives of Americans.

I would offer to this committee and to authorizing committees that we provide a vehicle for the Department of the Census to do a survey that would inquire and determine who amongst us have been left out of access to the superhighway and Internet. I believe that, if we would allow additional funding for the Census Department to determine and survey, that we would have an opportunity to determine the reality of the need.

POINT OF ORDER

Mr. ROGERS. Point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROGERS. Mr. Chairman, I was under the understanding that we are under a set of amendment that are controlled by the rule of the House.

The CHAIRMAN. The gentleman is absolutely correct. The gentlewoman from Texas moved to strike the last word. The Chairman asked if there was objection. When there was no objection, the Chair recognized her for 5 minutes.

Mr. ROGERS. All right. I withdraw the point of order.

The CHAIRMAN. The gentlewoman from Texas will continue.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I will be concluding.

I had asked to enter into a colloquy with the gentleman from Kentucky [Mr. ROGERS], and I would be happy to do that with him regarding my concern about determining who has been left out of the net of the Internet. My suggestion is that the Department of Census would be an appropriate vehicle in order for us to insure, as I know that the gentleman from Kentucky [Mr. ROGERS] and certainly the gentleman from West Virginia [Mr. MOLLOHAN] would welcome that all of us are involved in the superhighway. This is a proposal that I hope that we will have an opportunity to engage in further discussions and to provide the Bureau of the Census with the resources to gather information on computer use in the United States.

Might I inquire of the time that I have, Mr. Chairman?

The CHAIRMAN. The gentlewoman from Texas has 3½ minutes remaining.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. MILLENDER-MCDONALD].

The CHAIRMAN. The gentlewoman cannot yield blocks of time when she moves to strike the last word. The gentlewoman from Texas can stand and yield to the gentlewoman, but she cannot allocate a set amount of time to her.

If the gentlewoman wishes to remain standing, she may then yield during her presentation to someone else for the opportunity to make a point.

Ms. JACKSON-LEE of Texas. Mr. Chairman, that is what I am seeking to do; is that appropriate?

The CHAIRMAN. If there is a Member on the floor seeking to have the gentlewoman from Texas yield, that may occur.

Ms. JACKSON-LEE of Texas. I will now, to the gentlewoman from California.

Mr. Chairman, might I provide her with a certain amount of time?

The CHAIRMAN. No, the gentlewoman may not allocate time and then sit down. She may simply yield to the gentlewoman from California on her own time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield to the gentlewoman from California [Ms. MILLENDER-MCDONALD].

(Ms. MILLENDER-MCDONALD asked and was given permission to revise and extend her remarks.)

Ms. MILLENDER-MCDONALD. Mr. Chairman, I really would like to thank the gentlewoman from Texas and to really applaud her on her leadership in this area.

It is very important that I stand before my colleagues to strongly support her amendment and the increased funding for the National Telecommunications and Infrastructure Administration. We know how important this is

for our children, for the growth and the information highway that is much needed for the educational components of our schools. I am in strong support of this.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am not sure whether or not the gentleman from Kentucky [Mr. ROGERS] is able to enter into a colloquy, and I will conclude by simply saying that it is important that the access to the superhighway be given to all of our constituents across the Nation.

I am gratified for the support of the gentleman from California [Mr. BROWN] on recognizing as a ranking member of the Committee on Science. I would only offer that we should work to have the right data. I think that, if we allow the Bureau of the Census to do its survey of who has access and who does not, this Congress would be moved to act to provide additional funding to ensure that we train people and as well provide the resources for this kind of technology to go into our rule and as well our urban centers.

AMENDMENT OFFERED BY MR. GEKAS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GEKAS: Page 116, after line 2, add the following new section:

SEC. 615. (a) Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

**''§ 1311. Continuing appropriations**

''(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

''(A) in the corresponding regular appropriations Act for such preceding fiscal year; or

''(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year—

''(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

''(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year,

''(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year,

''(C) the rate of operations provided for in the House or Senate passed appropriation bill for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version,

''(D) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question, or

''(E) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year.

''(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

''(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

''(B) the last day of such fiscal year.

''(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

''(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

''(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

''(e) No appropriation is made by this section for a fiscal year for any project or activity for which there is no authorization of appropriations for such fiscal year.

''(f) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

''(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

''(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

''(g) For purposes of this section, the term 'regular appropriation bill' means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

''(1) Agriculture, rural development, and related agencies programs.

''(2) The Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

''(3) The Department of Defense.

''(4) The government of the District of Columbia and other activities chargeable in whole or in part against revenues of the District.

''(5) The Department of Labor, Health and Human Services, and Education, and related agencies.

''(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

''(7) Energy and water development.

''(8) Foreign assistance and related programs.

''(9) The Department of the Interior and related agencies.

''(10) Military construction.

''(11) The Department of Transportation and related agencies.

''(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

Mr. KLECZKA. Mr. Chairman, I rise today in support of the Gekas amendment.

Mr. Chairman, only seven legislative work weeks are left until our October 4 target adjournment date. Significant appropriations work remains, and the specter of Government shutdown and rancorous, time-consuming debate over CR's has raised its head. The country cannot afford another drawn-out debate on funding levels while Government offices gather cobwebs.

During the two Federal Government shutdowns this past winter, constituents found out the hard way what Washington gridlock means. They couldn't get passports or some veterans benefits or even get questions answered about Social Security and many other services on which they depend. At the same time, the cost to the taxpayers of lost productivity was enormous.

In my State, the government does not shut down over budget wrangling. Instead, Wisconsin has in place a common-sense plan which maintains government operations while the budget goes through the legislative process. I have introduced legislation which would set this Wisconsin plan into Federal law.

This Gekas amendment is similar to my bill, H.R. 2965, the Keep Government Open Act, which would prevent a Federal shut down from occurring by establishing an automatic continuing resolution. Although my bill—like the Wisconsin plan—maintains current Government funding unchanged from last year's levels, while Mr. Gekas' plan is somewhat more complex, the essential concepts are the same.

With this proposal—like H.R. 2965—we can permanently avert Government shutdown crises and debilitative CR fights. Removing the pressure and rhetoric that build as part of the appropriations process would allow us to focus on substance and good public policy. I commend the gentleman from Pennsylvania and urge a ''yea'' vote on this amendment.

POINT OF ORDER

Mr. ROGERS. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriations bill and therefore violates clause 2 of rule XXI. The rule states in pertinent part, ''no amendment to a general appropriation bill shall be in order if changing existing law.''

□ 1245

Mr. Chairman, on the face of it, the amendment proposes to make permanent changes to chapter 13 of title XXXI of the U.S. Code and therefore it is legislation on an appropriation bill.

The CHAIRMAN. The gentleman has raised a point of order. Does any Member wish to be heard on the point of order?

Mr. GEKAS. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GEKAS] is recognized on the point of order.

Mr. GEKAS. Mr. Chairman, for a long while now, almost every term since 1988 or 1989, I have introduced a bill which would constitute instant replay of last year's budget if no budget has been enacted by September 30. This legislation, this main legislation about which we are talking, would cause no problem for appropriators because their figures, if lower than last year's budget, would go into effect both in the House or in the Senate version of those appropriations. Thus, we would have the best of all worlds.

On September 30 if no budget has been enacted, the next day there will be an instant replay of last year's numbers or the current House numbers or the current Senate numbers, whichever is lowest. Thus, the appropriators can go along their merry way in doing their job without being hampered by the fact that instant replay would occur.

Mr. Chairman, here is where the parliamentary battle ensues. This bill of mine, to which I refer, was referred to the Committee on Appropriations. That makes it part and parcel of what the gentleman from Kentucky [Mr. ROGERS] is attempting to do here with the appropriation bills under his control. It means that it does not vary from the concept of appropriations, nor from the duty and right of the appropriators to go about their business in the current legislation. It is an appropriation bill, properly referred to the Committee on Appropriations.

Further, Mr. Chairman, this legislation does not violate any of the appropriations or any of the legislative policy contained in the current legislation. It merely serves to continue existing appropriations at lower figures. Therefore, it does not in any way affect or appropriate monies. All it does is continue existing appropriations.

Mr. Chairman, it is a method which will serve to end Government shutdowns forever. We will never have another shutdown of Government if this legislation is adopted. If on September 30 we do not have a budget, the next day a new budget comes into play mirroring last year's budget, or the lowest figures that are extant to that day. At the end of a CR, a continuing resolution, the same thing would happen.

If the Congress enacts a CR and the President signs it for, say, 3 weeks, at the end of that 3-week period, again, instant replay would occur the following day after the expiration of that CR on the same basis, of the lowest figures.

This means that on the point of order, that an appropriation bill that does not change the policy of the appropriators and enhances their ability to be triumphant in their figures should be accorded the right of continuing as an amendment to this legislation.

The CHAIRMAN. Does any other Member wish to be heard on the point of order?

If not, the Chair is prepared to rule.

The gentleman from Kentucky [Mr. ROGERS] makes a point of order that the amendment offered by the gentleman from Pennsylvania violates clause 2 of rule 21 by legislating on a general appropriation bill.

The gentleman from Pennsylvania previously offered this amendment on July 17, 1996. The Chair sustained a point of order against the amendment at that time, as the Chair will again today. However, in so doing, the Chair would point out that the gentleman's invocation on that prior occasion of the ''works in progress exception'' as a defense to the point of order against his amendment was inapposite. That principle is a defense to a point of order against an unauthorized appropriation rather than to legislating on an appropriation bill.

For the reasons stated on July 17, 1996, the point of order is sustained and the amendment is not in order.

PARLIAMENTARY INQUIRY

Mr. GEKAS. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GEKAS. Mr. Chairman, of what significance is it that the legislation was referred to the Committee on Appropriations, the original bill which now this amendment reflects?

The CHAIRMAN. The fact that legislation is separately within the jurisdiction of the Committee on Appropriations does not necessarily make it appropriate for this general appropriation bill at this time.

Mr. GEKAS. I thank the Chair.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. GANSKE

Mr. GANSKE. Mr. Chairman, pursuant to the unanimous-consent agreement this morning, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GANSKE: Page 116, after line 2, insert the following new section:

SEC. 615. (a) LIMITATION ON USE OF FUNDS TO ISSUE CERTAIN PATENTS.—None of the funds made available in this Act may be used by the Patent and Trademark Office to issue a patent when it is made known to the Federal official having authority to obligate or expend such funds that the patent is for any invention or discovery of a technique, method, or process for performing a surgical procedure (defined as a treatment for curing or preventing disease, injury, illness, disorder, or deformity by operative methods, in which human tissue is cut, burned, or vaporized by the use of any mechanical means, laser, or ionizing radiation, or the penetration of the skin or body orifice by any means), performing a medical procedure (defined as a nonsurgical, nondiagnostic procedure for curing or preventing a disease, injury, illness, disorder, or deformity), or making a medical diagnosis (defined as the identification of a medical condition or a disease or disorder of a body).

(b) EXCEPTIONS.—The limitation established in subsection (a) shall not apply to the issuance of a patent when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the patent is for a machine, manufacture, or composition of matter, or improvement thereof, that is itself patentable subject matter, and the technique, method, or process referred to in subsection (a) is performed by or is a necessary component of the machine, manufacture, or composition of matter; or

(2) the patent is for a new use of a composition of matter or biotechnological process.

The CHAIRMAN. Pursuant to the agreement of Tuesday, July 23, 1996, the gentleman from Iowa [Mr. GANSKE] will be recognized for 10 minutes in support of his amendment, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Iowa [Mr. GANSKE].

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

Mr. Chairman, imagine if someone held a patent on taking a patient's temperature by placing a thermometer under the tongue, and charged a royalty of $1 each time this was done. Imagine somebody downstairs in the House dining room choking on a piece of steak and the person who uses the Heimlich maneuver on the victim receives a bill from Dr. Heimlich for using this procedure.

For more than a century the Patent Office refused to grant patents on methods of treating the sick but did start issuing these patents in the 1950's. In recent years patent holders have started enforcing these patents either by excluding others from using the procedure or charging a licensing fee. The Patent Office now estimates it issues more than 100 medical procedure patents per month.

My amendment borrows from and improves the Medical Procedure Innovation and Affordability Act, which has over 130 House cosponsors. This amendment would prohibit the Patent Office from using funds appropriated in this bill to issue these types of patents. These patents are causing real problems.

Dartmouth Medical School recently spent 3 years and nearly $500,000 in legal fees defending its right to perform cataract operations, because a surgeon patented cataract operations and was seeking up to $10,000 in royalties per clinic eye surgeon.

If these procedure patents and their attempted enforcement continue, health care costs are going to skyrocket. More importantly, owners of patented procedures with control can use them and potentially limit the widespread availability of critical medical advances.

I trained in surgery with Dr. Joseph Murray of Boston who did the world's first successful kidney transplant. Dr. Murray did not run out and get a patent on kidney transplants. He would have thought this was against a fundamental tenet of medical ethics that

admonishes the physician to teach and share freely medical advances for the benefit of mankind.

I am offering this amendment to protect patients, not physicians. If anything, this bill is in direct conflict with physicians' financial interests. After all, it is doctors who are most likely to benefit financially from obtaining and enforcing medical procedure patents.

Further, it is not physicians who would ultimately bear the cost of patent royalties. It is patients and others, such as local and Federal governments and insurers, who pay for health care. Ultimately, it is the consumer who would pay in the form of higher taxes, more premiums, so a few physicians could enrich themselves.

Physicians do not need incentives provided by patent law as a stimulus to innovation. Just look at the medical journals and Members will note there is no shortage of innovation and research going on. Physicians should not get windfall profits at the expense of patients.

I would encourage possible opponents of this bill to carefully examine the language of this amendment. The amendment specifies: All presently patentable new drugs will remain patentable; all presently patentable machinery and devices for treating and diagnosing disease will remain patentable; all presently patentable biologic products will remain patentable; all presently patentable new uses for nonpatentable drugs and biological products will remain patentable. I even added an additional exception for biotechnological process to make absolutely clear that this amendment does not, let me repeat, does not prohibit patents on gene therapy or other similar procedures.

I urge Members' support for these five reasons:

No. 1, patient access to new surgical and medical procedures is being threatened by medical patents;

No. 2, medical patents permit patent owners to charge monopoly prices and contribute to our Nation's health care costs;

No. 3, physicians have an obligation to share their knowledge and skills for the benefit of humanity;

No. 4, medical patents are not necessary for the advancement of medicine. Did Oxner, the Mayo brothers, Lahey, or DeBakey need patents to advance medical knowledge?

And No. 5, 80 countries around the world, including most of Europe, expressly prohibit medical patents. The United States is virtually alone in the world in granting monopoly rights to these procedures.

Mr. Chairman, as a physician for 20 years, I can tell the Members first hand that the Patent Office is ill-equipped to evaluate the novelty of medical procedures. As long as patents on medical procedures continue, there will be a chilling effect on the free exchange of medical advances.

If these procedure patents proliferate and are enforced, the patent laws will have the opposite effect of what they were designed for. We will see fewer, not more, new medical advances for the benefit of citizens.

Please vote for this amendment. Where would surgery be today if Louis Pasteur had sought a patent on the 15-minute scrub?

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

The CHAIRMAN. Does any Member seek recognition in opposition?

Mr. ROGERS. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. ROGERS] for 10 minutes.

Mr. ROGERS. Mr. Chairman I yield myself such time as I may consume.

Mr. Chairman, I rise in reluctant opposition to the amendment, and I do so on a procedural basis. Mr. Chairman, there is a reason why there is a rule of this House that precludes an appropriating committee from authorizing during an appropriating bill. The reason for that is this type of an amendment. This is a very complicated issue that needs to have hearings and to work is way through the authorizing process of this body.

Here we are on an appropriations bill, almost out of the clear blue, having to decide or vote on an issue that is extremely complicated about which I am not aware of any hearings. I have no factual basis upon which to make my own judgment about whether or not this is a good idea. It very well may be. But it needs to go through the process.

Mr. Chairman, this is a policy issue, and should be decided through the authorization process, not this quick process, that is, the appropriations process. The Committee on the Judiciary of the House, the authorizing committee, is, I understand, studying the issue. It has already held hearings on the gentleman's legislation.

The gentleman is really attempting to bypass the authorization process by tacking this legislation onto this appropriations bill. The chairman of the authorization committee and the ranking member of the authorization subcommittee as well as the administration, all oppose the Ganske amendment on the appropriations bill.

I do not think it would be wise for the House to rush forward on such a very significant policy issue without proper study, discussion, and going through the regular channels. This is not the proper forum to address such a complicated and important policy issue. We need to let the authorizers do their job, and they have told me that.

As an appropriations subcommittee chairman, I know there is one rule, unspoken almost, around here. When an authorizing committee chairman tells you, do not authorize in your appropriations bill on my subject, you do not do it. So I am standing here as the subcommittee appropriation chairman, with the authorization chairman sitting beside me saying do not let this happen, and I am having to stand here and say no.

So I oppose the amendment for those reasons, although the gentleman from Iowa [Mr. GANSKE] has brought up a very important subject that needs to be addressed by the authorization committee, as is being done. I commend him for that.

Mr. Chairman, I am happy to yield such time as he may consume to the gentleman from California [Mr. MOORHEAD], chairman of the subcommittee on the Committee on the Judiciary with this subject matter in his jurisdiction.

Mr. MOORHEAD. Mr. Chairman, I rise in reluctant opposition to this amendment. The subject matter of this amendment is patent law and it is based on an earlier legislative proposal, H.R. 1127. Both the subject matter of patents and H.R. 1127 are within the jurisdiction of the Judiciary Committee. The effect of this amendment is to strip the Judiciary Committee of its jurisdiction over this issue by attempting to legislate on this appropriations bill. For this reason alone this amendment should be rejected.

In addition, the Judiciary Subcommittee on Courts and Intellectual Property, which I chair, held a hearing on H.R. 1127, the legislation on which this amendment is based. During that hearing, a representative of the Patent and Trademark Office suggested that the PTO may well be able to address the issues raised by the legislation by modifying their internal, administrative procedures. I subsequently wrote to the Commissioner of Patents and Trademarks and requested that the PTO hold hearings on this issue.

Pursuant to my request the PTO conducted a public hearing on issues related to patenting of medical procedures. Interested parties were given the opportunity to comment and offer suggestions for improvements. The PTO is now analyzing these comments and preparing to address the problems which are identified. There is a very good chance that this problem may be solved administratively for which the gentleman from Iowa should take full credit. I believe that this is the appropriate response and accordingly urge the rejection of this amendment.

I should state that this amendment is opposed by the U.S. Department of Commerce, the American Intellectual Property Law Association, the Intellectual Property Owners, the Biotechnology Industry Organization, the American Bar Association, and the Pharmaceutical Research and Manufacturers of America.

I believe that a reasonable problem has been pointed out by the gentleman from Iowa, and I believe that it is important to find out the best way that we can solve it, but I do not think it should be done on an appropriation bill with short notice.

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Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentlewoman from Colorado.

(Mrs. SCHROEDER asked and was given permission to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Chairman, I rise to agree with what the gentleman had to say.

Mr. Chairman, I tell this body that the gentleman from California is being very humble. He has worked very hard on this issue, and so has the Department of Commerce. We have a letter. Everything is moving. I hope we can move forward and put this to bed.

Mr. GANSKE. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. NORWOOD].

(Mr. NORWOOD asked and was given permission to revise and extend his remarks.)

Mr. NORWOOD. Mr. Chairman, I thank the gentleman from Iowa [Mr. GANSKE] for yielding me this time.

Mr. Chairman, I suppose if I were an experienced legislator this would seem complex, but since I am just a dentist who has practiced for the last 30 years, it seems sort of simple. What we are basically asking this body to do, and I urge Members to do this with every bone in my body, is pass this amendment for the American people. What we have here is a simple problem that simply needs to be corrected. What is right is right and what is wrong is wrong. All of my adult life I have been taught that as a health care provider, I should be very willing to share any knowledge I have on behalf of the patient. I know not to do that is not just unethical but it is immoral. What we are trying to do is to correct a problem in this country before it gets out of proportion and harms the very people who are providing care because there will be so much confusion, but most importantly because it harms the patient.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, I likewise rise in opposition to this amendment and echo the sentiments expressed by a number of speakers. This simply is not the appropriate bill. This is not the appropriate forum to decide this issue. In response to the last speaker, whether it is a simple issue or a complex issue, I do not know whether that is really the point. The fact is, it is a very controversial issue and should best be decided by the authorizing committee. I am advised—and again because this is an appropriations committee, not an authorizing committee and we do not get into these things in substance like this—that there are very serious concerns raised by representatives of the biotech industry and other areas in industry about the effect that this amendment could have on the incentives which our system now has for innovative new research procedures.

In any event, all of those issues are for consideration by an authorizing committee, and because controversy does surround it, I think that is the better forum.

Mr. GANSKE. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa [Mr. GANSKE].

Mr. Chairman, as I was watching the debate on TV and came over from my office, I know that we have heard from a number of different outside industry groups that in fact this amendment takes care of some of the concerns that they have. There is an exception here in this bill that is labeled as such, and there is an exception for the patient when there is a new use of a composition of matter or biotechnological process. It is unfortunate that the Committee on the Judiciary has not moved on this. This is an important issue.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would just like to point out to my friend that while there is an exemption that has been created for the composition of matter, the truth of the matter is that that still does not, for instance, provide the necessary scientific protections for companies that do not fall under that specific exemption.

There are, for instance, new advancements in Hodgkin's disease using fetal matter from pigs that would fall outside of this language.

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

Mr. UPTON. I yield to the gentleman from Iowa.

Mr. GANSKE. Mr. Chairman, the example that my colleague from Massachusetts is citing is exempted. It is the new use of a compositional material. It is specifically excluded in the amendment.

Mr. UPTON. Mr. Chairman, reclaiming my time, I would like my friend from Massachusetts to respond to the question that the gentleman from Iowa [Mr. GANSKE] raised in his opening statement about the Heimlich maneuver. Does the gentleman think that that should be patented and get a bill for that? That is one of the things that this goes against.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman will yield further, the gentleman from Iowa and I have had discussions about this. I am in favor of the general thrust of his legislation. I just think it is flawed in a manner that we ought to try to fix.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY. Mr. Chairman, I rise in strong opposition to the Ganske amendment. Regardless of the merits of what he is trying to achieve, I feel very strongly that the language is far too broad. The broad implications of the language threaten to invalidate up to one-third of all the biotech patents in the United States. When we see some of the tremendous potential for research in the development of new gene therapies through biotechnology that hold the promise of finding cures to many of the diseases we face such as cystic fibrosis, AIDS as well as Alzheimer's, we cannot put in place an impediment that restricts the investment and research which can hold the promise to cures to these. Unfortunately I feel that the way that the Ganske amendment is drafted, it will provide that disincentive for investment in this emerging field which will not serve the interests of the people and the interests of the health of people of this country.

Mr. GANSKE. Mr. Chairman, I make an inquiry as to how much time remains in debate.

The CHAIRMAN pro tempore (Mr. SOLOMON). The gentleman from Iowa [Mr. GANSKE] has 2½ minutes remaining, and the gentleman from Kentucky [Mr. ROGERS] has 2 minutes remaining.

Mr. GANSKE. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. COBURN].

(Mr. COBURN asked and was given permission to revise and extend his remarks.)

Mr. COBURN. Mr. Chairman, I think this debate goes back down to one of the core issues in our country, whether a physician, no matter what particular oath they took, whether or not they are going to follow that oath, nowhere should a medical procedure get in the way of offering care to any other patient. I think most people will agree with that.

If this bill is flawed in any way, that can be corrected. But the intent of this bill and the necessity of this bill demand that we pass this today. There are people who are not receiving the benefit of the skills of providers and health providers who have dedicated their life because of patent infringement attempts. So I would beg my colleagues to look, to support the healing professionals by allowing them to do what they have committed their lives to do, which is to offer care, not limited by someone's greed or someone's selfishness.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY of Massachusetts. Mr. Chairman, first of all, I want to thank the chairman of the full committee for the excellent efforts that he is making thus far in this legislation. I also want to compliment Mr. GANSKE on the attempts that he is making to try to fix a problem. The trouble is that the solution that he has created is just far too broad.

I agree with the previous speaker that we ought not to be trying to deny anyone reasonable health care, we ought not to be allowing patents for certain medical procedures. But the truth is that the way this amendment is written, it would incorporate vast areas of the biotechnology field and

companies that are coming up with innovative and creative solutions.

I think that if the gentleman were willing to work with us in a fashion that ended up providing protections against the procedures that he is concerned about without incorporating, at the same time, the gutting of the ability of these biotechnology companies to be able to move forward on their advancements, that we in fact could come together with a reasonable amendment that everybody in this Chamber would be happy to support, and I would look forward to working with the gentleman to accomplish such a task.

Mr. GANSKE. Mr. Chairman, I yield 30 seconds to the gentleman from Florida [Mr. WELDON].

(Mr. WELDON of Florida asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in strong support of the Ganske amendment. I commend the gentleman from Iowa for bringing this issue forward.

I know that many breakthroughs that have helped many of my patients in the past could possibly not have accrued to their benefit if doctors were out there patenting procedures. I think it is wrong for them to be doing that. I wholeheartedly commend the gentleman.

The CHAIRMAN pro tempore. The Chair would observe that there is 1 minute remaining on each side. The gentleman from Kentucky [Mr. ROGERS] has the right to close.

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

Mr. Chairman, I would point out that the list of cosponsors of the original bill that this is based on, that is, modified off the original medical patents bill, includes such colleagues as Chairman ARCHER, DEFAZIO, DELAY, FRANK, HYDE, KASICH, and WAXMAN.

Let me answer a few of the criticisms and go back over again. Let me repeat, the amendment is narrowly drawn. It prevents procedure patents, things like surgeons being able to do an appendectomy or surgeons being able to do a cataract operation. Can my colleagues just imagine looking in the Yellow Pages and having to look up which surgeon has the franchise to do an appendectomy?

This bill specifically says, all presently patentable new drugs will remain patentable, all presently patentable machinery and devices for treating and diagnosing disease will remain patentable, all presently patentable biologic products will remain patentable, all presently patentable new uses of nonpatentable drugs and biologic products will remain patentable.

This takes care of the criticism. We have moved this forward now because we have not had cooperation from the industry.

Mr. ROGERS. Mr. Chairman, I yield 30 seconds to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Chairman, many people, and there is no disagreement in this Chamber that the substance of what the gentleman from Iowa [Mr. GANSKE] is trying to do makes a lot of sense, but as has been pointed out by a number of colleagues, and I will reiterate and focus in on it, there are clearly cases where the language of this amendment is broader than the intent. It will absolutely include certain biotechnology therapies that were under development that already exist. Whether we like it or not, the companies that do this invest sometimes tens and even hundreds of millions of dollars. If they cannot be provided with a patent for that protection, they just will not develop those lifesaving drugs.

I urge the defeat of the Ganske amendment.

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

The CHAIRMAN pro tempore. The gentleman from Kentucky [Mr. ROGERS] is recognized for 30 seconds.

Mr. ROGERS. Mr. Chairman, the debate here has demonstrated what I just said. This is too complicated for us to deal with in an appropriations bill times 10. We have biotechnology involved, doctors' rights, medicine, and technical advice in every aspect.

The gentleman from Iowa [Mr. GANSKE] has succeeded, I think, in big measure here by bringing this matter to our attention. The chairman of the authorizing subcommittee says, ''Don't pass this on an appropriations bill; give us a chance to have our hearings, which we are doing.'' I urge a ''no'' vote on this amendment.

Ms. ESHOO. Mr. Chairman, I rise in reluctant opposition to the amendment by Dr. GANSKE.

I believe he is raising an extremely important issue and I support the intent of his amendment to disallow the issuance of patents for medical procedures such as kidney transplants. However, this is a complicated issue that deserves greater consideration than 10 minutes of debate on an appropriations bill.

It is my understanding that the Judiciary Committee is currently reviewing the issue of patents for medical procedures. That is the correct forum for this debate.

Hearings should be held. Testimony should be taken and the subcommittee and full committee should have the opportunity to mark up legislation. A bill should be brought to the House for consideration only after these steps have been taken.

Lastly, greater care needs to be taken to ensure that medical advances in the field of biotechnology are not adversely affected by this legislation. The biotechnology industry is one of our country's greatest resources. We need to tread lightly in areas that could stifle the potential of this industry, because of the benefits it can bring to the health and welfare of the American people.

I commend Dr. GANSKE for bringing this issue forward and hope that we will have the opportunity to work together in the future to develop bipartisan legislation that addresses the need to prevent medical procedure patents.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would like to first of all thank Mr. GANSKE for his willingness to work with me and my staff in making some improvements to the text of this amendment. The gentleman from Iowa has been very responsive to the concerns I have raised regarding the unintended harmful consequences the amendment would have on the biotechnology industry. And although we have made significant progress in the past 2 days, I must still rise in opposition to this amendment.

I agree with the underlying fundamental goal of this amendment: to limit the liability of physicians who use patented medical procedures—in order to improve the lives and health of their patients—from being sued for royalty fees or, even worse, be threatened with an injunction against using the procedures. This goal could be achieved by placing a limitation on enforcement of these patents or by giving blanket immunity to physicians who may use these procedures. If this were done, I think we would all be on the same page.

However, the approach this amendment takes is to ban all medical procedure patents first, and then creates two somewhat vague exceptions. Only if a patent falls within these two exceptions can it be issued. This is a failed approach. It has been likened to cutting one's fingernails with a chainsaw.

I am troubled by this approach first of all because this would be establishing a dangerous precedent by making drastic changes in patent law, to be considered for the first time on the House floor during debate on an appropriations bill. But more importantly, I oppose this amendment because the two exceptions that would continue to allow the issuance of medical patent procedures would not cover all situations where innovative science and research in the biotechnology field creates new medical therapies that have the potential of curing costly, deadly diseases.

Securing a patent for the use of medical drugs, therapies, and diagnosis of disease is absolutely crucial for the biotechnology industry. Without patents, biotechnology companies cannot secure the capital investments needed to spawn the research to bring these uses to market. This amendment jeopardizes the innovation of the biotechnological industry and should therefore be soundly defeated.

I urge my colleagues to reject the Ganske amendment.

Mrs. SCHROEDER. Mr. Chairman, I rise in opposition to the Gankse amendment.

A very similar measure introduced by the gentleman from Iowa was the subject of a lengthy hearing before the Intellectual Property Subcommittee. It became very clear during that hearing that this measure does not, as the gentleman undoubtedly intends, create a narrow solution for a narrow problem. This amendment raises extremely complex issues relating to patent law. And in fact, this amendment unintentionally jeopardizes whole categories of biomedical research.

We have no business legislating radical changes in U.S. patent law on an appropriations bill. This amendment effectively strips the Judiciary Committee of its jurisdiction over this issue. But this is not just a jurisdictional quibble. This amendment represents very bad intellectual property law, and I urge my colleagues to reject it.

We are not only bypassing the Judiciary Committee with this amendment, but we are also engaging in a very hasty process that does not bode well for developing good policy.

I want to point out that we just saw the most recent draft of this amendment late yesterday afternoon. This revision, I am sure, is intended to address the concerns raised about biomedical research, but the biotechnology research community continues to raise objections about the impact of this bill on medical devices or diagnostics and on patents for medical therapy or medical procedures. This amendment affects literally billions of dollars in research on deadly diseases, and it cannot be written hastily or without extremely careful consideration of its impact.

I also want to point out that our hearing on this issue established that the problems identified by the medical profession relating to patents on medical and surgical procedures can be solved by the U.S. Patent and Trademark Office through steps that are less drastic than excluding these inventions from patent protection and eliminating the incentives to invest in beneficial and cost-effective new medical and surgical procedures. In fact, the Patent Office has already conducted a public hearing in order to devise these steps.

Are you willing to tell the women of this country that you took away the financial incentive for promising research relating to metastatic breast cancer? The patent system has worked well to provide incentives for private investment in biotechnology research. Don't undermine those incentives with this hastily crafted amendment.

I urge a "no" vote on this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Iowa [Mr. GANSKE].

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

Mr. GANSKE. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 479, further proceedings on the amendment offered by the gentleman from Iowa [Mr. GANSKE] will be postponed.

The point of no quorum is considered withdrawn.

Mrs. LOWEY. Mr. Chairman, I ask unanimous consent to strike the last word to enter into a colloquy with the chairman of the committee.

The CHAIRMAN pro tempore. Without objection, the gentlewoman from New York is recognized for 5 minutes.

There was no objection.

Mrs. LOWEY. Mr. Chairman, I along with many of my colleagues on both sides of the aisle are very troubled about the reductions in funding provided in this bill for the Maritime Administration which will adversely affect the six State maritime academies located in New York, California, Texas, Michigan, Massachusetts, and Maine. The administration requested $9.3 million for the academies which represents level funding since 1989. A Federal contribution of $9.3 million represents a small fraction of the academies' funding.

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In fact, even though 89 percent of their funding comes from student tuition and State support, the State maritime academies produce 75 percent of our Nation's licensed Merchant Marine officers, the young men and women who enter the maritime industry and who activate the ready reserve force in national emergencies requiring sealift.

Without a doubt, assisting the State schools to train Merchant Marines is a cost-efficient way to produce the U.S. crews we need for our national security. A portion of the funds derived from the sale or disposal of ships in the National Defense Reserve Fleet are intended to be used for training and other expenses at the State maritime academies.

However, the reality is that no ships have been scrapped from the NDRF for more than 2 years because of legal disputes relating to certain hazardous materials on some of these ships. Because this dispute has made it virtually impossible to sell NDRF vessels in foreign countries, an intended source of funding is unavailable to the States' academies.

I must also add, Mr. Chairman, even if two academy ships were to be funded under the Department of Defense's ready reserve force, it would in no way compensate for the budget cuts in this bill.

Can the gentleman from Kentucky [Mr. ROGERS], the chairman of the subcommittee provide us some assurance that if NDRF ships continue to be ineligible for scrapping, he will work with the Senate to ensure that the Maritime Administration has the flexibility it needs to provide adequate funding for the State academies?

Mr. ROGERS. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I have heard from several of our colleagues on both sides of the aisle who are concerned about funding for the State maritime academies. As the gentlewoman knows, there are 65 ships ready to scrap and if a way could be worked out to allow these ships to be scrapped, the State maritime academies would be the beneficiaries of 25 percent of the proceeds.

In addition, if the Maritime Administrator's request is agreed to, with respect to the ready reserve force, there would be just three ships to support under this account. But as we move into conference with the Senate on this bill and we receive additional clarification about the availability of these and other resources for the State academies, I will work with the gentlewoman and with the other Members concerned on this issue to try to address their concerns and to see what we can work out with the Senate on this important issue.

Mrs. LOWEY. Mr. Chairman, reclaiming my time, I thank the gentleman from Kentucky [Mr. ROGERS] very much. His assistance and leadership on these issues is greatly appreciated.

Mr. TORKILDSEN. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from Massachusetts.

Mr. TORKILDSEN. Mr. Chairman, I rise to express serious concern over the funding levels for maritime academies contained in this bill. It is essential that maritime academies are level-funded at $9.3 million in order to effectively carry out their mission.

This is a very modest investment by the Federal Government for schools that produce 75 percent of our Nation's merchant marine officers. Additionally, these academies are an essential component to preserving our Nation's national security by manning our Defense Sealift Contingency Force and maintaining vessels in our ready Reserve fleet.

One of these academies is the Massachusetts Maritime Academy. Serving the tristate area of Massachusetts, Connecticut, and Rhode Island, Massachusetts Maritime Academy produces more U.S. Navy admirals than any other college or university outside of Annapolis. Currently, the proud and honorable Commander in Chief of the U.S. Atlantic Fleet, Adm. William J. Flanagan, Jr., class of 1964, is a distinguished alumnus.

Additionally, the Massachusetts Maritime Academy is home port to the training vessel, *Patriot State*, a 20,000-horsepower, 547-foot steamship, which prepares our young men and women for a distinguished career in this Nation's merchant marine. The *Patriot State* is a ready Reserve vessel as designed by MARAD. The Federal Government contributes to the operation of the *Patriot State*. If this Nation's maritime academies are not level-funded, the *Patriot State* will not be fueled and ready for our Reserve fleet.

The CHAIRMAN. The time of the gentlewoman from New York [Mrs. LOWEY] has expired.

(By unanimous consent, Mrs. LOWEY was allowed to proceed for 2 additional minutes.)

Mrs. LOWEY. Mr. Chairman, I continue to yield to the gentleman from Massachusetts [Mr. TORKILDSEN].

Mr. TORKILDSEN. Mr. Chairman, in both appreciation for the gentlewoman yielding and my colleague for California, I will be very brief.

State maritime academies like Massachusetts Maritime operate their ready Reserve ships at one-third of that expended by the Federal Government to maintain similar vessels in a like readiness status. These academies provide a high return on the small Federal investment. Graduates of the six State maritime academies all secure employment within 3 months of graduation. This is a record we should be proud of.

Mr. Chairman, I urge the Chair to work with the other body and the conference committee to level-fund this Nation's maritime academies. This is an investment in our future and our security.

Mr. CUNNINGHAM. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, I am not going to rehash all that. I am going to say, I rise in support of the gentlewoman from New York and the words of the gentleman from Massachusetts [Mr. TORKILDSEN]. It does not matter if the maritime academy is in California, Massachusetts, or where, they provide a valuable resource.

I would also ask the Chairman when they look at scrapping these U.S. ships that they give preference to U.S. shipyards. Quite often there is a problem with older ships having asbestos, and so on, and they decline to do that. I think that would be in our best interest.

Mr. SHAW. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Florida is recognized for 5 minutes.

There was no objection.

Mr. SHAW. Mr. Chairman, the colloquy that I wish to engage the chairman in involves the NOAA issue affecting Florida and the Nation.

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

Mr. SHAW. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I would be pleased to engage in a colloquy with the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Reclaiming my time, I would like to commend the chairman for the work of his subcommittee to ensure that needed resources are being dedicated to understanding the El Nino phenomenon, how we can improve our predictive capabilities, and understanding the full implications of these near- and mid-term climactic events on precious agriculture and vulnerable areas. Your committee report includes language that provides that some of the funding increases provided in the Climate and Global Change Program is intended to expand the International Research Institute program to include regional application centers.

Mr. ROGERS. If the gentleman would continue to yield, the gentleman is correct. The bill includes an overall increase for the Climate and Global Change Program, which is intended to be used to expand both the El Nino research program and the Health of the Atmosphere Program.

Mr. SHAW. Mr. Chairman, it is my understanding that this language is intended to refer to the regional application centers being developed now as a statewide consortium among Florida's top four research universities, which have developed some unique technology for regional modeling and predictive work in this regard. Is my understanding correct?

Mr. ROGERS. The gentleman is correct. The committee intends that NOAA make El Nino research a priority and use some of the funds within this account to expand the program to include regional application centers, like the proposal that the gentleman has mentioned and has been endorsed by the Florida delegation.

Mr. SHAW. Mr. Chairman, the gentleman has been extremely thoughtful and very supportive. I thank the gentleman. The work on El Nino, like the proposal from the Florida consortium, is a high priority for NOAA, your committee, and the entire Florida congressional delegation. I am encouraged by your support of statements today and the intent of the committee.

AMENDMENT OFFERED BY MR. GUTKNECHT

Mr. GUTKNECHT. Mr. Chairman, I offer amendment No. 28.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GUTKNECHT: Page 116, after line 2, insert the following new section:

SEC. 615. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Minnesota [Mr. GUTKNECHT] will be recognized for 10 minutes in support of his amendment, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

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

Mr. Chairman, as one of my favorite presidents observed, well, here we go again. This is the 1.9 percent across-the-board reduction.

Just to set the stage again so Members understand how this amendment came about, we were rightly criticized by some of our friends on the other side of the aisle when we passed the joint budget resolution conference committee report, in which we increased discretionary spending by about $4.1 billion more than the House-passed version of this budget resolution.

Passing a balanced budget, ultimately balancing the people's books, is not some mean-spirited, green eyeshaded accounting exercise. It really is about preserving the American dream for our children. Balancing the budget is not something that we do next year or we do 2 years from now or we do 3 years from now or 6 years from now. It is what we do every day on every appropriation bill that makes the difference, and that is why in good faith I am offering this amendment.

This is not some slap at the Committee on Appropriations or our own leadership. I think the gentleman from Kentucky [Mr. ROGERS] has done an excellent job with his appropriations subcommittee. I think all the appropriations subcommittees have done an excellent job. But we are going to increase discretionary spending in this cycle by about $4.1 billion more than the House originally agreed to. And the way we can recover that $4.1 billion is by offering a 1.9 percent reduction across-the-board on all the remaining appropriation bills.

So to the gentleman from Kentucky [Mr. ROGERS] and others, I just want to say that I think you have done a good job, but I think this is a perfecting amendment to help the House recover its fumble. I would hope that Members would join me in support of this amendment.

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

The CHAIRMAN. Who seeks time in opposition?

Mr. ROGERS. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] is recognized for 10 minutes.

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

Mr. Chairman, this amendment would reduce every discretionary appropriation in this bill by 1.9 percent. It has been offered on at least five prior appropriations bills and has been defeated on all of them. I would hope we would keep the string alive.

This amendment would undermine the very initiatives we are trying to achieve in the bill. In the Department of Justice, it would undo the very things we are trying to do. One, in the Drug Enforcement Administration, we have increased funding to $1.03 billion, $167 million above last year, $20 million over the President's request, including a $75 million source country interdiction initiative and a $56 million Southwest border initiative where 70 percent of our drugs come into the country and goes to our teenagers. This amendment would remove the increase over the President and hurt the efforts to rekindle the war on drugs which this administration, I think, has allowed to dwindle.

In the Immigration and Naturalization Service, the war on illegal aliens, the war to control the border, the bill provides $2.2 billion, $443 million over last year, $30 million over the President's request, and 1,100 new Border Patrol agents. Everyone says we desperately need them. This amendment would reduce the appropriation by $41 million, and take it below what the President requested of the Congress. The amendment would reduce the FBI by $52 million.

This bill, Mr. Chairman, the very thrust of this bill is to control the borders, control crime, control drugs, and control teenage violence. This amendment does damage to those four initiatives. That is the reason I oppose it. It would reduce State and local law enforcement by $71 million, including the Byrne grants, which goes to local communities, as we all know, to help them fight crime in their communities and the local law enforcement block grant, a new program that Congress initiated to help local communities fight crime as they see it. It would reduce COPS

and the truth in sentencing State prison grants to help States build the prisons and keep their prisoners in jail 85 percent of their sentence.

In other areas of the bill where we have already taken reductions to make room for the increases in law enforcement, the additional percentage reductions would be very problematic. In the State Department, it would take an additional $84 million, which is double the reduction we have already taken in the bill for the State Department. Out of USIA, it would take an additional $20 million, with nowhere to take it except reductions in force and reductions in Voice of America, Radio Free Europe, Radio Marti, and Radio Free Asia.

In the Commerce Department, it would take an additional $68 million out of NOAA and the Census and the International Trade Administration, all of which we have tried to prioritize as important for the Nation. In the Small Business Administration, a $2.5 million reduction would be had by this amendment, which translates into $125 million less in small business loans.

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Overall, this amendment undermines the initiatives we have tried to undertake in law enforcement, in the war on crime and drugs, and gaining control of our borders.

In addition, it imposes much larger reductions in areas where we have already taken reductions, with serious impacts on our ability to carry on diplomacy and to carry out necessary functions like the census and our trade enforcement functions.

As a result, I would hope the body would reject this amendment, and I ask my colleagues to do just that.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. COBURN].

(Mr. COBURN asked and was given permission to revise and extend his remarks.)

Mr. COBURN. Mr. Chairman, we have just heard the gentleman from Kentucky speak of the reductions that would be brought forward. What I would ask those who are listening to this debate today is to consider the following: Wherever we work, whatever we do, could we not, through efficiency and better planning and good insight, reduce the costs of what we are doing or increase the efficiency with which we do it, or save 2 percent of the amount of time that it takes us to do it? Could we not do that?

The trouble is, inside Washington we do not believe that that is possible. The real fact is that we can save a whole lot more than 1.9 percent. Outside of Washington, DC, outside of the thought process that goes on here, in everyday America, people are doing that very thing.

This is not a cynical attempt to make a point. The fact is, the largess of our Federal bureaucracy is killing our future. The Republican Congress made a commitment to this country. They fumbled the ball. They have now decided to spend $4.1 billion more than what they promised just 9 months ago to spend. This is getting back part of it. It is two pennies. It is two pennies for the future of our children.

It is not to say that the appropriation committees do not do a good job, but the fact is, the very people that are going to receive this money can do a better job. They be more efficient. They can accomplish more with less if, in fact, we will just tell them to do it.

I would ask our Members to support this amendment, not for us but for the commitment that we have made to the future, for our children and for our grandchildren.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN], the ranking member of the subcommittee.

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to this amendment.

I want to begin by expressing appreciation to the gentleman from Minnesota, the author of the amendment, for his compliments to the chairman and to the committee in trying to go through this and be discerning about how we treat all of the respective accounts.

I want to assure the body that the chairman, the distinguished gentleman from Kentucky, has certainly provided leadership in doing that. As a matter of fact, he, myself, the staff, every member of the committee have spent hours going over this bill in a very discerning sort of way, choosing between accounts, making judgments, making value judgments about programs and trying to come up within our allocation with the very best funding scheme that we could. It has certainly been consciously done.

The problem I have with the gentleman's amendment is that it is not particularly careful. It is not discerning. In one sense only, it is not conscious; that is, we do not consider every account carefully. That is not the way to treat an appropriations bill, particularly at a time of shrinking resources when the pie is smaller. We need to approach these very carefully.

With regard to the distinguished gentleman from Oklahoma, who asked the question, can we not take a certain percentage out of any bill? Can we not take a certain percentage out of our own accounts or our business? I would say no to him, because I question the underlying premise. The underlying premise to that question is these accounts are adequately funded to begin with, and we can squeeze more out of them.

I want to assure him these accounts are not adequately funded. We could use more money for crime fighting in this Nation, and this committee has tried to give every penny to crime fighting we can at the expense of the other accounts in the bill. Consequently, the other accounts in the bill are all shortchanged. No, we do not have additional money in this bill, because the accounts are not now adequately funded.

So, for all those reasons, Mr. Chairman, I join my chairman in opposing the amendment and would ask that the body oppose this nondiscriminating amendment.

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, it strikes me that to properly control crime we first have to control spending. To properly control our borders, I think we first have to control spending. If we do not, a child born into America today will one day pay an 82 percent tax rate just to keep our government solvent.

What I want to focus on, instead of the facts and figures that I think we all know, though, is the human side of this cost. We are talking about $466 million. We are talking about a 1.9 percent cut that we argue we cannot make in Washington.

I would argue that we can and we must because, if we take for instance the small town that I grew up in, Dale, SC, that had just a few hundred folks living in it, it would take them working and then paying taxes for the next 800 years simply to make up this 1.9 percent. Or if we went back into my district near Charleston, it would take 155,000 people paying taxes for 1 year to equal the 1.9 percent for the $466 million that we are talking about.

Those may not be real numbers in Washington, but they are very real numbers over 1 year or 800 years of sweat and toil back home in South Carolina. For that reason I would urge adoption of this amendment.

Mr. ROGERS. Mr. Chairman, may I ask the times remaining and who has the right to close?

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] has 3½ minutes remaining, and the gentleman from Minnesota [Mr. GUTKNECHT] has 4½ minutes remaining.

The chairman of the committee has the right to close and protect the committee position.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HOSTETTLER].

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

Mr. HOSTETTLER. Mr. Chairman, once again I rise in support of an amendment to eliminate 1.9 percent of the spending in an appropriations bill; 1.9 percent.

Around here, that is decimal dust. But it is not back home.

It is not decimal dust to the taxpayers back in Indiana who are sick

and tired of having their government in Washington, DC, spend more than it takes in revenue.

We can talk about reducing the deficit—and we have—we have even taken some good steps in that direction.

But guess what?

The people of southwest Indiana are tired of talk. They want more action.

They want more action for the sake of our children, who are the ones who are really stuck with paying off America's debt. 1.9 percent.

I would imagine that the Americans watching this debate in their homes wonder why we are speaking so passionately about this amendment.

I would imagine that Americans watching this debate are thinking, surely this will pass.

Many are probably thinking that instead of 1.9 percent it ought to be 19 percent.

I should say to those folks watching this debate that the sad reality is that we have offered this amendment to most of the appropriation bills and it has failed every time; 1.9 percent.

It is a sad day for our children when we cannot even support a simple 1.9 percent across-the-board reduction.

I urge a yes vote on this amendment for ourselves and for our children.

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

Mr. Chairman, I think I cannot say anything that would add or detract from what the gentleman from Indiana [Mr. HOSTETTLER] just said.

This debate is simply about 1.9 percent of discretionary spending on this bill. This bill increases spending over last year over $1 billion. We are talking about reducing that increase by $466 million.

This debate again is not about 1.9 percent, it is about keeping the faith and keeping our word to our children. This is really about whether or not we have the courage to do the difficult things.

As my colleague said earlier, this is about whether different programs are adequately funded, and certainly that is true. But there is no limit to how much money we can spend on all of these very valuable programs. We can go through this debate on each and every bill, and we can make an argument for spending in every single category.

I am not saying the money is being wasted, but what I am saying is if we continue to pile debt upon debt on our children, sooner or later they are going to reach a point at which they cannot exist. They cannot make their house payments. We are denying them the quality of life, the standard of living that we have enjoyed.

If we forget everything I say, remember this: Every single dollar of personal income taxes collected west of the Mississippi River now goes to pay the interest on the national debt. And the tragedy is every year that line is moving further west.

When are we going to draw the line? When are we going to say enough is enough? Because realistically, ladies and gentleman, if we cannot cut $4.1 billion in extra spending this year, then how in the world can we face our children and say but we will cut $47 billion in just 3 years.

I admire what the appropriations committees have done. I admire what the chairman has done. I admire what this subcommittee has done. But the truth of the matter is we are not doing what we said we were going to do. We are allowing spending to go up. I am offering the body a chance to recover that fumble.

I would hope that we could finally, once said for all, get a majority vote on this important amendment.

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

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

Mr. Chairman, I want to commend the gentleman for his efforts at cutting spending and saving money, but on this particular bill we are talking about cutting, with his amendment, things like the fight on crime. We will be cutting the Drug Enforcement Administration. We will be cutting the FBI. We will be cutting the Marshals Service. We will be cutting courts. We will be cutting the fight against violence by children and violence against women. All of the things that I think in a bipartisan way in this body, we are united to try to fight, this amendment would cut.

It may be appropriate in other portions of the Government, it is not appropriate in cutting the crime-fighting agencies of the Government.

It would also cut the Border Patrol. It would do damage to the Nation's effort to control our borders, to fight crime by teenagers, to fight violence against women. It would cut the funding to each of our States for moneys to help them build prisons to house State prisoners.

I would urge the Members to reject the amendment on this bill. As the gentleman has said, this subcommittee has done a great job, in my opinion, on allocating scarce resources. We are not profligate spenders on this subcommittee. No one is going to say, I do not believe, that the law enforcement agencies of the Nation's Government are overfunded.

Certainly I hope the Members will reject this amendment and keep intact the Nation's fight against crime, against drugs, controlling our border and fighting violence against women and by children. Reject the amendment. Vote ''no.''

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GUTKNECHT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 479, further proceedings on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] will be postponed.

AMENDMENT OFFERED BY MR. HUTCHINSON

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HUTCHINSON: Page 116, after line 2, insert the following:

SEC. . Of the funds in this Act appropriated for a municipal or county jail, State or Federal prison, or other similar facility for the confinement of individuals in connection with crime or criminal proceedings, not more than 90 percent of the funds otherwise authorized to be made available to any such municipal or county jail, State or Federal prison, or other similar facility, may be made available when it is made known to the Federal official having authority to obligate or expend such funds that the authorities of such jail, prison, or other facility have not reported to the Attorney General each death of any individual who dies in custody in that jail, prison, or facility, and the circumstances that surround that death.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Arkansas [Mr. HUTCHINSON] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Arkansas [Mr. HUTCHINSON].

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

I want to commend and thank the gentleman from Virginia [Mr. SCOTT] for his leadership on this issue and his bipartisan efforts on this amendment.

This reporting of deaths in custody requirement passed the House last year during the Contract With America. It passed with bipartisan support by a voice vote. At that time both the chairman and the ranking member of the Subcommittee on Crime spoke in strong support of the reporting of deaths.

This amendment will ensure a measure of accountability on the part of law enforcement officials by requiring them to report deaths that occur while in custody. It requires municipal or county jails, State or Federal prisons who receive funds under this bill to report to the Attorney General the deaths of those who die in their facilities.

Today no one counts how many people die in jail cells and lockups across the country. This amendment will send a cautionary message about accountability and I believe it will save lives.

It is estimated that each year in this country over 1,000 men and women die while in prison, jail or police custody. An exhaustive investigative reporting piece in the Asbury Park Press in New Jersey revealed that while most of these deaths are listed as suicides, many are, quote, tainted with racial overtones, good-ole-boy conspiracies and coverups or investigative competence.

By requiring a report to a central source, the Attorney General, we will have an accurate account of how numerous these deaths are and what circumstances surround them. In supporting this amendment, we are supporting accountability of reporting of those 1,000 deaths which occur each year in jails and lockups across this country. I urge an ''aye'' vote on this amendment.

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

Mr. HUTCHINSON. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I have no objection to the amendment offered by the gentleman from Arkansas [Mr. HUTCHINSON], and commend him for it. I urge an ''aye'' vote.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

The gentleman from Arkansas, Mr. HUTCHINSON, has 3 minutes remaining.

Mr. HUTCHINSON. Mr. Chairman, I yield the balance of my time to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I am pleased to join my good friend from Arkansas in supporting this amendment.

This amendment simply requires that deaths which occur in State and local jails and prisons be reported to the U.S. Attorney General. A similar measure was adopted by the House on a voice vote without opposition during the consideration of the 1995 crime bill.

Dating back to my experience as a State legislator, Mr. Chairman, I have been concerned that there is no system of counting the deaths that occur in the custody of law enforcement officials. As detailed in the exhaustive year long investigative report last year by the Asbury Press in New Jersey, many of those deaths occur under suspicious circumstances. They estimated that about 1,000 of such deaths occur each year. These reports will allow us to get a handle on the nature and extent of how serious a problem it may be. We just do not know.

Some suggested this may be an unreasonable burden. But if any jurisdiction in America has so many deaths in custody that reporting all of them would be a burden, then this amendment is even more necessary.

I would hope that we would adopt the amendment, and I thank the gentleman from Arkansas for introducing it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. HUTCHINSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MS. NORTON

Ms. NORTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. NORTON: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . The amount provided in this Act for ''Equal Employment Opportunity Commission—Salaries and Expenses'' is increased, and each other amount provided in this Act that is not required to be provided by a provision of law is reduced, by $13,000,000 and 0.06 percent, respectively.

The CHAIRMAN. Pursuant to the unanimous-consent agreement of Tuesday, July 23, 1996, the gentlewoman from the District of Columbia [Ms. NORTON] and a Member opposed will each control 10 minutes.

The Chair recognizes the gentlewoman from the District of Columbia [Ms. NORTON].

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

I am back again with an amendment that has a very different offset which I hope this body will now pass. I am back with a bipartisan amendment for a small increase in EEOC funding. My bipartisan sponsor is the gentleman from Oklahoma, Mr. J.C. WATTS. Mr. WATTS had intended to sponsor this bill with me but at the time the offset on the bill kept him from doing so.

I used that offset on the bill because it was my understanding that there was no way in which the prisons that are now under construction could be finished in time. The good chairman of the committee indicated that he had already taken that into account and that, therefore, somehow not even this very small amount of money, $13 million, could be extracted from the delay in prison construction.

I am back with another idea, a .06 reduction across the board in this appropriation. It is so small but that it is hard to envision what amount of money that would be, but what it would do would be very great and very large.

Mr. Chairman, we are divided in this House on what the remedy is for discrimination. We are not divided on the proposition that there must be remedy for discrimination.

This bill is not about whether there will be a remedy, for that is the one thing that I think we could get a 100-percent vote. This is not a vote about affirmative action. This is not a vote about set-asides. This is not a vote about goals and timetables. This is a vote about whether a person should be able to walk into an office, file a complaint, and get a timely remedy.

This is a civil rights vote that comes very cheap this year in a Congress that has paid almost no attention to civil rights. It comes cheaper than it should. The President wanted $35 million. The Watts-Norton amendment asks only for $13 million.

Why are we making such a large point about such a small increase? Because we hope to make a large difference in whether or not offices will be opened or closed. In the 100,000-case backlog, that is the backlog I found when I came to the EEOC. We got rid of it. Why is it there again? Because there has not been the money. Even the alternative dispute resolution system, which I think is the way to handle discrimination cases, individual cases should be settled and that should be the end of it, that is the system that allowed me to get rid of the backlog, even that system will be delayed for want of this small amount of money.

I ask my colleagues to understand where the pressures are coming from. The half of the population that is female has discovered the EEOC. It is the sex discrimination cases that are driving the agency. Yes, the agency has a black face, and we are proud of that because black people went into the streets to get an antidiscrimination agency. It has a black face but it has a female engine today. The cases are about sex discrimination. That is the fastest growing group of cases.

We looked into this matter when the Mitsubishi case hit the front pages, and we found that there were obscene photos in the plant and physical assaults in the plant, and that Mitsubishi had called meetings of its employees where they said when such complaints are filed, people might stop buying cars and, therefore, they could lose their jobs, retaliation under the law if ever I have heard of it.

Then we asked EEOC, are you prosecuting this case, are you trying to settle this case? Do you have the money to do so? And we got the astonishing answer that in real terms the budget of this agency has not been increased since, as Chairman Casellas says, since Delegate NORTON was chairman. My friends, that was more than 15 years ago.

Then there were 3,390 people at the EEOC. Now there are 2,813 people, and I did not have any Americans With Disabilities Act. I did not have a 1991 Civil Rights Act that now has been entirely rewritten and therefore has to be reworked at the administrative level. I, in fact, wrote the sexual harassment guidelines, but I did not have thousands of sexual harassment cases because the consciousness was not then what it is now.

The chairman deserves credit for not cutting the EEOC, and he is right that he has cut some other agencies. But by leaving EEOC at level funding for 1995, 1996, and 1997, a very large cut has in fact occurred because expenses have gone up at an extraordinary rate. The case level has gone up at an extraordinary rate and there is simply not the money to do it. They already have a furlough day. They will have much more.

They must take every case that comes before them under the law. But the law does not say that they must indeed provide a remedy or provide fair dealing for every case that comes before them, because they can only do what they have the capacity to do, and they do not have the capacity to do the work they are mandated to do under the law today.

These cases will bury the agency. We have done almost nothing about civil rights. This is the way to stand up in America and say, look, there is too

much racial division, there is too much division of every kind in this country. But there is no division on the proposition that this is a country that stands for the right to file a complaint, leave it to the objective process and live with the resolution. We must make that objective process functional. I ask Members to support this amendment.

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

The CHAIRMAN. Is there a Member who seeks to control time in opposition to the amendment?

Mr. ROGERS. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Kentucky [Mr. ROGERS] is recognized for 10 minutes.

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

Mr. Chairman, as I said yesterday, the EEOC is handling the case load, the backlog, in a very efficient way. They are beginning to reduce that backlog, not as much as we would all like to see, but nevertheless the backlog is being reduced.

We kept the EEOC at level funding this year while we were cutting most of the other agencies over which we have jurisdiction except the law enforcement agencies. But we held them harmless from cuts so that they could continue to make progress in working off that backlog, and they have made progress this year. We commend them for that.

My problem with the gentlewoman's amendment is that it takes money from, as I have said before, the law enforcement functions that we are funding in this bill primarily. There would be moneys taken by this amendment from the war on drugs. We would see a reduction in the funding of the Drug Enforcement Administration.

We would see reductions in the funding for the Nation's attempts to control its border. We could see a cut in the Immigration and Naturalization Service and the numbers of Border Patrol agents that we can put on the border. We would see a reduction in the FBI funding which is waging the war on crime and of course terrorism.

We would see a reduction in the level of State and local law enforcement funding for those who are fighting crime, both drugs, youth and all other crime, in our communities and neighborhoods.

We would be cutting moneys from the Federal judiciary. We all know that they are swamped with cases and their funding levels are nowhere near where they need to be, even with the small increase in this bill.

So those are some of the places where the money for this amendment would have to come from. We are very reluctant to agree to that, even though I think most of us realize the need for more money in the EEOC whenever we can find it.

We did provide the level funding. We did not cut them from last year. So I would hope that the Members would stay with us on this and reject this amendment, even as they rejected the one yesterday.

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

Ms. NORTON. Mr. Chairman, I yield the balance of my time to the gentleman from Oklahoma [Mr. WATTS].

□ 1400

Mr. WATTS of Oklahoma. Mr. Chairman, I appreciate the Delegate from the District of Columbia, her effort on this amendment, and I want to say to the gentleman from Kentucky [Mr. ROGERS], I feel like I owe him an apology because we tried to get an amendment yesterday to add more money to EEOC; however, we were not in agreement on how the additional funding or where the money should come from.

I was not in support of taking it out of the Federal prison system, but the Equal Employment Opportunity Commission was born out of the civil rights movement of 1964 and opened its doors in 1965. At that time, the caseload was sparse and attorneys would handle maybe 10, 15 cases each, and now the caseload has grown, and there is a need to assist this Commission even further.

But like I said, however, I thought that penalizing the Federal prison system, which is what the amendment that was proposed yesterday did, this amendment would take a small amount out of discretionary spending, and I believe that is a small price to pay for equal justice.

So, Mr. Chairman, I urge a ''yes'' vote on this amendment, and I do appreciate the Chairman allowing us at this late hour to bring forth this amendment.

Mr. ROGERS. Mr. Chairman, I have a substitute amendment being prepared. I ask unanimous consent that I be allowed to offer a substitute amendment.

The CHAIRMAN. Under the order of the House of yesterday, July 23, only the author of the amendment can ask unanimous consent to modify her own amendment. No other Member can offer an amendment; it would not be in order.

She would have to ask, in this case, unanimous consent to modify her amendment.

Ms. NORTON. I ask unanimous consent to offer a——

The CHAIRMAN. Actually, the Chair was incorrect. It is to modify the amendment, not to substitute.

Mr. ROGERS. The gentlewoman, I think under the rules of the House, would be allowed to modify the amendment that she has pending in the nature of a substitute; is that correct?

The CHAIRMAN. She cannot offer a separate substitute; she can modify her own amendment only by unanimous consent. In order for that to occur, the Clerk would need to read a copy of the amendment.

Mr. ROGERS. So is the gentlewoman seeking to modify her pending amendment with the language that she is sending to the desk?

Ms. NORTON. I am.

Would my colleagues like me to read this language, or shall I send it to the desk to be read?

The CHAIRMAN. A copy must be submitted to the Clerk so that the Clerk can report the modification.

Perhaps the gentleman from Kentucky [Mr. ROGERS] could yield some time while we get this all worked out.

The gentleman from Kentucky is recognized for the purpose of yielding time.

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

What the gentlewoman and I have discussed, Mr. Chairman, along with the gentleman from Oklahoma [Mr. WATTS], is finding a place to find some more money for the EEOC, although not as much as the gentlewoman would originally seek in her amendment.

What the modified amendment will do would be to take $8 million from another account within the bill so as to increase the funding level for the EEOC by some $7 million.

I have discussed not only with the gentlewoman and with the gentleman, who is also very interested in this, but also the ranking member of the subcommittee, the gentleman from West Virginia [Mr. MOLLOHAN], and we are all in agreement.

So I would hope that we could support the gentlewoman's modified amendment.

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

The CHAIRMAN. Would the gentlewoman from the District of Columbia renew her request for unanimous consent to modify her amendment?

MODIFICATION TO AMENDMENT OFFERED BY MS. NORTON

Ms. NORTON. Mr. Chairman, I ask unanimous consent to modify my amendment in the terms that we have just heard from the gentleman from Kentucky [Mr. ROGERS].

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Ms. NORTON. At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . The amount provided in this Act for ''Equal Employment Opportunity Commission—Salaries and Expenses'' is increased by $1,000,000. The amount provided for Small Business Administration, Disaster Loan Program Account for administrative expenses is reduced by $8,000,000.

The CHAIRMAN. Is there objection to the modification offered by the gentlewoman from the District of Columbia?

There was no objection.

The CHAIRMAN. The amendment is now modified.

Does any Member seek to yield time?

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

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

Mr. ROGERS. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I just really want this time to express

appreciation to the gentleman from Kentucky [Mr. ROGERS] for being responsive to this request. There have been a number of efforts on the floor to increase this account, and they have been really in good faith, they have worked extremely hard, and I think this is a fine result, and I know everybody is appreciative to the gentleman from Kentucky for his understanding with regard to this matter.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman from Kentucky yield?

Mr. ROGERS. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Let me join in the chorus of thanking the gentleman. He was a gentleman last night, and he has been a wonderful gentleman today. I think this is a very, very essential add-on, and I thank the gentleman from Kentucky [Mr. ROGERS] for understanding the tremendous additional workload that these people have had.

So I thank the gentleman, and I thank the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Chairman, I am not only grateful but proud to stand with the gentleman and with the ranking member as well, and especially in this bipartisan exchange, to stand with my good friend from Oklahoma, Mr. WATTS, who sought me out and indicated that if indeed the offset had been different, he had very much wanted to support this matter with me.

I do believe that this is precisely the kind of bipartisanship on precisely the kind of issue we need more of in this country, and I am very proud and pleased to be associated with everybody in the Chamber.

Mr. WATTS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Oklahoma.

Mr. WATTS of Oklahoma. Mr. Chairman, I too want to add my commendations. I appreciate, at this late hour the gentleman was not even aware of this amendment, and as Delegate NORTON mentioned, I asked her to offer this amendment, and we talked about it and brought it forth, and I appreciate the gentleman's assistance to us in this effort, especially at such a late hour.

Mr. ROGERS. Mr. Chairman, in concluding, let me thank the Members who have spoken for their nice compliments, but the gentleman from Oklahoma [Mr. WATTS] makes a very strong case. He puts a strong arm on a person, as well as the gentlewoman from the District of Columbia [Ms. NORTON], and of course our colleague on the subcommittee and ranking member, the gentleman from West Virginia [Mr. MOLLOHAN].

We are all of one mind on this, and we had of course the amendments yesterday which sought also to increase, but we were able to find a modest increase instead of the one sought, and we were able to find a place where I think we can take money from another account without harming that other account or, certainly, the war on crime, drugs, or control of our borders.

So I congratulate the parties for hard work and making a very strong case, and with that, I am prepared to yield back, hoping we can get to a final conclusion.

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

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentlewoman from the District of Columbia [Ms. NORTON].

The amendment, as modified, was agreed to.

Mr. KLUG. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. KLUG. I will not take that long, Mr. Chairman.

Speaking to the gentleman from Kentucky [Mr. ROGERS], chairman of the committee, last year I offered an amendment to the 1996 Commerce, Justice, State and Judiciary Appropriations Act, which prohibited NOAA from using funds provided to undertake a fleet modernization program. NOAA fleet modernization would cost more than $1 billion according to the General Accounting Office. Private firms are more than capable of supplying NOAA with the data they need for charting and mapping. The university national oceanographic laboratory system has a fleet that is currently capable of doing NOAA's research. Bearing this in mind, I would like to ask the gentleman if my language prohibiting NOAA from implementing a fleet modernization program is indeed included in H.R. 3814.

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

Mr. KLUG. I yield to the gentleman from Kentucky.

Mr. ROGERS. The gentleman's language is, in fact, included in the bill under title VI.

AMENDMENT OFFERED BY MR. COLLINS OF GEORGIA

Mr. COLLINS of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. COLLINS of Georgia: Page 116, after line 2, insert the following:

SEC. 615. None of the funds made available by this Act may be obligated or expended to administer Federal Prison Industries except when it is made known to the Federal official having authority to obligate or expend such funds that Federal Prison Industries—

(1) considers 20 percent of the Federal market for a new product produced by Federal Prison Industries after the date of the enactment of this Act as being a reasonable share of total purchases of such product by Federal departments and agencies; and

(2) uses, when describing in any report or study a specific product produced by Federal Prison Industries—

(A) the 7-digit classification for the product in the Standard Industrial Classification (SIC) Code published by the Office of Management and Budget (or if there is no 7-digit code classification for a product, the 5-digit code classification); and

(B) the 13-digit National Stock Number assigned to such product under the Federal Stock Classification System (including group, part number, and section), as determined by the General Services Administration.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 23, 1996, the gentleman from Georgia [Mr. COLLINS] and a Member opposed will each control 7½ minutes.

The Chair recognizes the gentleman from Georgia [Mr. COLLINS].

Mr. COLLINS of Georgia. Mr. Chairman, I yield myself 3 of those 7½ minutes.

Mr. Chairman, this amendment deals with the Federal prison industries. What is the Federal prison industries? The FPI, also known as UNICOR, is a Government-owned corporation with a board of directors created to provide employment and rehabilitation for convicts. The program, which had over $450 million in sales in 1995, projected by GAO to have sales of $1.2 billion by the year 2000, provides manufacturing jobs for convicts who in return are paid a wage for their work.

In addition, the law guarantees this prison manufacturing corporation a captured consumer base because it requires all Government agencies to give first priority to FPI over all private sector manufacturers.

What does the Collins-Hoekstra amendment do? This amendment simply states that in order for the FPI to use the $3 million for administrative expenses authorized, and I repeat authorized, in this appropriations bill, not appropriated since the corporation is self-sustaining, the agency must comply with the original intent of Congress. The original statute clearly required assurance that FPI not dominate more than a reasonable share of the market for a specific product.

The FPI has failed to restrict a dominance to a reasonable share of markets. As a result the FPI is eliminating small business jobs all over the country for hard-working, law-abiding, taxpaying citizens.

Has there been a hearing on this problem? Yes. The Committee on Small Business recently held a hearing on this very issue. The chief operating officer of the FPI testified that the agency has indeed violated the reasonable share and specific product provisions of the current law. The FPI is dominating many markets for manufactured goods by lumping together product identification numbers and establishing a false impact study which underreports FIP's true share of market and fails to reflect the resulting damage inflicted upon small business.

This amendment will ensure that FPI does not dominate more than a reasonable share of the market for new products, new products. This amendment will clarify that the reasonable share is equal to 20 percent of the market share of a specific product as distinguished by an assigned identification number.

This amendment grandfathers current contracts held by FPI. Therefore, not one contract, not one Federal job, not one convict job will be lost due to this amendment. By requiring FPI to comply with the original intent of Congress, we will save small business jobs for law-abiding, hard-working family breadwinners, at least for the next year, covered by this appropriations bill.

In addition, we will continue to provide work and rehabilitation for convicts. This will provide the authorizing committee the opportunity to study the problem and will be a fair and generous solution for all.

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume, and I reluctantly rise in opposition to the gentleman's amendment due primarily to the strong opposition of the chairman of the Subcommittee on Crime, the gentleman from Florida [Mr. MCCOLLUM] whose authorization committee has oversight of the Federal prison industries program.

Here is another instance, Mr. Chairman, where I have a chairman of the appropriate authorizing subcommittee saying to me, ''Do not put authorization language in your appropriations bill.'' I do not know the merits particularly of the gentleman's proposal, but I am objecting on procedural grounds, primarily because the authorization committee wants this considered in this subcommittee, not in an appropriations bill.

Mr. MCCOLLUM has asked that I raise his concerns with regard to this amendment because he is detained at this moment in an important hearing in his subcommittee and simply cannot get away.

□ 1415

I am speaker more or less in place of the gentleman from Florida [Mr. MCCOLLUM].

Mr. Chairman, the gentleman's amendment, as I understand it, seeks to ensure that the Federal Prison Industries consider 20 percent of the Federal market for new products that they produce as the reasonable share and, thus, the limit of the market they shall obtain. As the gentleman knows, the Federal Government is the only consumer of products that the Federal Prison Industries produces.

According to the authorization committee, the amendment would have the following impact:

One, it would effectively prevent Federal Prison Industries from even bidding for a significant number of Government contracts by severely narrowing the definition of ''new product'';

Two, it would undermine the statutory process passed by Congress to decide what products the Federal Prison Industries sells to the Federal Government and in what amounts;

And three, it would drastically limit any growth of Federal Prison Industries. It would severely limit Federal Prison Industries from giving work skills and real job experience to the overwhelming majority of inmates incarcerated in the future.

In addition, the Bureau of Prisons is opposed to this legislation being added to the appropriations bill. They believe the changes to Federal Prison Industries requirements should be completely vented and hearings held and dealt with in the full authorization context.

I also understand the authorization committee plans to begin extensive hearings on the future of Federal Prison Industries after the August break. I am told that the chairman of that committee, the gentleman from Florida [Mr. MCCOLLUM], has agreed to consider this proposal as part of a planned overhaul of the entire Federal prison industry system.

While I understand that the gentleman may not agree with the impact of his legislation that the authorization committee is asserting, I believe that this disagreement and lack of true understanding of the impact is cause to object to this language on an appropriations bill. This is another complicated issue, Mr. Chairman, that we could debate the impact of, but once again, this is not the process that we do that.

There is a reason why there is a rule of the House saying legislation shall not be placed on an appropriations bill, authorizing legislation, because we need to have hearings and study and think and have all input from all angles in a sustained period of time, not in a 10-minute burst of time on an appropriations bill where we do not simply understand the impact of what we may be doing. It deserves the attention of the authorization committee, and the chairman of that committee has asked that the process be respected, that we not legislate on this bill will a matter subject to his jurisdiction.

For that reason, Mr. Chairman, although I highly respect the gentleman and his amendment, I have to urge a ''no'' vote on his amendment.

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

Mr. COLLINS of Georgia. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, I thank the gentleman for yielding time to me, and for working so hard at making this amendment possible.

Mr. Chairman, let us clarify again what we are doing here. We are talking about limiting Federal Prison Industries [FPI], and going after new products in new markets. This does not affect the markets or products they are currently producing. This amendment is very limited in its scope, and based on the performance of FPI it should be much broader. It is only a small step at reining in FPI's aggressive and arrogant zeal for new products and new business in new markets to employ increased levels of Federal inmates, and every time they do this they are doing it at the expense of small businesses and medium-size businesses and American workers around this country.

They have abused their privileges. They have abused their position in this marketplace where they have super preference. What super preference means is that the Federal Government can only buy from FPI. FPI has to provide a waiver to the Federal Government before they buy from the private sector or before the Federal Government decides to buy from a blind or handicapped rehabilitative agency. They have abused this privilege.

This is a shot across their bow that says no more, no more in new products. As the gentleman from Florida [Mr. MCCOLLUM] goes through the process of having the extensive hearings, then we can go back and take a look at the abuses they put in place over the last number of years. Specifically, in my district, they have decided that a reasonable number is that they should grow office furniture sales by $60 million. That shows that they will unemploy about 350 workers, potentially, in my district.

Mr. Chairman, it is time to rein them in. This is a reasonable amendment until we can have more and complete hearings.

Mr. ROGERS. Mr. Chairman, I yield 2¼ minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding time to me, and I want to compliment him and the ranking member for the excellent job they are doing on this legislation.

Mr. Chairman, I am opposed to this amendment and I want to tell the Members why. This amendment would impose heavier restrictions on the Federal Prison Industries, it would eliminate up to 7,000 inmate jobs. I have looked at this program and I have looked at the implications of this amendment. It would actually threaten also thousands of private sector jobs.

There are basically three reasons, in analyzing this amendment, why I would be opposed to it. One, it allows the private sector suppliers who rely on its businesses to create thousands of jobs at the present time. The private sector jobs in this amendment would be destroyed. It is the only program that requires prisoners to give something back to society they have harmed. It is the only program that truly allows prisoners to develop the work ethic and skills necessary for them to become productive members.

We have done a lot here in this Congress to try to attack this issue of crime which is so prevalent in society today. What we have to do is when the prisoners come back, these inmates

come back to society, they have to be able to do useful work. That is the purpose of this program. Prisoners who graduate from the program have a lower recidivism rate than those who do not. It only stands to reason.

Also, it allows prisoners to earn some income which can be used to pay court-ordered fines, victim restitution, and child support. All of this is accomplished without the use of a single taxpayer dollar.

Mr. Chairman, this Congress, more than any other recent Congress, has taken tough stands against criminals. Without FPI, all talk of putting criminals to work would become meaningless. There would be no outlet for the products of their labor. Words, I think, should be backed up by deeds. We have had a lot of words here in the Congress, that we are going to fight crime and pass various legislation.

That is why I am opposed to this bill, because I think it is going to harm not only society but it is going to impede the rehabilitation of our prisoners, which I think is so important, especially in today's society.

Mr. COLLINS of Georgia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I believe the gentleman who just spoke to the original amendment that was offered, because this amendment does not affect any existing jobs that are now held or that are used to produce products by FPI, he was referring to the previous amendment, not this one. I know he misspoke only because of not having knowledge of the current amendment.

Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. HILLEARY].

(Mr. HILLEARY asked and was given permission to revise and extend his remarks.)

Mr. HILLEARY. Mr. Chairman, I rise in strong support of this important amendment. The conduct of the Federal Prison Industries, or FPI, is of grave concern to many small apparel manufacturers in my district back in Tennessee.

FPI has continued to expand production with very little regard for small businesses and the people they employ. Because of its super preferences, FPI is able to take contracts away from private industry which otherwise would be able to bid on them. This obviously means a loss of jobs to law-abiding citizens and threatens the very existence of many small businesses.

Throughout history, contractors from the private sector have responded to the Government's need for apparel and other products. In times of war or other natural emergencies, these contractors have provided the military and other Federal agencies products they needed to protect our national interests. Moreover, FPI uses their Government preference to take work away from many industries which are besieged by low-cost industries, imports, and stiff competition, even in their own domestic market.

I fully understand and agree with the idea of work for prisoners, but Mr. Chairman, I respectfully submit this is not the way to do it. Mr. Chairman, I strongly support this amendment and urge my colleagues to do so also.

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

Mr. Chairman, let me just sum this up by saying that there is not a Member of this Congress that I know of who is not strongly in favor of working prisoners, inmates. We feel like they should work. I probably am one of the strongest that there was in the State legislature of Georgia supporting work on behalf of those who have committed wrong.

But also I am very interested and concerned about private sector small business jobs. The FPI has encroached considerably on a number of small businesses. They have violated what the intent of Congress was by lumping specific product numbers together so they could present a false impact statement as to how their new product or the product on the market they were entering was going to affect a particular small business. This is wrong.

We should not be doing anything in this Congress that would harm the job or harm the business of small business and the private sector who are hiring employees, law-abiding citizens, taxpayers, breadwinners, people who go to work every day to support their families, even though we all support strong and hard ethic and work rules for prisoners.

Mr. Chairman, I urge the amendment to support small business, support private sector jobs, and support this amendment.

Mr. ROGERS. Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. Mr. Chairman, let me just quickly say I rise in opposition to the amendment, for a lot of the good reasons that the chairman of the subcommittee cited.

Mr. ROGERS. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. MCCOLLUM], chairman of the Subcommittee on Crime of the Committee on the Judiciary.

The CHAIRMAN. The gentleman from Florida is recognized for 1 minute.

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

Mr. Chairman, I would like to emphasize my opposition to this amendment. The reason I am opposed to this is not because I want to negatively affect the business community of America or the jobs of anybody, but because prison industries are crucial for this Nation.

This amendment would limit any growth of Federal Prison Industries. In effect, it would be preventing the Federal Prison Industries, our Federal prison system, from giving work skills and real job experience to prisoners. It is as simple as that. The limits are too severe. It is not that we do not want to constrain to some degree, but this particular amendment unfortunately limits it far too severely.

If we are going to have the ability to find a way to get the proper restraints on this system I would be happy to support it, but today this one is far too restrictive, and I urge a ''no'' vote in unequivocal terms to this amendment. Otherwise, we simply will not be able to do the job, with the increasing growth of numbers of Federal prisoners, and we have huge numbers coming into our system. We will not be able to put them into work in meaningful jobs if this amendment is adopted.

Mr. PAYNE of Virginia. Mr. Chairman, I rise in strong support of the Collins amendment. While I have some concerns about the language of the amendment, I believe the FPI problem is one that must be addressed by Congress.

My congressional district contains private sector industries in all four of the product categories which form the bulk of FPI's production: furniture, apparel, textiles, and electronics. FPI's production in the first two of these categories has increased dramatically over the years, in many cases violating FPI's own guidelines in securing market share far above what Congress intended. Sales of dorm and quarters furniture, for example, increased by 138 percent between 1991 and 1993, without triggering Board review as mandated by law. This is accomplished, at least in part, by arbitrary changes in market share definitions by FPI.

I have tried for 5 years to work with FPI to come to some accommodation on these issues, and they have consistently delayed and evaded my efforts. I do not wish to cripple FPI, because I believe the task they face of training and employing prisoners is an important one. But I strongly believe this can and must be accomplished without taking thousands of jobs away from law-abiding, hard-working Americans.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. COLLINS].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. COLLINS of Georgia. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 479, further proceedings on the amendment offered by the gentleman from Georgia [Mr. COLLINS] will be postponed.

The CHAIRMAN. Are there other amendments?

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 479, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 6 offered by the gentleman from Massachusetts [Mr. FRANK]; an amendment offered by the gentleman from Iowa [Mr. GANSKE]; amendment No. 28 offered by the gentleman for Minnesota [Mr. GUTKNECHT]; and the amendment

offered by the gentleman from Georgia [Mr. COLLINS].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

□ 1430

AMENDMENT OFFERED BY MR. FRANK OF MASSACHUSETTS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts [Mr. FRANK] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 16, noes 408, not voting 9, as follows:

[Roll No. 348]

AYES—16

| | | |
|---|---|---|
| Beilenson | Filner | Shays |
| Blumenauer | Foglietta | Visclosky |
| Conyers | Frank (MA) | Waters |
| DeFazio | Hinchey | Yates |
| Dellums | Royce | |
| Fawell | Sanford | |

NOES—408

| | | |
|---|---|---|
| Abercrombie | Campbell | Edwards |
| Ackerman | Canady | Ehlers |
| Allard | Cardin | Ehrlich |
| Andrews | Castle | Engel |
| Archer | Chabot | English |
| Armey | Chambliss | Ensign |
| Bachus | Chapman | Eshoo |
| Baesler | Chenoweth | Evans |
| Baker (CA) | Christensen | Everett |
| Baker (LA) | Chrysler | Ewing |
| Baldacci | Clay | Farr |
| Ballenger | Clayton | Fattah |
| Barcia | Clement | Fazio |
| Barr | Clinger | Fields (LA) |
| Barrett (NE) | Clyburn | Fields (TX) |
| Barrett (WI) | Coble | Flake |
| Bartlett | Coburn | Flanagan |
| Barton | Collins (GA) | Foley |
| Bass | Collins (MI) | Forbes |
| Bateman | Combest | Ford |
| Becerra | Condit | Fowler |
| Bentsen | Cooley | Fox |
| Bereuter | Costello | Franks (CT) |
| Berman | Cox | Franks (NJ) |
| Bevill | Coyne | Frelinghuysen |
| Bilbray | Cramer | Frisa |
| Bilirakis | Crane | Frost |
| Bishop | Crapo | Funderburk |
| Bliley | Cremeans | Furse |
| Blute | Cubin | Gallegly |
| Boehlert | Cummings | Ganske |
| Boehner | Cunningham | Gejdenson |
| Bonilla | Danner | Gekas |
| Bonior | Davis | Gephardt |
| Bono | de la Garza | Geren |
| Borski | Deal | Gilchrest |
| Boucher | DeLauro | Gillmor |
| Brewster | DeLay | Gilman |
| Browder | Deutsch | Gonzalez |
| Brown (CA) | Diaz-Balart | Goodlatte |
| Brown (FL) | Dickey | Goodling |
| Brown (OH) | Dicks | Gordon |
| Brownback | Dingell | Goss |
| Bryant (TN) | Dixon | Graham |
| Bryant (TX) | Doggett | Green (TX) |
| Bunn | Dooley | Greene (UT) |
| Bunning | Doolittle | Greenwood |
| Burr | Dornan | Gunderson |
| Burton | Doyle | Gutierrez |
| Buyer | Dreier | Gutknecht |
| Callahan | Duncan | Hall (OH) |
| Calvert | Dunn | Hall (TX) |
| Camp | Durbin | Hamilton |
| Hancock | Matsui | Roybal-Allard |
| Hansen | McCarthy | Rush |
| Harman | McCollum | Sabo |
| Hastert | McCrery | Salmon |
| Hastings (FL) | McDermott | Sanders |
| Hastings (WA) | McHale | Sawyer |
| Hayes | McHugh | Saxton |
| Hayworth | McInnis | Scarborough |
| Hefley | McIntosh | Schaefer |
| Hefner | McKeon | Schiff |
| Heineman | McKinney | Schroeder |
| Herger | McNulty | Schumer |
| Hilleary | Meehan | Scott |
| Hilliard | Meek | Seastrand |
| Hobson | Menendez | Sensenbrenner |
| Hoekstra | Metcalf | Serrano |
| Hoke | Meyers | Shadegg |
| Holden | Mica | Shaw |
| Horn | Millender-McDonald | Shuster |
| Hostettler | Miller (CA) | Sisisky |
| Houghton | Miller (FL) | Skaggs |
| Hoyer | Minge | Skeen |
| Hunter | Mink | Skelton |
| Hutchinson | Moakley | Slaughter |
| Hyde | Molinari | Smith (MI) |
| Inglis | Mollohan | Smith (NJ) |
| Istook | Montgomery | Smith (TX) |
| Jackson (IL) | Moorhead | Smith (WA) |
| Jackson-Lee (TX) | Moran | Solomon |
| Jacobs | Morella | Souder |
| Jefferson | Murtha | Spence |
| Johnson (CT) | Myers | Spratt |
| Johnson (SD) | Myrick | Stearns |
| Johnson, E. B. | Nadler | Stenholm |
| Johnson, Sam | Neal | Stockman |
| Johnston | Nethercutt | Stokes |
| Jones | Neumann | Studds |
| Kanjorski | Ney | Stump |
| Kaptur | Norwood | Stupak |
| Kasich | Nussle | Talent |
| Kelly | Oberstar | Tanner |
| Kennedy (MA) | Obey | Tate |
| Kennedy (RI) | Olver | Tauzin |
| Kennelly | Ortiz | Taylor (MS) |
| Kildee | Orton | Taylor (NC) |
| Kim | Owens | Tejeda |
| King | Oxley | Thomas |
| Kingston | Packard | Thompson |
| Kleczka | Pallone | Thornberry |
| Klink | Parker | Thornton |
| Klug | Pastor | Thurman |
| Knollenberg | Paxon | Tiahrt |
| Kolbe | Payne (NJ) | Torkildsen |
| LaFalce | Payne (VA) | Torres |
| LaHood | Pelosi | Torricelli |
| Lantos | Peterson (MN) | Towns |
| Largent | Petri | Traficant |
| Latham | Pickett | Upton |
| LaTourette | Pombo | Velazquez |
| Laughlin | Pomeroy | Vento |
| Lazio | Porter | Volkmer |
| Leach | Portman | Vucanovich |
| Levin | Poshard | Walker |
| Lewis (CA) | Pryce | Walsh |
| Lewis (GA) | Quillen | Wamp |
| Lewis (KY) | Quinn | Ward |
| Lightfoot | Radanovich | Watt (NC) |
| Linder | Rahall | Watts (OK) |
| Lipinski | Ramstad | Waxman |
| Livingston | Rangel | Weldon (FL) |
| LoBiondo | Reed | Weller |
| Lofgren | Regula | White |
| Longley | Richardson | Whitfield |
| Lowey | Riggs | Wicker |
| Lucas | Rivers | Williams |
| Luther | Roberts | Wilson |
| Maloney | Roemer | Wise |
| Manton | Rogers | Wolf |
| Manzullo | Rohrabacher | Woolsey |
| Markey | Ros-Lehtinen | Wynn |
| Martinez | Rose | Young (AK) |
| Martini | Roth | Zeliff |
| Mascara | Roukema | Zimmer |

NOT VOTING—9

| | | |
|---|---|---|
| Coleman | Lincoln | Stark |
| Collins (IL) | McDade | Weldon (PA) |
| Gibbons | Peterson (FL) | Young (FL) |

□ 1449

Ms. BROWN of Florida, and Messrs. GOSS, BONILLA, JEFFERSON, NEAL of Massachusetts, KENNEDY of Massachusetts, and OLVER changed their vote from ''ayes'' to ''no.''

Mr. FOGLIETTA and Mr. ROYCE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GANSKE

The CHAIRMAN. The pending business is the demand for a recorded vote of the amendment offered by the gentleman from Iowa [Mr. GANSKE] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 295, noes 128, not voting 10, as follows:

[Roll No 349]

AYES—295

| | | |
|---|---|---|
| Abercrombie | Davis | Hefley |
| Ackerman | de la Garza | Heineman |
| Allard | Deal | Herger |
| Andrews | DeFazio | Hilleary |
| Armey | DeLay | Hinchey |
| Bachus | Diaz-Balart | Hobson |
| Baesler | Dickey | Hoekstra |
| Baker (LA) | Dicks | Hoke |
| Baldacci | Dingell | Holden |
| Ballenger | Doggett | Horn |
| Barcia | Doolittle | Hostettler |
| Barr | Doyle | Hunter |
| Barrett (NE) | Duncan | Hutchinson |
| Barrett (WI) | Durbin | Hyde |
| Bartlett | Edwards | Inglis |
| Barton | Ehlers | Istook |
| Bass | Ehrlich | Jackson (IL) |
| Bateman | English | Jackson-Lee (TX) |
| Beilenson | Ensign | Johnson (SD) |
| Bentsen | Evans | Johnson, Sam |
| Bereuter | Everett | Kanjorski |
| Bilirakis | Ewing | Kasich |
| Bishop | Fawell | Kelly |
| Blumenauer | Flake | Kildee |
| Boehlert | Flanagan | Kim |
| Bonilla | Foley | King |
| Borski | Forbes | Kingston |
| Boucher | Ford | Kleczka |
| Browder | Fowler | Klink |
| Brown (OH) | Franks (CT) | Klug |
| Brownback | Franks (NJ) | Kolbe |
| Bryant (TN) | Frelinghuysen | LaFalce |
| Bryant (TX) | Frost | LaHood |
| Bunn | Funderburk | Largent |
| Bunning | Ganske | Latham |
| Burr | Gejdenson | LaTourette |
| Burton | Gekas | Lazio |
| Buyer | Geren | Leach |
| Callahan | Gibbons | Lewis (GA) |
| Calvert | Gilchrest | Lewis (KY) |
| Camp | Gillmor | Lightfoot |
| Canady | Gonzalez | Linder |
| Castle | Goodlatte | Lipinski |
| Chabot | Goodling | LoBiondo |
| Chambliss | Gordon | Luther |
| Chenoweth | Goss | Manton |
| Christensen | Graham | Manzullo |
| Chrysler | Green (TX) | Martinez |
| Clay | Greene (UT) | Martini |
| Clement | Greenwood | Mascara |
| Coburn | Gunderson | McCarthy |
| Collins (GA) | Gutknecht | McCollum |
| Collins (MI) | Hall (OH) | McCrery |
| Condit | Hall (TX) | McHale |
| Cooley | Hamilton | McHugh |
| Costello | Hancock | McInnis |
| Cox | Hansen | McIntosh |
| Cramer | Hastert | McKeon |
| Crapo | Hastings (FL) | McKinney |
| Cremeans | Hastings (WA) | Menendez |
| Cummings | Hayes | Metcalf |
| Danner | Hayworth | |

Meyers
Mica
Miller (CA)
Minge
Mink
Molinari
Montgomery
Murtha
Myers
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Payne (NJ)
Peterson (MN)
Pickett
Pomeroy
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Regula
Riggs
Rivers
Roberts
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Rush
Salmon
Sanders
Sanford
Saxton
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stockman
Stokes
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Towns
Traficant
Upton
Vento
Visclosky
Volkmer
Walsh
Wamp
Ward
Waters
Watts (OK)
Waxman
Weldon (FL)
Weller
Whitfield
Wicker
Wise
Wolf
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NOES—128

Baker (CA)
Becerra
Berman
Bevill
Bilbray
Bliley
Blute
Boehner
Bonior
Bono
Brewster
Brown (CA)
Brown (FL)
Campbell
Cardin
Chapman
Clayton
Clinger
Clyburn
Coble
Combest
Conyers
Coyne
Crane
Cubin
Cunningham
DeLauro
Dellums
Deutsch
Dixon
Dooley
Dornan
Dreier
Dunn
Engel
Eshoo
Farr
Fattah
Fazio
Fields (LA)
Fields (TX)
Filner
Foglietta
Fox
Frank (MA)
Furse
Gallegly
Gephardt
Gilman
Gutierrez
Harman
Hefner
Hilliard
Houghton
Hoyer
Jacobs
Jefferson
Johnson (CT)
Johnson, E. B.
Johnston
Jones
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Knollenberg
Lantos
Laughlin
Levin
Livingston
Lofgren
Longley
Lowey
Lucas
Maloney
Markey
Matsui
McDermott
McNulty
Meehan
Meek
Millender-McDonald
Miller (FL)
Moakley
Mollohan
Moorhead
Moran
Morella
Neal
Olver
Owens
Pallone
Pastor
Payne (VA)
Pelosi
Petri
Pombo
Porter
Portman
Ramstad
Rangel
Reed
Richardson
Roemer
Rogers
Rose
Roybal-Allard
Sabo
Sawyer
Scarborough
Schroeder
Schumer
Serrano
Skaggs
Stark
Studds
Thompson
Thornton
Torres
Torricelli
Velazquez
Vucanovich
Walker
Watt (NC)
White
Williams
Wilson
Woolsey

NOT VOTING—10

Archer
Coleman
Collins (IL)
Frisa
Lewis (CA)
Lincoln
McDade
Peterson (FL)
Weldon (PA)
Young (FL)

☐ 1458

Mr. PALLONE and Mr. FIELDS of Texas changed their vote from ''aye'' to ''no.''

Messrs. VOLKMER, FORBES, HASTINGS of Florida, WYNN, HEINEMAN, EWING, and Mrs. THURMAN changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GUTKNECHT

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 125, noes 300, not voting 8, as follows:

[Roll No. 350]

AYES—125

Allard
Bachus
Baker (CA)
Baker (LA)
Barrett (WI)
Bartlett
Barton
Bilirakis
Brownback
Bunning
Burton
Callahan
Campbell
Chabot
Chenoweth
Christensen
Chrysler
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Deal
Doolittle
Dornan
Dreier
Duncan
Edwards
Ewing
Fields (TX)
Foley
Fox
Franks (NJ)
Funderburk
Gillmor
Goodlatte
Goodling
Goss
Graham
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Hayworth
Hefley
Herger
Hoekstra
Hoke
Holden
Hostettler
Inglis
Istook
Jacobs
Johnson, Sam
Jones
Kasich
Kelly
Kleczka
Klug
LaHood
Largent
Laughlin
Lucas
Luther
Manzullo
McHale
McInnis
McIntosh
Metcalf
Mica
Minge
Myrick
Neumann
Norwood
Nussle
Orton
Parker
Peterson (MN)
Petri
Pombo
Portman
Pryce
Radanovich
Ramstad
Roberts
Roemer
Rohrabacher
Roth
Roukema
Royce
Salmon
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shays
Smith (MI)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Taylor (MS)
Thornberry
Tiahrt
Torricelli
Walker
Weldon (FL)
Zimmer

NOES—300

Abercrombie
Ackerman
Andrews
Armey
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Buyer
Calvert
Camp
Canady
Cardin
Castle
Chambliss
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Durbin
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Flanagan
Foglietta
Forbes
Ford
Fowler
Frank (MA)
Franks (CT)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefner
Heineman
Hilleary
Hilliard
Hinchey
Hobson
Horn
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Klink
Knollenberg
Kolbe
LaFalce
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHugh
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Pickett
Pomeroy
Porter
Poshard
Quillen
Quinn
Rahall
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Rogers
Ros-Lehtinen
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Saxton
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Tate
Tauzin
Taylor (NC)
Tejeda
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff

NOT VOTING—8

Archer
Coleman
Collins (IL)
Lincoln
McDade
Peterson (FL)
Weldon (PA)
Young (FL)

☐ 1505

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. COLLINS OF GEORGIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Georgia [Mr. COLLINS] on

which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 182, noes 244, not voting 7, as follows:

[Roll No. 351]

AYES—182

| | | |
|---|---|---|
| Allard | Funderburk | Molinari |
| Baesler | Geren | Montgomery |
| Baker (LA) | Gilchrest | Myrick |
| Ballenger | Gilman | Nethercutt |
| Barcia | Goodling | Neumann |
| Barr | Gordon | Ney |
| Bartlett | Goss | Norwood |
| Barton | Graham | Oxley |
| Bateman | Green (TX) | Paxon |
| Bilbray | Greene (UT) | Payne (VA) |
| Blumenauer | Gunderson | Porter |
| Boehner | Hall (OH) | Pryce |
| Brewster | Hamilton | Radanovich |
| Brownback | Hancock | Ramstad |
| Bryant (TN) | Hastert | Reed |
| Bryant (TX) | Hastings (WA) | Regula |
| Bunning | Hayes | Rivers |
| Burr | Hayworth | Roberts |
| Burton | Hefley | Ros-Lehtinen |
| Callahan | Heineman | Roukema |
| Camp | Hilleary | Salmon |
| Castle | Hinchey | Saxton |
| Chambliss | Hobson | Scarborough |
| Chapman | Hoekstra | Schaefer |
| Chenoweth | Holden | Schiff |
| Chrysler | Hostettler | Seastrand |
| Clayton | Hunter | Sensenbrenner |
| Clement | Istook | Shays |
| Coble | Jacobs | Shuster |
| Coburn | Johnson (CT) | Smith (NJ) |
| Collins (GA) | Johnson, Sam | Smith (TX) |
| Combest | Jones | Solomon |
| Condit | Kasich | Souder |
| Conyers | Kelly | Spence |
| Cooley | Kennedy (RI) | Stearns |
| Cramer | Kim | Stenholm |
| Crane | King | Stump |
| Crapo | Kingston | Tanner |
| Cubin | Kleczka | Tate |
| Cummings | Klug | Tauzin |
| Cunningham | Latham | Taylor (NC) |
| Danner | LaTourette | Thomas |
| Deal | Laughlin | Thornberry |
| Diaz-Balart | Leach | Thornton |
| Dickey | Lewis (KY) | Tiahrt |
| Doyle | Linder | Torkildsen |
| Duncan | LoBiondo | Torricelli |
| Dunn | Manzullo | Traficant |
| Ehlers | Martinez | Upton |
| Ehrlich | Martini | Walker |
| English | Mascara | Wamp |
| Everett | McCarthy | Watt (NC) |
| Fawell | McCrery | Weldon (FL) |
| Flanagan | McHale | Weller |
| Foley | McHugh | Whitfield |
| Forbes | McInnis | Wicker |
| Fox | McIntosh | Wynn |
| Franks (CT) | Metcalf | Young (AK) |
| Franks (NJ) | Meyers | Zeliff |
| Frelinghuysen | Mica | Zimmer |
| Frost | Minge | |

NOES—244

| | | |
|---|---|---|
| Abercrombie | Beilenson | Bono |
| Ackerman | Bentsen | Borski |
| Andrews | Bereuter | Boucher |
| Archer | Berman | Browder |
| Armey | Bevill | Brown (CA) |
| Bachus | Bilirakis | Brown (FL) |
| Baker (CA) | Bishop | Brown (OH) |
| Baldacci | Bliley | Bunn |
| Barrett (NE) | Blute | Buyer |
| Barrett (WI) | Boehlert | Calvert |
| Bass | Bonilla | Campbell |
| Becerra | Bonior | Canady |
| Cardin | Hyde | Payne (NJ) |
| Chabot | Inglis | Pelosi |
| Christensen | Jackson (IL) | Peterson (MN) |
| Clay | Jackson-Lee (TX) | Petri |
| Clinger | Jefferson | Pickett |
| Clyburn | Johnson (SD) | Pombo |
| Collins (MI) | Johnson, E. B. | Pomeroy |
| Costello | Johnston | Portman |
| Cox | Kanjorski | Poshard |
| Coyne | Kaptur | Quillen |
| Cremeans | Kennedy (MA) | Quinn |
| Davis | Kennelly | Rahall |
| de la Garza | Kildee | Rangel |
| DeFazio | Klink | Richardson |
| DeLauro | Knollenberg | Riggs |
| DeLay | Kolbe | Roemer |
| Dellums | LaFalce | Rogers |
| Deutsch | LaHood | Rohrabacher |
| Dicks | Lantos | Rose |
| Dingell | Largent | Roth |
| Dixon | Lazio | Roybal-Allard |
| Doggett | Levin | Royce |
| Dooley | Lewis (CA) | Rush |
| Doolittle | Lewis (GA) | Sabo |
| Dornan | Lightfoot | Sanders |
| Dreier | Lipinski | Sanford |
| Durbin | Livingston | Sawyer |
| Edwards | Lofgren | Schroeder |
| Engel | Longley | Schumer |
| Ensign | Lowey | Scott |
| Eshoo | Lucas | Serrano |
| Evans | Luther | Shadegg |
| Ewing | Maloney | Shaw |
| Farr | Manton | Sisisky |
| Fattah | Markey | Skaggs |
| Fazio | Matsui | Skeen |
| Fields (LA) | McCollum | Skelton |
| Fields (TX) | McDermott | Slaughter |
| Filner | McKeon | Smith (MI) |
| Flake | McKinney | Smith (WA) |
| Foglietta | McNulty | Spratt |
| Ford | Meehan | Stark |
| Fowler | Meek | Stockman |
| Frank (MA) | Menendez | Stokes |
| Frisa | Millender-McDonald | Studds |
| Furse | Miller (CA) | Stupak |
| Gallegly | Miller (FL) | Talent |
| Ganske | Mink | Taylor (MS) |
| Gejdenson | Moakley | Tejeda |
| Gekas | Mollohan | Thompson |
| Gephardt | Moorhead | Thurman |
| Gibbons | Moran | Torres |
| Gillmor | Morella | Towns |
| Gonzalez | Murtha | Velazquez |
| Goodlatte | Myers | Vento |
| Greenwood | Nadler | Visclosky |
| Gutierrez | Neal | Volkmer |
| Gutknecht | Nussle | Vucanovich |
| Hall (TX) | Oberstar | Walsh |
| Hansen | Obey | Ward |
| Harman | Olver | Waters |
| Hastings (FL) | Ortiz | Watts (OK) |
| Hefner | Orton | Waxman |
| Herger | Owens | White |
| Hilliard | Packard | Williams |
| Hoke | Pallone | Wilson |
| Horn | Parker | Wise |
| Houghton | Pastor | Wolf |
| Hoyer | Peterson (FL) | Woolsey |
| Hutchinson | Weldon (PA) | Yates |

NOT VOTING—7

| | | |
|---|---|---|
| Coleman | McDade | Young (FL) |
| Collins (IL) | | |
| Lincoln | | |

☐ 1514

Mr. DAVIS changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Ms. HARMAN. Mr. Chairman, I rise today in strong support of H.R. 3814, the Commerce/Justice/State appropriations bill for fiscal year 1997. The bill is tough on crime and the funding it provides will help us in the effort to gain control of our borders.

Since I first took office, my constituents have stressed to me time and again what a high priority they place on public safety and crime prevention. I am pleased to see that this bill provides $1.4 billion—equal to last year's spending—on the successful Community Policing block grants. This means that we will continue to put thousands of new local law enforcement officers on the beat in our cities.

I would also like to commend the chairman of the subcommittee for fully funding National Institute of Justice programs like the regional Law & Technology Centers. These centers, which identify defense technologies suitable for use by law enforcement, have already produced notable results. The Western Regional center, located in El Segundo, CA, is currently helping develop image enhancement technology which has already been used to solve the murder of a police officer in my district.

Additionally, I am pleased that the bill funds key technology programs at the Department of Commerce including the Manufacturing Extension Partnership (MEP) and the Advanced Technology Program. Both of these initiatives are examples of how government and industry can form partnerships to stimulate our Nation's research and development base. Nowhere is this partnership more evident than at the California Manufacturing and Technology Center in Southern California's South Bay—where last year, 51 small manufacturers hired 442 additional employees after implementing improvements recommended by the CMTC.

Furthermore, the bill provides an increase of $457 million for agencies enforcing our immigration laws, paying for 1,000 new border patrol agents and 2700 additional detention beds. It also provides $500 million in sorely needed reimbursement to the States for the cost of incarcerating criminal aliens.

As originally reported, the bill needed some changes; most notably, restoration of funding to the Legal Services Corporation. As a young lawyer in the late 1960's and early 1970's, I witnessed the birth of the Legal Services Corporation and participated in its struggle for adequate funding. The LSC has been a lifeline for the thousands over the years, helping poor Americans defend themselves against wrongful evictions, wrongful denial of Social Security benefits, and wrongful denial of parental rights. It has also helped victims of domestic violence—in fact, one out of every three cases handled by LSC concerns family law matters including abusive spouses, and neglected and abused juveniles. LSC has already been cut by over ⅓. The additional massive cuts in the bill as reported were unnecessary and hurtful. I am pleased to note that the Mollohan amendment that the House has just passed restored $109 million in funding to the LSC.

Mr. Chairman, on the whole this is a good bill. It is tough on crime and illegal immigration, and provides much needed resources to our law enforcement authorities. I urge my colleagues to support its passage.

Mr. PORTMAN. Mr. Chairman, I rise today to express my support for H.R. 3814. I believe this legislation represents a solid approach to our Nation's commitment in fighting drug abuse and protecting our borders.

The bill provides more than $7.1 billion in funding for the Drug Enforcement Administration in order to renew a counternarcotics attack, and an additional $75 million for the DEA to target source countries and restore the successful international drug efforts to 1992 levels.

H.R. 3814 also places a priority on protecting our borders. As you know, it adds 1,100 new border control agents and 2,700 more detention cells to ensure the deportation of illegal aliens residing in the United States.

I am concerned, however, about the significant increase in Federal money that goes toward fighting crime. I simply believe that it is bad policy in light of the Federal Government's limited role in fighting crime and our very serious debt crisis.

Congress plays an important and appropriate role in clarifying rights under the Constitution and protecting our borders. These issues were addressed in legislation passed in the Contract With America, for example: Victim Restitution, Effective Death Penalty Act, Criminal Alien Deportation Acts. Community policing on the other hand, has always been viewed as a local responsibility.

I cannot justify committing billions of dollars in Federal funds for a responsibility that is truly a responsibility of State and local governments. I fear that efforts by Congress to assert control in areas that, under the Constitution, are clearly left to State and local agencies, will result in politicizing the crime issue, too much Federal control, and an unjustified increase in our budget deficit.

It makes more sense to let localities raise money to meet local needs; sending taxpayer dollars to Washington results in less money coming back because of administration costs.

Because of the overall funding levels in the bill, I supported the Gutknecht amendment to reduce spending by 1.9 percent across-the-board, which would further help our deficit reduction efforts.

Mr. PAYNE of Virginia. Mr. Chairman, I rise to express my strong support for the Trade Adjustment Assistance Program for Firms. It is my understanding that the managers amendment would allow funding for the program, with an understanding that a specific source of funds would be identified during conference. The TAA for Firms Programs provides management assistance to manufacturers nationwide who have been severely impacted by foreign imports.

The TAA Program for Firms is extremely cost effective, as increased Federal and State taxes paid by manufacturers that have been through the program more than pay for the cost of the program. According to the most recent Trade Adjustment Assistance Report, every dollar invested into the TAA for Firms Program returns almost $7.50 to States and the Federal Government in tax revenue. This number does not include savings to the Government from unemployment and welfare benefits which we are not providing the employees of the companies that participate in the program because we keep these workers employed.

During the years TAA for Firms has been available, Federal appropriations have totaled $77.3 million. Almost 79,000 jobs have been impacted during this period, for a Federal investment of $980 per job—making this an extremely cost-effective expenditure of Federal dollars.

During the period 1989–95, 597 companies nationwide participated in the TAA Program. Two years before becoming eligible for the program, these companies employed almost 82,000 workers. By the time of their eligibility, employment levels in these companies had dropped by 14 percent. But within 2 years of entering the program, employment was up over 12 percent, restoring three-fourths of the employees lost through foreign competition prior to entering the program.

Nationally, sales levels for these companies dropped from $6.8 billion to $6.1 billion in the 2 years prior to their entering the program. Within 2 years, sales had increased to $8 billion, a 30 percent increase from their levels at certification.

Most importantly, productivity, as measured by sales per employee, has increased significantly. Two years prior to certification, sales per employee averaged less than $83,000. At certification, sales per employee were averaging slightly over $87,000. However, after completion of all or the bulk of the approved assistance, sales per employee have increased to over $101,000. This is an increase of almost 16 percent since certification.

TAA for Firms is the only Federal program that gives direct aid to companies for specific and individualized company needs. Many of these needs are not technology needs, but involve problems in marketing, financing, production, product development, distribution, and systems integration. No other Federal Government program provides assistance in these areas.

When NAFTA was approved, we made a commitment to the employees and companies that would be adversely impacted by the liberalization of trade with Canada and Mexico that we would provide transitional assistance to help them adjust to the increase in imports. TAA for Firms represents our part of the commitment we made to these companies, a commitment we must not now disavow. Small firms have sought TAA assistance in such volume that there is presently a backlog of $11.2 million in projects that cannot be completed due to lack of funds.

Clearly, the assistance provided by this program is still desperately needed by small companies trying to compete in a post-NAFTA world. I am pleased that an agreement has been reached to fund the TAA for Firms Program in this bill. I believe it is important to retain the only Federal program that gives these small companies a fighting chance at survival.

Mr. CUNNINGHAM. Mr. Chairman, I rise to thank the chairman of the subcommittee, Mr. ROGERS, for his outstanding work on the fiscal year 1997 Appropriations bill for the Departments of Commerce, Justice, State and the Judiciary. This bill places a priority on helping State and local governments address the most serious problems that affect my constituents each and every day: illegal immigration, drug trade, and drug abuse.

Every American should be disturbed by the fact that, after a decade of declining drug use rates among school children, the last 3 years have seen a sharp increase in drug abuse. What has caused this alarming increase? I say it's a lack of leadership. In the 1980's, under the leadership of President and Mrs. Reagan, our communities started an effort to Just Say No to drug and drug dealers. Every American youngster learned that it was cool to stay off drugs and away from drug dealers.

What do we hear from this White House? It sounds like Just Say I Don't Know. Days after taking office, President Clinton worked to slash the Office of National Drug Control Policy, essentially waiving the white flag in the war on drugs.

This bill, which I am proud to support, jump starts the stalled war on drugs. We are providing more than $7.1 billion for the War on Drugs, including an increase of more than $173 million for the Drug Enforcement Agency ($20 million more than the President's request) and a new $75 million initiative to restart our international drug interdiction efforts in Latin America and other overseas areas. This bill also includes critical funding for a $56 million initiative to stop drug trafficking along the Southwest border. Much of that will help restart efforts in San Diego to stop the drug smuggling that has escaped the administration's Operation Gatekeeper program.

In addition to working for real solutions to our Nation's drug problem, this bill puts real teeth in our effort to protect our borders and stop illegal immigration. All told, this bill provides more than $2.8 billion for enforcement of our immigration laws. We fund the Immigration and Nationalization Service (INS) at $2.2 billion, or $30 million more than the President's request. We put 1,100 new order patrol agents across our borders (400 more than the President's request) and pay for 2,700 more prison cells (2000 more than the President's request) to ensure that illegal aliens are deported from this country, rather than released onto our streets.

I would like to thank Chairman ROGERS again for his leadership in drafting an outstanding bill that lives up to federal responsibilities to enforce our borders and stop illegal immigration. I specifically appreciate his help in including $500 million to reimburse states like California for the costs of incarcerating illegal aliens.

While helping to address the alien detention problem in southern California, Mr. ROGERS has been a great help in my including a provision in the report accompanying this bill that would stop a misguided Justice Department effort to take over part of a military base in my district. This provision would direct the Attorney General to find alternatives to an arrangement that had allowed the Justice Department to detain illegal aliens in the military brig at NAS Miramar. This arrangement, for the two weeks that it was in effect last March, resulted in a riot and a fire that shut that vital national security base down and severely disrupted the Pentagon's ability to defend our country.

Mr. Chairman, this is a good bill that will help restart our effort to stop violent crime, stop illegal immigration, and stop the drug problems that plague our schools. I commend Chairman ROGERS for his effort and call on Members to support passage of the bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HUTCHINSON) having assumed the chair, Mr. GUNDERSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3814) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes, pursuant to House Resolution 479, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. OBEY. I certainly am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. OBEY moves to recommit the bill, H.R. 3814, to the Committee on Appropriations with instructions to report the bill back promptly with an amendment to increase funding for contributions to international peacekeeping activities with appropriate offsets.

Mr. OBEY. Mr. Speaker, I do not intend to push this to a rollcall vote. This motion to recommit simply increases funds for peacekeeping with appropriate offsets in the bill. I am offering the motion to indicate my concern about the level of funding for that program.

Mr. Speaker, I yield back the balance of my time.

Mr. ROGERS. Mr. Speaker, I rise in opposition, urge a ''no'' vote, and I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 246, nays 179, not voting 8, as follows:

[Roll No 352]

YEAS—246

| | | |
|---|---|---|
| Archer | Burr | Dooley |
| Baesler | Buyer | Dornan |
| Baker (LA) | Callahan | Doyle |
| Ballenger | Calvert | Dreier |
| Barr | Camp | Dunn |
| Barrett (NE) | Campbell | Ehlers |
| Bass | Canady | Engel |
| Bateman | Cardin | English |
| Beilenson | Castle | Ensign |
| Bentsen | Chambliss | Eshoo |
| Bereuter | Chapman | Evans |
| Berman | Christensen | Everett |
| Bevill | Clinger | Farr |
| Bilbray | Coble | Fawell |
| Bilirakis | Combest | Fazio |
| Bishop | Costello | Fields (TX) |
| Bliley | Cramer | Flanagan |
| Blute | Cunningham | Foley |
| Boehlert | Davis | Forbes |
| Bonilla | Deal | Fowler |
| Bonior | DeFazio | Fox |
| Bono | DeLauro | Franks (CT) |
| Borski | DeLay | Franks (NJ) |
| Boucher | Deutsch | Frelinghuysen |
| Brewster | Diaz-Balart | Frisa |
| Browder | Dickey | Furse |
| Brown (FL) | Dicks | Gallegly |
| Brownback | Dixon | Ganske |
| Bunn | Doggett | Gejdenson |
| Gekas | Manzullo | Roberts |
| Geren | Martini | Rogers |
| Gilchrest | Mascara | Ros-Lehtinen |
| Gilman | Matsui | Roukema |
| Goodling | McCollum | Sawyer |
| Gordon | McCrery | Schiff |
| Greene (UT) | McDermott | Schumer |
| Greenwood | McHale | Seastrand |
| Gunderson | McHugh | Serrano |
| Hall (OH) | McInnis | Shaw |
| Harman | McKeon | Shays |
| Hastert | McNulty | Shuster |
| Hastings (WA) | Meek | Sisisky |
| Hefner | Meyers | Skaggs |
| Heineman | Mica | Skeen |
| Hilleary | Miller (CA) | Skelton |
| Hobson | Miller (FL) | Smith (NJ) |
| Holden | Minge | Smith (TX) |
| Horn | Molinari | Smith (WA) |
| Houghton | Mollohan | Solomon |
| Hoyer | Montgomery | Souder |
| Hunter | Moorhead | Spence |
| Hutchinson | Moran | Spratt |
| Hyde | Morella | Stenholm |
| Johnson (CT) | Murtha | Talent |
| Kanjorski | Myers | Tate |
| Kasich | Myrick | Tauzin |
| Kelly | Nadler | Taylor (NC) |
| Kennelly | Nethercutt | Tejeda |
| Kim | Ney | Thomas |
| King | Norwood | Thornton |
| Kingston | Nussle | Thurman |
| Kleczka | Ortiz | Torkildsen |
| Klug | Oxley | Torricelli |
| Knollenberg | Packard | Towns |
| Kolbe | Pallone | Traficant |
| LaHood | Parker | Upton |
| Latham | Paxon | Visclosky |
| LaTourette | Payne (VA) | Vucanovich |
| Laughlin | Pelosi | Walker |
| Lazio | Peterson (MN) | Walsh |
| Leach | Pickett | Wamp |
| Lewis (CA) | Porter | Watts (OK) |
| Lightfoot | Portman | Weller |
| Linder | Poshard | White |
| Lipinski | Pryce | Whitfield |
| Livingston | Quillen | Wicker |
| LoBiondo | Quinn | Wilson |
| Lofgren | Radanovich | Wise |
| Longley | Rahall | Wolf |
| Lowey | Regula | Young (AK) |
| Lucas | Richardson | Zeliff |
| Luther | Riggs | Zimmer |

NAYS—179

| | | |
|---|---|---|
| Abercrombie | Dingell | Jacobs |
| Ackerman | Doolittle | Jefferson |
| Allard | Duncan | Johnson (SD) |
| Andrews | Durbin | Johnson, E. B. |
| Armey | Edwards | Johnson, Sam |
| Bachus | Ehrlich | Johnston |
| Baker (CA) | Ewing | Jones |
| Baldacci | Fattah | Kaptur |
| Barcia | Fields (LA) | Kennedy (MA) |
| Barrett (WI) | Filner | Kennedy (RI) |
| Bartlett | Flake | Kildee |
| Barton | Foglietta | Klink |
| Becerra | Ford | LaFalce |
| Blumenauer | Frank (MA) | Lantos |
| Boehner | Frost | Largent |
| Brown (CA) | Funderburk | Levin |
| Brown (OH) | Gephardt | Lewis (GA) |
| Bryant (TN) | Gibbons | Lewis (KY) |
| Bryant (TX) | Gillmor | Maloney |
| Bunning | Gonzalez | Manton |
| Burton | Goodlatte | Markey |
| Chabot | Goss | Martinez |
| Chenoweth | Graham | McCarthy |
| Chrysler | Green (TX) | McIntosh |
| Clay | Gutierrez | McKinney |
| Clayton | Gutknecht | Meehan |
| Clement | Hall (TX) | Menendez |
| Clyburn | Hamilton | Metcalf |
| Coburn | Hancock | Millender-McDonald |
| Collins (GA) | Hansen | Mink |
| Collins (MI) | Hastings (FL) | Moakley |
| Condit | Hayworth | Neal |
| Conyers | Hefley | Neumann |
| Cooley | Herger | Oberstar |
| Cox | Hilliard | Obey |
| Coyne | Hinchey | Olver |
| Crane | Hoekstra | Orton |
| Crapo | Hoke | Owens |
| Cremeans | Hostettler | Pastor |
| Cubin | Inglis | Payne (NJ) |
| Cummings | Istook | Petri |
| Danner | Jackson (IL) | Pombo |
| de la Garza | Jackson-Lee (TX) | Pomeroy |
| Dellums | Ramstad | Schaefer |
| Rangel | Schroeder | Thornberry |
| Reed | Scott | Tiahrt |
| Rivers | Sensenbrenner | Torres |
| Roemer | Shadegg | Velazquez |
| Rohrabacher | Slaughter | Vento |
| Rose | Smith (MI) | Volkmer |
| Roth | Stark | Ward |
| Roybal-Allard | Stearns | Waters |
| Royce | Stockman | Watt (NC) |
| Rush | Stokes | Waxman |
| Sabo | Studds | Weldon (FL) |
| Salmon | Stump | Williams |
| Sanders | Stupak | Woolsey |
| Sanford | Tanner | Wynn |
| Saxton | Taylor (MS) | Yates |
| Scarborough | Thompson | |

NOT VOTING—8

| | | |
|---|---|---|
| Coleman | Lincoln | Weldon (PA) |
| Collins (IL) | McDade | Young (FL) |
| Hayes | Peterson (FL) | |

☐ 1534

Mr. MOAKLEY changed his vote from ''yea'' to ''nay.''

Mr. RIGGS, Ms. BROWN of Florida, and Mr. TOWNS changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 317 through 326 earlier this week. Had I been present, I would have voted ''yea'' or ''aye'' on rollcall votes 317, 319, 320, 324, 325, and 326 and ''nay'' or ''no'' on rollcall votes 318, 321, 322, and 323.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

## PROVIDING FOR CONSIDERATION OF H.R. 3816, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

Mr. QUILLEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 483 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 483

*Resolved*, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 or 6 of rule XXI are waived. During consideration of the bill for amendment, the

Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes. After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. HUTCHINSON). The gentleman from Tennessee [Mr. QUILLEN] is recognized for 1 hour.

Mr. QUILLEN. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. BEILENSON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, House Resolution 483 is an open rule providing for the consideration of H.R. 3816, making appropriations for energy and water development for fiscal year 1997.

The rule waives clause 2 and clause 6 of rule XXI which prohibits unauthorized appropriations, legislation in general appropriations bills, and reappropriations against provisions in the bill. These waivers are necessary since many programs funded by this bill have not been reauthorized. The measure also includes some transfers of funds and minor legislative provisions, and the appropriations committee worked closely with the authorizing committees on these matters.

The rule also provides for priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, and it allows the Chair to postpone and cluster roll call votes, and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote.

This rule allows the majority leader or his designee to offer a motion to rise and report the bill after the final lines of the bill have been read. Finally, the rule allows one motion to recommit, with or without instructions.

Mr. Speaker, Chairman JOHN MYERS and Ranking Minority Member TOM BEVILL have done a remarkable job in putting together the energy and water development appropriations bill for fiscal year 1997. Together they fought to get sufficient funds allocated to protect investments in water and energy infrastructure and to maintain and operate facilities and programs within the subcommittee's jurisdiction while still contributing toward deficit reduction.

Combined they have contributed approximately 50 years to the Energy and Water Appropriations Subcommittee, always working in a bipartisan manner. Those who take their places on the subcommittee after their retirement will find that their's will be a tough act to follow.

They have repeatedly displayed what can be accomplished through bipartisan cooperation, friendship, and respect—an example we should all aspire to follow.

Mr. Speaker, H.R. 3816 provides funds for critical programs such as flood control, maintenance of over 25,000 miles of inland waterways, Bureau of Reclamation projects, Department of Energy functions and various independent agencies including the Appalachian Regional Commission [ARC] and the Tennessee Valley Authority [TVA]. Both of these agencies have made a tremendous impact on the regions they serve. The Tennessee Valley Authority is required by law to perform flood control and river navigation services for the entire Tennessee Valley area which would otherwise be provided by the Army Corps of Engineers.

TVA's economic development program has helped many communities in the region meet their infrastructure and development needs. These funds have been significantly reduced in recent years, and I oppose any attempts to further erode the funding base for this important program.

No funds appropriated for TVA are used for its power program, and I strongly urge the Members of the House to reject any amendment which may be offered to reduce or eliminate funds for these two agencies. They provide crucial services to the deserving communities in the Appalachian and Tennessee Valley regions. Funding for TVA and ARC has already been reduced, and any further reduction would seriously jeopardize the ability of these agencies to carry out their important functions.

Mr. Speaker, I urge my colleagues to support this open rule and this important appropriations bill.

Mr. Speaker, I ask unanimous consent to insert extraneous material into the RECORD following my statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman Tennessee?

There was no objection.

The materials referred to follow:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of July 23, 1996]

| Rule type | 103d Congress | | 104th Congress | |
|---|---|---|---|---|
| | Number of rules | Percent of total | Number of rules | Percent of total |
| Open/Modified-Open[2] | 46 | 44 | 80 | 60 |
| Structured/Modified Closed[3] | 49 | 47 | 37 | 27 |
| Closed[4] | 9 | 9 | 17 | 13 |
| Total | 104 | 100 | 134 | 100 |

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of July 23, 1996]

| H. Res. No. (Date rept.) | Rule type | Bill No. | Subject | Disposition of rule |
|---|---|---|---|---|
| H. Res. 38 (1/18/95) | O | H.R. 5 | Unfunded Mandate Reform | A: 350–71 (1/19/95). |
| H. Res. 44 (1/24/95) | MC | H. Con. Res. 17 | Social Security | A: 255–172 (1/25/95). |
| | | H.J. Res. 1 | Balanced Budget Amdt | |
| H. Res. 51 (1/31/95) | O | H.R. 101 | Land Transfer, Taos Pueblo Indians | A: voice vote (2/1/95). |
| H. Res. 52 (1/31/95) | O | H.R. 400 | Land Exchange, Arctic Nat'l. Park and Preserve | A: voice vote (2/1/95). |
| H. Res. 53 (1/31/95) | O | H.R. 440 | Land Conveyance, Butte County, Calif | A: voice vote (2/1/95). |
| H. Res. 55 (2/1/95) | O | H.R. 2 | Line Item Veto | A: voice vote (2/2/95). |
| H. Res. 60 (2/6/95) | O | H.R. 665 | Victim Restitution | A: voice vote (2/7/95). |
| H. Res. 61 (2/6/95) | O | H.R. 666 | Exclusionary Rule Reform | A: voice vote (2/7/95). |
| H. Res. 63 (2/8/95) | MO | H.R. 667 | Violent Criminal Incarceration | A: voice vote (2/9/95). |
| H. Res. 69 (2/9/95) | O | H.R. 668 | Criminal Alien Deportation | A: voice vote (2/10/95). |

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 23, 1996]

| H. Res. No. (Date rept.) | Rule type | Bill No. | Subject | Disposition of rule |
|---|---|---|---|---|
| H. Res. 79 (2/10/95) | MO | H.R. 728 | Law Enforcement Block Grants | A: voice vote (2/13/95). |
| H. Res. 83 (2/13/95) | MO | H.R. 7 | National Security Revitalization | PQ: 229–199; A: 227–197 (2/15/95). |
| H. Res. 88 (2/16/95) | MC | H.R. 831 | Health Insurance Deductibility | PQ: 230–191; A: 229–188 (2/21/95). |
| H. Res. 91 (2/21/95) | O | H.R. 830 | Paperwork Reduction Act | A: voice vote (2/22/95). |
| H. Res. 92 (2/21/95) | MC | H.R. 889 | Defense Supplemental | A: 282–144 (2/22/95). |
| H. Res. 93 (2/22/95) | MO | H.R. 450 | Regulatory Transition Act | A: 252–175 (2/23/95). |
| H. Res. 96 (2/24/95) | MO | H.R. 1022 | Risk Assessment | A: 253–165 (2/27/95). |
| H. Res. 100 (2/27/95) | O | H.R. 926 | Regulatory Reform and Relief Act | A: voice vote (2/28/95). |
| H. Res. 101 (2/28/95) | MO | H.R. 925 | Private Property Protection Act | A: 271–151 (3/2/95). |
| H. Res. 103 (3/3/95) | MO | H.R. 1058 | Securities Litigation Reform | |
| H. Res. 104 (3/3/95) | MO | H.R. 988 | Attorney Accountability Act | A: voice vote (3/6/95). |
| H. Res. 105 (3/6/95) | MO | | | A: 257–155 (3/7/95). |
| H. Res. 108 (3/7/95) | Debate | H.R. 956 | Product Liability Reform | A: voice vote (3/8/95). |
| H. Res. 109 (3/8/95) | MC | | | PQ: 234–191 A: 247–181 (3/9/95). |
| H. Res. 115 (3/14/95) | MO | H.R. 1159 | Making Emergency Supp. Approps | A: 242–190 (3/15/95). |
| H. Res. 116 (3/15/95) | MC | H.J. Res. 73 | Term Limits Const. Amdt | A: voice vote (3/28/95). |
| H. Res. 117 (3/16/95) | Debate | H.R. 4 | Personal Responsibility Act of 1995 | A: voice vote (3/21/95). |
| H. Res. 119 (3/21/95) | MC | | | A: 217–211 (3/22/95). |
| H. Res. 125 (4/3/95) | O | H.R. 1271 | Family Privacy Protection Act | A: 423–1 (4/4/95). |
| H. Res. 126 (4/3/95) | O | H.R. 660 | Older Persons Housing Act | A: voice vote (4/6/95). |
| H. Res. 128 (4/4/95) | MC | H.R. 1215 | Contract With America Tax Relief Act of 1995 | A: 228–204 (4/5/95). |
| H. Res. 130 (4/5/95) | MC | H.R. 483 | Medicare Select Expansion | A: 253–172 (4/6/95). |
| H. Res. 136 (5/1/95) | O | H.R. 655 | Hydrogen Future Act of 1995 | A: voice vote (5/2/95). |
| H. Res. 139 (5/3/95) | O | H.R. 1361 | Coast Guard Auth. FY 1996 | A: voice vote (5/9/95). |
| H. Res. 140 (5/9/95) | O | H.R. 961 | Clean Water Amendments | A: 414–4 (5/10/95). |
| H. Res. 144 (5/11/95) | O | H.R. 535 | Fish Hatchery—Arkansas | A: voice vote (5/15/95). |
| H. Res. 145 (5/11/95) | O | H.R. 584 | Fish Hatchery—Iowa | A: voice vote (5/15/95). |
| H. Res. 146 (5/11/95) | O | H.R. 614 | Fish Hatchery—Minnesota | A: voice vote (5/15/95). |
| H. Res. 149 (5/16/95) | MC | H. Con. Res. 67 | Budget Resolution FY 1996 | PQ: 252–170 A: 255–168 (5/17/95). |
| H. Res. 155 (5/22/95) | MO | H.R. 1561 | American Overseas Interests Act | A: 233–176 (5/23/95). |
| H. Res. 164 (6/8/95) | MC | H.R. 1530 | Nat. Defense Auth. FY 1996 | PQ: 225–191 A: 233–183 (6/13/95). |
| H. Res. 167 (6/15/95) | O | H.R. 1817 | MilCon Appropriations FY 1996 | PQ: 223–180 A: 245–155 (6/16/95). |
| H. Res. 169 (6/19/95) | MC | H.R. 1854 | Leg. Branch Approps. FY 1996 | PQ: 232–196 A: 236–191 (6/20/95). |
| H. Res. 170 (6/20/95) | O | H.R. 1868 | For. Ops. Approps. FY 1996 | PQ: 221–178 A: 217–175 (6/22/95). |
| H. Res. 171 (6/22/95) | O | H.R. 1905 | Energy & Water Approps. FY 1996 | A: voice vote (7/12/95). |
| H. Res. 173 (6/27/95) | C | H.J. Res. 79 | Flag Constitutional Amendment | PQ: 258–170 A: 271–152 (6/28/95). |
| H. Res. 176 (6/28/95) | MC | H.R. 1944 | Emer. Supp. Approps | PQ: 236–194 A: 234–192 (6/29/95). |
| H. Res. 185 (7/11/95) | O | H.R. 1977 | Interior Approps. FY 1996 | PQ: 235–193 D: 192–238 (7/12/95). |
| H. Res. 187 (7/12/95) | O | H.R. 1977 | Interior Approps. FY 1996 #2 | PQ: 230–194 A: 229–195 (7/13/95). |
| H. Res. 188 (7/12/95) | O | H.R. 1976 | Agriculture Approps. FY 1996 | PQ: 242–185 A: voice vote (7/18/95). |
| H. Res. 190 (7/17/95) | O | H.R. 2020 | Treasury/Postal Approps. FY 1996 | PQ: 232–192 A: voice vote (7/18/95). |
| H. Res. 193 (7/19/95) | C | H.J. Res. 96 | Disapproval of MFN to China | A: voice vote (7/20/95). |
| H. Res. 194 (7/19/95) | O | H.R. 2002 | Transportation Approps. FY 1996 | PQ: 217–202 (7/21/95). |
| H. Res. 197 (7/21/95) | O | H.R. 70 | Exports of Alaskan Crude Oil | A: voice vote (7/24/95). |
| H. Res. 198 (7/21/95) | O | H.R. 2076 | Commerce, State Approps. FY 1996 | A: voice vote (7/25/95). |
| H. Res. 201 (7/25/95) | O | H.R. 2099 | VA/HUD Approps. FY 1996 | A: 230–189 (7/25/95). |
| H. Res. 204 (7/28/95) | MC | S. 21 | Terminating U.S. Arms Embargo on Bosnia | A: voice vote (8/1/95). |
| H. Res. 205 (7/28/95) | O | H.R. 2126 | Defense Approps. FY 1996 | A: 409–1 (7/31/95). |
| H. Res. 207 (8/1/95) | MC | H.R. 1555 | Communications Act of 1995 | A: 255–156 (8/2/95). |
| H. Res. 208 (8/1/95) | O | H.R. 2127 | Labor, HHS Approps. FY 1996 | A: 323–104 (8/2/95). |
| H. Res. 215 (9/7/95) | O | H.R. 1594 | Economically Targeted Investments | A: voice vote (9/12/95). |
| H. Res. 216 (9/7/95) | MO | H.R. 1655 | Intelligence Authorization FY 1996 | A: voice vote (9/12/95). |
| H. Res. 218 (9/12/95) | O | H.R. 1162 | Deficit Reduction Lockbox | A: voice vote (9/13/95). |
| H. Res. 219 (9/12/95) | O | H.R. 1670 | Federal Acquisition Reform Act | A: 414–0 (9/13/95). |
| H. Res. 222 (9/18/95) | O | H.R. 1617 | CAREERS Act | A: 388–2 (9/19/95). |
| H. Res. 224 (9/19/95) | O | H.R. 2274 | Natl. Highway System | PQ: 241–173 A: 375–39–1 (9/20/95). |
| H. Res. 225 (9/19/95) | MC | H.R. 927 | Cuban Liberty & Dem. Solidarity | A: 304–118 (9/20/95). |
| H. Res. 226 (9/21/95) | O | H.R. 743 | Team Act | A: 344–66–1 (9/27/95). |
| H. Res. 227 (9/21/95) | O | H.R. 1170 | 3-Judge Court | A: voice vote (9/28/95). |
| H. Res. 228 (9/21/95) | O | H.R. 1601 | Internatl. Space Station | A: voice vote (9/27/95). |
| H. Res. 230 (9/27/95) | C | H.J. Res. 108 | Continuing Resolution FY 1996 | A: voice vote (9/28/95). |
| H. Res. 234 (9/29/95) | O | H.R. 2405 | Omnibus Science Auth | A: voice vote (10/11/95). |
| H. Res. 237 (10/17/95) | MC | H.R. 2259 | Disapprove Sentencing Guidelines | A: voice vote (10/18/95). |
| H. Res. 238 (10/18/95) | MC | H.R. 2425 | Medicare Preservation Act | PQ: 231–194 A: 227–192 (10/19/95). |
| H. Res. 239 (10/19/95) | C | H.R. 2492 | Leg. Branch Approps | PQ: 235–184 A: voice vote (10/31/95). |
| H. Res. 245 (10/25/95) | MC | H. Con. Res. 109 | Social Security Earnings Reform | PQ: 228–191 A: 235–185 (10/26/95). |
| | | H.R. 2491 | Seven-Year Balanced Budget | |
| H. Res. 251 (10/31/95) | C | H.R. 1833 | Partial Birth Abortion Ban | A: 237–190 (11/1/95). |
| H. Res. 252 (10/31/95) | MO | H.R. 2546 | D.C. Approps. | A: 241–181 (11/1/95). |
| H. Res. 257 (11/7/95) | C | H.J. Res. 115 | Cont. Res. FY 1996 | A: 216–210 (11/8/95). |
| H. Res. 258 (11/8/95) | MC | H.R. 2586 | Debt Limit | A: 220–200 (11/10/95). |
| H. Res. 259 (11/9/95) | O | H.R. 2539 | ICC Termination Act | A: voice vote (11/14/95). |
| H. Res. 262 (11/9/95) | C | H.R. 2586 | Increase Debt Limit | A: 220–185 (11/10/95). |
| H. Res. 269 (11/15/95) | O | H.R. 2564 | Lobbying Reform | A: voice vote (11/16/95). |
| H. Res. 270 (11/15/95) | C | H.J. Res. 122 | Further Cont. Resolution | A: 249–176 (11/15/95). |
| H. Res. 273 (11/16/95) | MC | H.R. 2606 | Prohibition on Funds for Bosnia | A: 239–181 (11/17/95). |
| H. Res. 284 (11/29/95) | O | H.R. 1788 | Amtrak Reform | A: voice vote (11/30/95). |
| H. Res. 287 (11/30/95) | O | H.R. 1350 | Maritime Security Act | A: voice vote (12/6/95). |
| H. Res. 293 (12/7/95) | C | H.R. 2621 | Protect Federal Trust Funds | PQ: 223–183 A: 228–184 (12/14/95). |
| H. Res. 303 (12/13/95) | O | H.R. 1745 | Utah Public Lands | PQ: 221–197 A: voice vote (5/15/96). |
| H. Res. 309 (12/18/95) | C | H. Con. Res. 122 | Budget Res. W/President | PQ: 230–188 A: 229–189 (12/19/95). |
| H. Res. 313 (12/19/95) | O | H.R. 558 | Texas Low-Level Radioactive | A: voice vote (12/20/95). |
| H. Res. 323 (12/21/95) | C | H.R. 2677 | Natl. Parks & Wildlife Refuge | Tabled (2/28/96). |
| H. Res. 366 (2/27/96) | MC | H.R. 2854 | Farm Bill | PQ: 228–182 A: 244–168 (2/28/96). |
| H. Res. 368 (2/28/96) | O | H.R. 994 | Small Business Growth | Tabled (4/17/96). |
| H. Res. 371 (3/6/96) | C | H.R. 3021 | Debt Limit Increase | A: voice vote (3/7/96). |
| H. Res. 372 (3/6/96) | MC | H.R. 3019 | Cont. Approps. FY 1996 | PQ: voice vote A: 235–175 (3/7/96). |
| H. Res. 380 (3/12/96) | C | H.R. 2703 | Effective Death Penalty | A: 251–157 (3/13/96). |
| H. Res. 384 (3/14/96) | MC | H.R. 2202 | Immigration | PQ: 233–152 A: voice vote (3/19/96). |
| H. Res. 386 (3/20/96) | C | H.J. Res. 165 | Further Cont. Approps | PQ: 234–187 A: 237–183 (3/21/96). |
| H. Res. 388 (3/21/96) | C | H.R. 125 | Gun Crime Enforcement | A: 244–166 (3/22/96). |
| H. Res. 391 (3/27/96) | C | H.R. 3136 | Contract w/America Advancement | PQ: 232–180 A: 232–177, (3/28/96). |
| H. Res. 392 (3/27/96) | MC | H.R. 3103 | Health Coverage Affordability | PQ: 229–186 A: Voice Vote (3/29/96). |
| H. Res. 395 (3/29/96) | MC | H.J. Res. 159 | Tax Limitation Const. Amdmt. | PQ: 232–168 A: 234–162 (4/15/96). |
| H. Res. 396 (3/29/96) | O | H.R. 842 | Truth in Budgeting Act | A: voice vote (4/17/96). |
| H. Res. 409 (4/23/96) | O | H.R. 2715 | Paperwork Elimination Act | A: voice vote (4/24/96). |
| H. Res. 410 (4/23/96) | O | H.R. 1675 | Natl. Wildlife Refuge | A: voice vote (4/24/96). |
| H. Res. 411 (4/23/96) | C | H.J. Res. 175 | Further Cont. Approps. FY 1996 | A: voice vote (4/24/96). |
| H. Res. 418 (4/30/96) | O | H.R. 2641 | U.S. Marshals Service | PQ: 219–203 A: voice vote (5/1/96). |
| H. Res. 419 (4/30/96) | O | H.R. 2149 | Ocean Shipping Reform | A: 422–0 (5/1/96). |
| H. Res. 421 (5/2/96) | O | H.R. 2974 | Crimes Against Children & Elderly | A: voice vote (5/7/96). |
| H. Res. 422 (5/2/96) | O | H.R. 3120 | Witness & Jury Tampering | A: voice vote (5/7/96). |
| H. Res. 426 (5/7/96) | O | H.R. 2406 | U.S. Housing Act of 1996 | PQ: 218–208 A: voice vote (5/8/96). |
| H. Res. 427 (5/7/96) | O | H.R. 3322 | Omnibus Civilian Science Auth | A: voice vote (5/9/96). |
| H. Res. 428 (5/7/96) | MC | H.R. 3286 | Adoption Promotion & Stability | A: voice vote (5/9/96). |
| H. Res. 430 (5/9/96) | S | H.R. 3230 | DoD Auth. FY 1997 | A: 235–149 (5/10/96). |
| H. Res. 435 (5/15/96) | MC | H. Con. Res. 178 | Con. Res. on the Budget, 1997 | PQ: 227–196 A: voice vote (5/16/96). |
| H. Res. 436 (5/16/96) | C | H.R. 3415 | Repeal 4.3 cent fuel tax | PQ: 221–181 A: voice vote (5/21/96). |
| H. Res. 437 (5/16/96) | MO | H.R. 3259 | Intell. Auth. FY 1997 | A: voice vote (5/21/96). |
| H. Res. 438 (5/16/96) | MC | H.R. 3144 | Defend America Act | |

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 23, 1996]

| H. Res. No. (Date rept.) | Rule type | Bill No. | Subject | Disposition of rule |
|---|---|---|---|---|
| H. Res. 440 (5/21/96) | MC | H.R. 3448 | Small Bus. Job Protection | A: 219–211 (5/22/96). |
| | MC | H.R. 1227 | Employee Commuting Flexibility | |
| H. Res. 442 (5/29/96) | O | H.R. 3517 | Mil. Const. Approps. FY 1997 | A: voice vote (5/30/96). |
| H. Res. 445 (5/30/96) | O | H.R. 3540 | For. Ops. Approps. FY 1997 | A: voice vote (6/5/96). |
| H. Res. 446 (6/5/96) | MC | H.R. 3562 | WI Works Waiver Approval | A: 363–59 (6/6/96). |
| H. Res. 448 (6/6/96) | MC | H.R. 2754 | Shipbuilding Trade Agreement | A: voice vote (6/12/96). |
| H. Res. 451 (6/10/96) | O | H.R. 3603 | Agriculture Appropriations, FY 1997 | A: voice vote (6/11/96). |
| H. Res. 453 (6/12/96) | O | H.R. 3610 | Defense Appropriations, FY 1997 | A: voice vote (6/13/96). |
| H. Res. 455 (6/18/96) | O | H.R. 3662 | Interior Approps, FY 1997 | A: voice vote (6/19/96). |
| H. Res. 456 (6/19/96) | O | H.R. 3666 | VA/HUD Approps | A: 246–166 (6/25/96). |
| H. Res. 460 (6/25/96) | O | H.R. 3675 | Transportation Approps | A: voice vote (6/26/96). |
| H. Res. 472 (7/9/96) | O | H.R. 3755 | Labor/HHS Approps | PQ: 218–202 A: voice vote (7/10/96). |
| H. Res. 473 (7/9/96) | MC | H.R. 3754 | Leg. Branch Approps | A: voice vote (7/10/96). |
| H. Res. 474 (7/10/96) | MC | H.R. 3396 | Defense of Marriage Act | A: 290–133 (7/11/96). |
| H. Res. 475 (7/11/96) | O | H.R. 3756 | Treasury/Postal Approps | A: voice vote (7/16/96). |
| H. Res. 479 (7/16/96) | O | H.R. 3814 | Commerce, State Approps | A: voice vote (7/17/96). |
| H. Res. 481 (7/17/96) | MC | H.R. 3820 | Campaign Finance Reform | |
| H. Res. 482 (7/17/96) | MC | H.R. 3734 | Personal Responsibility Act | A: 358–54 (7/18/96). |
| H. Res. 483 (7/18/96) | O | H.R. 3816 | Energy/Water Approps | |

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; S/C-structured/closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

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

□ 1545

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we support this rule, which allows Members to offer any amendment that is otherwise in order under the standing rules of the House.

I do want to point out, however, that this rule, like other rules we have considered for appropriations bills this year, waives points of order against legislating on an appropriations bill. That is not a practice we want to encourage, but we accept it in this case because we recognize that there are times when waiving that rule is necessary and appropriate. I would note that the relevant authorizing committees do not have any objections to this waiver of this particular rule.

Mr. Speaker, the bill that this rule makes in order provides $19.4 billion for the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the Department of Energy. This legislation has been developed in a strong spirit of bipartisanship, for which we commend and thank the chairman of the Subcommittee on Energy and Water Development, the gentleman from Indiana [Mr. MYERS], and the ranking member, the gentleman from Alabama [Mr. BEVILL]. Both gentlemen are not only excellent legislators but very fine gentlemen and human beings, both of whom will be greatly missed by Members of this institution in the years to come.

However, many of us do have serious concerns about some of the bill's provisions. We note that solar and renewable energy research would be cut by $44 million below this year's level and $142 million below the level requested by the President. A reduction of that size would severely threaten the development of these advanced technologies, and would thus be a setback to our efforts to reduce our dependence on imported oil, diversify our energy resources, reduce pollution, and generate jobs in this growing field.

We also object to the bill's drastic cut in the Department of Energy's administrative funding, which would reduce spending for that purpose by almost half the current amount. The deep spending cuts would severely impair the department's ability to carry out its basic management responsibilities.

Fortunately, amendments will be offered to at least partially reverse some of the more extreme spending cuts that the bill currently contains.

We also anticipate amendments on several highly controversial projects that are funded by this bill, including one that would eliminate the bill's $17 million for the Advanced Light Water Reactor Program, one eliminating the bill's $9.5 million for construction of the Animas-LaPlata water project, and one eliminating the bill's $45 million for the Nuclear Technology Research and Development Program.

Mr. Speaker, again, although we do, as I have suggested, have some concerns about this bill, we strongly support the rule. We urge its passage, so we can proceed to consideration of this legislation.

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

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Indiana [Mr. MYERS], the chairman of the subcommittee.

Mr. MYERS of Indiana. Mr. Speaker, I thank the committee for the rule that the gentleman has given this subcommittee this year, once again. I particularly thank both the gentleman from Tennessee [Mr. QUILLEN] and the gentleman from California [Mr. BEILENSON] for the very nice words each have said about the gentleman from Alabama [Mr. BEVILL] and me.

I take these few moments here to explain what we expect to be able to accomplish this evening, the remainder of this evening. We hope and expect to finish this bill tonight. With the cooperation of the membership we will be able to do that. I do not like to see us have to control the time, to limit the time on debate on any amendment, but if it is necessary then we will not hesitate to do that. We must do that if it becomes necessary to accomplish the mission tonight.

I hope we will have the cooperation of those Members who will be offering amendments, that we limit the time on those amendments voluntarily; much better to do it voluntarily than do it where we have to compel the action by the House to limit the time, but if necessary, we will. I hope those who have very little to say, and each of us has a lot of things we could say, and right now I could be a little more brief, I expect, but if we can limit the time this evening and not speak unless we have absolutely something to say, it will help us accomplish our goals tonight.

I do not think anyone wants to stay until midnight, but apparently, because of the remaining schedule this week of floor activity, if it is necessary to stay that late or even later to finish the bill, we expect to finish the bill tonight. So please, I ask for Members' cooperation. Again, I thank Members for the time they have given us today.

Mr. BEILENSON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. BROWN].

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I take this time to make a few comments, recognizing that the time will be limited during consideration of the bill. May I assure the distinguished chairman that I will cooperate with him fully in getting us out of here by midnight by not offering any amendments of my own, although I will speak on some of the others.

Mr. Speaker, as my distinguished colleague, the gentleman from California, indicated, there are some situations in this bill which cause us a little heartburn, and I am sure the gentleman knows what they are. They are the same as were mentioned earlier. We believe that the cuts in the solar and renewable category are excessive, and we likewise have some problem with the management cuts, but we trust that these can be at least partially resolved during the further course of the bill.

Mr. Speaker, I also want to thank the committee for including a very small item there which is of personal concern to me, and which I will discuss later on in the bill. That is an item of $400,000 for continued research on the Salton Sea.

The Salton Sea is not in my district. It is in the district of my good friend

and colleague, the gentleman from California, DUNCAN HUNTER. It is shared by the gentleman from California, SONNY BONO, but it happens to be the area in which I grew up. I used to swim in the Salton Sea when I was a kid, and it is no longer swimmable. It is on the path to complete collapse, with the death of the fish and the birds that use the fish, the destruction of the recreational industry, and various other things of that sort.

The Bureau of Reclamation, which I feel has the major responsibility here, has been researching this for some years, and has not even yet discovered what I could point out to them, that there is fish kill. There are acres of dead fish along the beach. There are, similarly, dead waterfowl, and this is on a major flyway, and it is going to be catastrophic.

The $400,000 was not requested by the Bureau, it was added by the committee, in their wisdom, and I commend them for that. The Bureau, for some reason or other, the Bureau of Reclamation, which has a $10 million authorization to do this work passed in the water bill of several years ago, of 1992, has asked for only $100,000 a year.

In my opinion it has been dilatory and delinquent in moving to the stage of offering recommendations to solve this problem. At the risk of belaboring a personal matter, I am going to take a few minutes during the course of the general debate on the bill to discuss this even further. We are talking about the destruction of a regional resource, which I hate to see happen. I do not want to amend the bill by adding $40 million to save it, but we will lay the groundwork for doing that later.

Mr. QUILLEN. Mr. Speaker, I yield 7 minutes to the gentleman from Michigan [Mr. KNOLLENBERG], a member of the committee.

Mr. KNOLLENBERG. Mr. Speaker, I appreciate the gentleman from Tennessee yielding time to me.

Mr. Speaker, I rise in support of this rule.

I support this rule. It is an open rule which will allow an open debate on the issues involved in the energy and water development appropriations bill for fiscal year 1997.

This is the 13th of 13 appropriations bills. And I salute Chairman SOLOMON and the Rules Committee for providing open rules.

This demonstrates the hard work and commitment by Chairman SOLOMON and the Rules Committee to an open and fair discussion of all Members' concerns throughout the appropriations process.

Being Members of Congress from 435 congressional districts, 50 States, and from diverse regions throughout America, we bring a different story, a different understanding, a different set of priorities to this floor of U.S. House of Representatives.

And with our diverse backgrounds we will not agree on everything. We enter this debate, sometimes a rigorous debate, on the what the spending priorities will be for the Federal Government for fiscal year 1997.

But under this open rule we can air our ideas, discuss our concerns, and persuade others through debate.

One of the issues that I am particularly concerned about within the Department of Energy is the issuance of buyouts for DOE and contractor employees.

As the cold war came to a close during the fall of 1991, we left behind a legacy of nuclear waste from the weapons manufacturing sites. As we made a transition from production to clean up the Department of Energy ramped up their employee numbers at the nuclear cleanup sites to, in many cases, twice their previous staffing levels.

Sites like Handford, WA, saw staffing increases from approximately 11,500 level in the late 1980's to almost 17,000 in 1994.

The Rocky Flats site in Colorado saw increases from about 5,000 employees in 1998 to numbers over 7,500 in 1991.

And at the Savannah River site in South Carolina, employee numbers were almost doubled from around 10,600 in 1988 up to almost 21,000 in 1992.

These increases occurred even though production of nuclear weapons at these sites ceased by September 1991.

Now I will be the first to point out that these employee numbers have since been brought down to full production levels in the past few years. But I am still concerned with the Department's staffing plans to facilitate further down sizing.

One of the mechanisms that the Department uses to minimize social and economic impacts caused by the layoffs of cold war warriors is section 3161 of the Defense Authorization Act of 1993.

Employee severances packages provided for under section 3161 include cash buyouts, job training, health care coverage, and relocation costs coverage.

I support these benefits for the cold war warriors who for decades were quintessential to maintaining our Nation's security through nuclear deterrence.

However, I am very concerned about how these benefits have been distributed freely to noncold war warriors.

I would like to relay to you an experience I had during my visit to Rocky Flats in early June. During a briefing on work force restructuring, I asked the contractor's vice president of human relations a hypothetical question.

I asked: ''If I had worked at Rocky Flats for 5 years, what separation benefits would I receive if I voluntarily left today?''

I was told I would receive a benefits package that would include:

First, a cash buyout based on percentage of salary and years employed.

Second, 3 years of health benefits: year 1—full coverage; year 2—partial coverage; and year 3—eligible for COBRA.

Third, relocation expenses.

Fourth, training expenses.

The contractor vice president went on to say, that even if I had only been employed for 1 year, I would be entitled to this severance package.

The buyouts include severance packages totalling over $25,000 per separated employee.

Buyouts for those recently employed are not exclusive to Rocky Flats by any means. In fact, I have strong concerns that such buyouts are common at all sites EM wide. When placed under close scrutiny by the inspector general's office, buyouts at the Fernald Environmental Management project in Ohio were found to be handled with reckless disregard for the American taxpayer.

In 1994, the Fernald nuclear cleanup site was instructed to reduce the work force involved in doing remedial investigations and feasibility studies and instead to focus the work force on actual cleanup.

This shift in skills mix was to occur simultaneously with a work force reduction of 660 employees—a 36-percent reduction—over 3 years.

An April 1996 inspector general report on work force restructuring at the Fernald site, found that in many cases staffing buyouts were followed by the rehiring of employees with essentially the same skill mix. This resulted in no significant reductions in the bloated work force and it did not save any money.

One example of such careless management at the Fernald site is where 14 secretaries were voluntarily separated during the 1994 restructuring, all receiving lucrative severance packages. But then 19 new secretaries were hired back during the same fiscal year.

The IG report continues that ''[i]n the [1995] restructuring, [Fernald] identified 47 secretaries for separation, 3 of whom were hired after the first restructuring.'' Since the announcement of the 1995 restructuring, Fernald has hired an additional 19 secretaries.

This ramping up, buying down, ramping up, buying down is absolutely ridiculous and can't be allowed to continue.

In the report that accompanies this bill, the committee has addressed these waste and inefficiencies that plague the worker transition program. This report notifies the Department of Energy of the committee's concerns about generous separation and severance benefits being offered to non-cold war warriors.

Mr. Speaker, everyone should know that while the subcommittee is not unilaterally opposed to buyouts, they should be used sparingly, judiciously, and as part of an overall work force restructuring plan.

I would say to my colleagues that the subcommittee is committed to getting to the bottom of this and this bill lays the ground work for some much-needed reforms in the years to come.

I support this open rule that will allow for further open debate on the

important issues concerning energy and water appropriations.

□ 1600

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. WELLER].

(Mr. WELLER asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. WELLER. Mr. Speaker, first, I want to thank my friend, the gentleman from Tennessee [Mr. QUILLEN], for yielding me this time. Of course, I stand in strong support of this open rule and also stand in strong support of this bill.

I particularly want to congratulate my friend, the gentleman from Indiana [Mr. MYERS], on his leadership on this bill in bringing it to the floor and also thank him, his subcommittee and the ranking member for their bipartisan efforts.

This week the Chicago region suffered a devastating flood throughout the entire Chicago metropolitan area, particularly in the south suburbs and the southwestern suburbs which I represent; in fact, affecting hundreds if not thousands of homes, millions if not multimillions of dollars' worth of damage affecting both homes and, of course, small businesses.

Governor Edgar moved very quickly to declare a state of emergency in a number of the counties and, of course, has since requested from the President a disaster declaration on a Federal scale. As I pointed out earlier, hundreds if not thousands of homes are damaged and hundreds if not thousands of small businesses are now being surveyed for damage as a result of this high water and floods that devastated the Chicago metropolitan area. Particularly in Will and Cook Counties which I represent, we saw excessive damage.

I do want to point out that in the south suburbs there is an effort that has been under way for the last generation which, had it been completed, it is estimated at least 90 percent of the damage that occurred would not have occurred, protecting hundreds if not thousands of homes from flood damage. That project is known as the tunnel and reservoir project, or the deep tunnel as it has been nicknamed for the last generation. It is not done yet and we are continuing to work in a bipartisan effort to complete this project.

The deep tunnel or the tunnel and reservoir project is a system of tunnels drop shafts, pumping stations and reservoirs. Unfortunately, one of the uncompleted reservoirs in this whole project, the Thornton Reservoir, actually is located in my district in the south suburbs. When completed, this reservoir will provide 5 billion gallons of floodwater storage and could have prevented the bulk of the floodwater damage that occurred to hundreds if not thousands of homes and small businesses in the south suburbs.

This reservoir, when completed, will have a service area of over 90 square miles and will provide relief to 131,000 dwellings in 18 communities. In fact when it is done, the real benefit to many homeowners will be lower flood insurance premiums as well as higher home values.

The taxpayers and constituents in the south suburbs of Chicago are deeply in support of the Thornton Reservoir and the deep tunnel project and greatly appreciated the fact that Chairman MYERS came to my district the week of the Fourth of July and personally surveyed and spoke with local officials. The timing could not have been better, considering the floodwaters came just 2 weeks later.

This is an investment in the future. I do want to thank my colleagues of both parties in the House for the bipartisan effort, our efforts to bring flood relief to the south suburbs as they progressed.

I want to point out that the House in the last few weeks has approved $101 million in the ag appropriations bill for the Little Calumet and Thornton Creek flood control project, $10 million in the VA–HUD appropriation to continue work on the tunnels involved, and this particular bill sets aside $6.65 million in construction funding for the Corps of Engineers to complete and continue work on the Thornton Reservoir.

I urge an ''aye'' vote, Mr. Speaker. This is a good bill. This is an effort that I appreciate very much in behalf of my constituents to protect the homes in the south suburbs of Chicago from flooding. We do need flood control.

Mr. Speaker, I include the following extraneous material for the RECORD:

[From the Star, July 21, 1996]

THE FLOOD DISASTER

Weather disasters are so commonplace in the news that we tend to discount their importance—until we are confronted, firsthand, with the human realities of such events. Almost all of us were forced to do that through the night Wednesday and into the weekend as we tried to cope with the worst flood emergency in this region in recent history.

Depending on where you live in the South or Southwest Suburbs, you now are faced with anything from a time-consuming backyard and basement clean-up project to a complete disaster it will take you weeks or even months to recover from.

No local area was spared the torrential downpour of Wednesday night and Thursday morning. But people in some communities—notably villages in Paloa, Orland, Bremen and Thornton townships—watched in awe and fear as anywhere from seven to 15 inches of rain pelted down, totally inundating their communities with flood water.

That's the most rain ever recorded in 24 hours in the history of those communities.

The impact was immense. Whole neighborhoods were flooded, some so much so that families had to be evacuated. Most, if not all, major viaducts were under water, forcing the rerouting of traffic and in some cases the total shutdown of travel. Thousands of people could not get out of their garages, much less to their jobs. Thousands more basements and downstairs living quarters were filled with water, ruining furniture, carpets, drapes and furnishings and seriously damaging or destroying utilities.

Electrical and telephone service was disrupted or totally knocked out in all areas. Sewers backed up, causing a potential health crisis; in unincorporated areas septic fields were swamped causing sewage to float into backyards, basements, garages and homes themselves.

Thousands of vehicles were disabled by floods and their owners faced the prospect of paying hundreds in repairs to get ruined motors running again. Insurance agencies reported more claims calls on Thursday than on any single day in memory.

Fortunately, as of Saturday, no flood-related deaths to persons in the area had been reported. But there was the compelling story of a family in Homewood that lost three show dogs who drowned in the lower level of their home when it flooded.

The total cost of this disaster is far into the millions of dollars, probably beyond accurate calculation.

On the positive side, there were hundreds of tales of people helping people and of governmental agencies—local and state—coming to the rescue of flood victims. We were able to observe what we have heard about in other places when earthquakes, hurricanes, tornadoes or other natural disasters strike—that most people are at their human best when their neighbors need them most.

Last week will be one to remember. Hopefully, there will not be one like it again in many years to come.

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FLOOD POTENTIAL SPREADS WITH GROWTH

(By Kevin Carmody)

People asking why their normally high and dry homes flooded last week might find some clues in last July's deadly heat wave.

Chicagoans learned the hard way that no two strings of hot weather are ever identical in all the variables that can prove deadly. There are peak temperature, nighttime lows, humidity and wind speed, to name some of the factors. Last summer, slight variations in a few turned an early July hot spell into an unprecedented killer that claimed 733 lives.

Likewise, severe rainstorms vary as to whether the rain comes all at once, in several deluges or intermittently over several days. Then there's the matter of whether the ground is already saturated, or perhaps too dry to be absorbent. So total rainfall—like peak temperature—is only part of the puzzle of whether a storm will produce severe flooding.

But according to experts on flood prevention, man controls the rest of the puzzle—right down to the early settlers' decision to build a community called Chicago in what was a primordial swamp.

Because the soils of such swamps drain poorly, the area was destined to face severe flooding problems as communities spread outward from Lake Michigan.

''There have been floods here for thousands of years, but the area affected was probably smaller than it is today,'' said Dennis Dreher of the Northeastern Illinois Planning Commission. ''More water used to soak into the ground, but then we drained wetlands and channelized streams,'' undermining the land's natural flood control mechanisms.

The construction of homes and streets and parking lots also exacerbate flooding by reducing the amount of soil surface available to absorb rainfall. One 400-foot stretch of street means nearly 20,000 gallons of water must find somewhere else to go.

And the rate at which people are paving over the area's remaining open land is unprecedented. From 1970 to 1990, the population of the six-county region grew by only

4 percent while the amount of developed land increased by nearly 50 percent.

In the never-ending search for pristine rural homesteads, urban refugees are fueling wasteful land-use patterns that may come back to haunt them. Eventually, dense subdivisions find their way into rural hideaways, whether the land is hydrologically suited to development or not, and that increases the flooding potential.

There is no end in sight for this outward expansion, given Americans' preference for open space and the open land outside Chicago, said Pierre DeVise, an urbanologist and professor emeritus at Roosevelt University.

''I would say there still is room to grow, unlike New York and Los Angeles,'' DeVise said, ''But in areas such as DuPage, people now face considerable traffic congestion and some of the advantages of low density are already defeated. So people are going ever farther out.''

Mention flooding in suburban and rural communities, and many people instinctively think of rivers or streams overrunning their banks. But an even more common occurrence is the subdivision that floods because it was built in a low-lying depression with inadequate stormwater drainage.

Even communities that effectively limit building in wetlands and floodplains can find themselves approving dubious development sites because of outdated or incomplete floodplain maps.

The maps typically would not show depressions unless they are periodically flooded by waterways. And many floodplain maps haven't been updated for 10 to 15 years.

''In that time the floodplains have gotten broader, so communities are allowing development in areas that don't show on the map to be in a floodplain, but in reality are,'' said Dreher, who as NIPC's director of natural resources helps advise local governments on stormwater and floodplain management.

Although rainfall records were set at Midway Airport and several southern and western suburbs—where 6 to 16 inches fell Wednesday and Thursday—some areas that previously flooded during major storms were spared this time.

''There were areas hit hard in 1987 in DuPage County that were not affected badly this time,'' Dreher said. ''There are different types of flood events.

''The 100-year flood seems to occur every other year, but each time they tend to occur in a different area.''

In some cases, that's because hard-hit communities have learned their lesson about allowing development with little regard for stormwater management.

DuPage County approved one of the nation's most progressive stormwater control ordinances in 1990, protecting the integrity of floodplains and requiring new developments to have ponds for storing stormwater, Dreher said.

In the South Suburbs, Richton Park, Homeword, Flossmoor, Olympia Fields and Matteson are among the communities that have adopted model rules for new developments.

''Part of the reason these communities now have progressive rules is that they've had their problems and learned from their mistakes,'' Dreher said. ''It takes self-control for local officials to stand up to developers who will have to spend more money to comply.''

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SUBURBS SLOWLY DRYING OUT—WEARY FLOOD VICTIMS WATCH WEATHER

(By Molly Sullivan and Gene O'Shea)

Residents across the south suburbs hard hit by last week's flash floods continued cleaning their homes Saturday under sunny skies but with wary eyes toward the future.

In Homewood, police were searching for a 79-year-old white man possibly suffering from Alzheimer's disease, who walked away from the Heartland Health Care Center, 940 Maple Ave., at approximately 8 p.m. on Friday.

Meanwhile trash bins lined Windsor Drive in Orland Park for residents to discard their soiled belongings destroyed when two nearby detention ponds overflowed, flooding usually dry streets.

The stress of Mother Nature's wrath was evident on the faces of weary Orland Park residents not accustomed to flooding.

''It's just very frustrating. One day we're enjoying our beautiful (basement) rec room, and the next we're throwing everything out,'' Orland resident Kathy Calandriello said. ''I guess we should be grateful for the memories.''

Several miles to the east some South Holland residents took the flooding in stride, especially those who have been flooded in the past.

Sitting on his front porch just yards from the Little Calumet River, South Holland resident Steve Lund thumbed through a thick photo album he keeps that depicts his battles with Mother Nature over the years.

''This was just a couple of years ago,'' Lund said, pointing to a photo of several ducks and golden retrievers paddling around in his flooded backyard. ''We had some pet ducks, and they loved it. So did the dogs.''

Lund knows all about flooding. In the last 19 years he's been flooded four times and never once thought about moving. Dealing with Mother Nature he says, is a state of mind.

''Sure it's a pain to have to move everything in and out. If you're prepared for it, it's not so bad. If you're not ready—that's a different story,'' Lund said. ''The way I look at it, I get to move everything around every 10 years and give it a good cleaning.''

In most places, the streets were dry where, just the day before, water hit the doors of homes and covered cars.

Commonwealth Edison reported that only 20 customers remained without power throughout the south suburbs, down from 800 a day earlier and 18,000 at the height of the storm.

Ameritech, meanwhile, saw an increase in the number of lines out, from 7,400 on Friday to 8,200 on Saturday.

Spokesman Frank Mitchell said the company attributed the increase to customers' not being able to get to phones or not discovering they had lost service because they were busy bailing out flooded houses.

Crews continued to work around the clock, Mitchell said, but will have to wait in some areas where equipment remains submerged.

An emergency phone bank was set up Saturday in Plainfield at the intersection of River Court and River Road. Residents can make free local calls from Ameritech phones until service is restored to their area, Mitchell said.

Nursing home resident Charlie Pryzybyla was wearing a Heartland Health Care Center identification wrist band and an alarm wrist band with a device that alerts the center when a patient walks out the door, but he was able to get away anyway, according to the center's administrator, Janice Podwika.

''He's pretty fast at times, and was gone in an instant when the alarm went off,'' Podwika. ''But we realized he was gone, we proceeded with our standard policy in cases like this, and then notified police.'' Podwika said Pryzybyla, who used to live in Harvey, has tried to leave the facility before. She said the facility is now working with police who have taken charge of the matter.

Police said they conducted a 2½-hour helicopter infrared search around the area Friday night and dispatched dogs to the scene with negative results.

Pryzybyla is described as fair complexioned with green eyes. He wears glasses and has a scar on his nose and one of his eyes. He is balding and is 5 feet, 5 inches tall and weighs 147 pounds. He had on a brown dress shirt, dark brown pants, brown belt, and white gym shoes. Anyone with any information concerning the disappearance of Pryzybyla should contact the police at 798–2131.

Meanwhile, in virtually every town across the south suburbs, officials were out in the neighborhoods assessing damage and trying to help those who needed it.

In all, some 11 teams of state and federal disaster relief agents were going to every affected area trying to assess damage in anticipation of a federal disaster declaration.

Most roads were reopened by Saturday, and the major job facing most people was how to dispose of their water-soaked belongings and clean up their houses and property.

Generally, the news was positive from the southeast suburbs where the Little Calumet River and Lemont where the Illinois & Michigan Canal washed into the streets.

''I think we're pretty good,'' Lockport Fire Lt. Bruce Hopkins said. ''I think even our hardest-hit areas drained off pretty good.''

Lockport city officials held a town meeting Saturday to inform residents about the latest on disaster relief and to give them an overview of the flooding problems.

Residents had a chance to air their concerns about the flooding and officials said they were working as quickly as possible to assess the damage and meet residents' needs.

The scene on the streets in Lockport was the same as the one in every other suburban and city neighborhood hit by floodwaters. ''You drive anywhere, and there are (garbage) bags out in front and wet carpeting,'' Hopkins said.

As residents cleaned up, city officials were dealing with a lingering problem.

Hopkins said the police and fire emergency call dispatch system that serves the city was ruined when floodwaters damaged its equipment at the central dispatch center in Plainfield.

As of Saturday, the city and several other Will County communities were still without their main 911 systems. A backup system was in place and officials said they would have to rely on it for at least the next several days.

Elsewhere in Will County, Lynn Behringer of the Will County Office of Emergency Management said there were four teams of state and federal disaster relief officials touring the areas hit by flooding.

She said the tours would continue until every area was assessed, and it will probably run into the early part of this week. ''It's going to go on for a while,'' she said of the Federal Emergency Management Agency and the Illinois Emergency Management Agency officials who are touring with local officials.

Behringer said most people are understanding about the flooding.

Tinley Park, the Palos area and Lemont all reported dry streets.

Palos Hills Chamber of Commerce board members unanimously-approved Friday night a grant program to assist residents whose homes were damaged. Residents needing financial assistance to cover repair and replacement costs not covered by insurance can call the city's community resource department at (708) 598–3400 on Monday to apply for funds.

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[From the Daily Southtown, July 20, 1996]

VICTIMS CLEAN UP—WATER RECEDES; MEMORIES AWASH

The scene was the same Friday in many of the Southland's flood zones. Furniture was placed on lawns and clothes were hung from trees and swing sets as residents tried to take advantage of the sunshine that didn't come soon enough.

From Chicago's Southwest Side to Lockport, it was Day 2 of cleanup for residents of areas hardest hit by Wednesday's and Thursday's furious floods. And to many, it was clear that there would be many days to come.

The story was somewhat different in the southeast suburbs, where residents had spent a nervous Thursday nigh watching and sandbagging the banks of the flood-swollen Little Calumet River. To the relief of many, the river's water began to recede Friday morning, South Holland Mayor Donald DeGraff said.

But not before floodwaters washed out a park, a subdivision and the access road leading to another cluster of homes. And residents, like others in the region were left to the task of bailing and pumping.

In South Holland—the hardest hit of all southeast suburbs with 6.6 inches of rain recorded—residents used pumps and garden hoses to bail out flooded basements.

''We've had these two pumps going since 5 this morning,'' said Ann Kick, who along with husband, Bill, gazed out at the ducks swimming in their yard. ''We have a 4-foot fence out there and it is under about 3 additional feet of water.''

Ann Kick said she and her husband learned an important lesson a decade ago when they first moved into the village.

''We just sat there in disbelief as the water from the Little Calumet River flooded our yard and home,'' she said. ''We had just purchased new carpeting, and it was ruined. This time, we moved all the furniture upstairs so all that was damaged this time were the carpeting and the paneling.''

Kick's house was the first stop on a tour led by DeGraff of three local areas devastated by the flooding. The tour was largely for the benefit of John Mitchell, director of the Illinois Emergency Management Agency, the agency that will decide whether to recommend a request for federal disaster relief.

Gouwens Park, located at 16000 Seton Road, was the second stop on the hour-long tour. Flooding from the banks of the Little Calumet River turned the property into what resembled more of a boat launch than a popular park and baseball facility.

Homes in the adjacent Pacesetter subdivision along Riverview Drive were inundated with floodwater, although 200 volunteers spent hours late Thursday night filling thousands of sandbags.

The third and final stop was 170th Street near the Calumet Expressway where public works crews spent Thursday and Friday constructing a temporary road that allowed local access to landlocked residents near Everett Avenue.

The small road was among scores throughout the region still impassable Friday, the most significant of which was a 12-mile stretch of southbound Interstate 55 between Illinois 30 and Arsenal Road.

Some of the early statistics of impact of Wednesday's and Thursday's record-breaking storms were staggering. Officials in Cook and Will counties were still working to compile the numbers of homes damaged and dollars lost. But early numbers in Joliet—Will County's hardest hit town—put the number of flooded homes at 8,000.

In all, Gov. Jim Edgar declared 15 counties, including Cook and Will, state disaster areas and called out three units of the Illinois National Guard to help local authorities cope with the high water.

National Guard troops were dispatched to Naperville to help officials there deal with the 300 flooded homes and 200 submerged vehicles.

Guard troops were preparing to help with traffic control, cleanup and security in evacuated areas, authorities said.

In the south suburbs, 18,000 Commonwealth Edison customers lost power for at least a brief period.

By Friday afternoon, crews had restored power to all but 800 of those customers, ComEd spokeswoman Lucille Younger said. But work crews still were working during the day to restore power by Friday night to 22,000 Bartlett-area residents, Younger said.

Phones also were affected. Ameritech on Friday reported 7,400 customers were without phone service in Chicago, the south suburbs, Will County and the Naperville and Aurora areas.

On Thursday, Ameritech received a record number of calls, 56,000, from customers concerned about phone service.

And as for the rainfall numbers—17½ inches were measured by the National Weather Service in the Aurora area.

One forecaster at the weather service calculated an astonishing 91 billion gallons were dumped on the metropolitan area by the storm.

''I have no idea how they came up with that figure, but that's the number they're throwing around here,'' Scott Dickson said. ''It sounds incredible, way too high. I'm not a mathematician.''

In Lockport, another Will County community with severe damage, floodwaters on the city's west side had receded dramatically by Friday, but the cleanup had just begun for the more than 300 residents whose homes were damaged after the Illinois & Michigan Canal overflowed its banks on Thursday.

''We're draining the basement, but we still can't get in there yet,'' Gerry Rodeghero said of his 83-year-old mother's house on Ames Street.

Most residents in the low-lying neighborhood west of the I&M Canal and north of the Ninth Street bridge took the day off from work to clear out the flooded basements, garages and in some cases first floors of their homes.

Lockport city administrator Larry McCasland said nine city workers were helping residents move the debris out of their yards and into trash binds placed in several locations around the city.

The workers will be on hand all weekend to help with the cleanup and the bins will remain out in city neighborhoods for as long as they are needed, McCasland said.

The unincorporated streets of Worth Township between Illinois 83 and 127th Street were bustling with activity Friday as residents and emergency crews removed flood-damaged carpeting, paneling and furniture from homes.

Two trucks hauled out resident's cars caught in the flood. Gasoline-powered pumps continued to rid basements and crawlspaces of floodwater but were incapable of removing the lingering stench.

In Oak Forest it was the question of what to do about the former Fire Station No. 2. The building on Cicero Avenue just north of 167th Street was nearly submerged during the flooding. Late Friday, the water was still up to the windows about 2 feet deep.

The station, abandoned by the fire department in 1989 because of flooding problems, is at the center of a controversy with area residents and Mayor James Richmond over whether it should be torn down.

What will happen to it now remains to be seen and the matter could come up at Tuesday's city council meeting.

While South Holland took the brunt of the storm in the southeast suburban area, other communities received their share of damage.

In Burnham, residents in the 13900 block of Manistee Avenue were bailing out basements. One resident, who declined to be identified, said the storm was ''the worst he's seen in the last 40 years.''

In Dolton, village officials had to close 158th Street on Thursday but reopened it Friday when the Little Calumet River overflowed its banks. Edward Handzel, village administrator, said the river began to recede and added—he hoped the ''worst was over.''

The floods not only affected suburbia but also Chicago residents.

More than 5,000 homes, most of them in a belt from the Southeast Side to Midway Airport, suffered flooded basements after the heaviest one-day rainfall in Chicago history, Mayor Richard Daley said Friday.

City crews already had helped pump out basements at 4,600 homes, officials said, and fixed 414 downed light poles and malfunctioning traffic signals.

''This was the most severe rainfall to ever hit the region, 8.08 inches since Wednesday morning,'' Daley said.

Trucks were to make rare Sunday pickups in some areas, officials said, and special bulk runs would continue until Wednesday.

City forestry bureau crews answered 140 calls of downed trees or tree limbs, officials said.

The two hardest-hit areas were the 8th Ward, south of 79th Street from Cottage Grove to Yates avenues, which led the city with 469 flooded basements; and the 13th Ward, south and east of Midway Airport, where 463 homes were hit.

Also leading the city's flood call list were: The 6th Ward, from Lafayette to Cottage Grove avenues south of 67th Street, 368 calls; the 15th Ward, which includes Marquette Park, 325 calls; the 21st Ward, including the Washington Heights and Brainard areas, 300 calls; and the 18th Ward, including the Ashburn area, 232 calls.

Other ward totals included: 7th Ward 227 flooded basement calls; 10th Ward, 103 calls; 12th ward, 19 calls; 14th Ward, 193; 19th Ward, 224; and 23rd Ward, 85.

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THE FIGHT TO HOLD THE RIVER BACK

(By Crystal Yednak)

The water on the Little Calumet River crested around 9 a.m. Friday, after residents and village workers spent the night trying to hold the flood back.

As the river rose in South Holland, residents banded together to sandbag along the river's edge and near homes.

The public works staff of 21 people had been filling and moving sandbags since early morning, so the village aired a request for volunteers on the local cable station.

South Holland Public Works Supt. Chris Niehof estimated that about 200 people responded to a request the village made for volunteers.

''I'm proud that we have the type of community where people still care,'' said Niehof.

Around 6 p.m. Thursday, village officials realized the river was not going down, he said.

''We couldn't keep up,'' Niehof said. ''It was a losing battle.''

Many people stayed until the early morning hours to fight the rising waters.

Some of the residents who came out to help didn't experience any flood damage to their homes, said Asst. Fire Chief Randy Stegenga. They came out to help other residents defend their homes from the flood, he said.

Stegenga had four typewritten pages listing the names of people who had helped out.

The list also included names from other communities such as Crete, Lansing and Highland, Ind.

Together, the volunteers made about 5,000 sandbags, Stegenga said.

South Holland resident Virginia Knittle started filling sandbags at village hall around 5 p.m. At that time, the water was still a block away from her house.

''I figured I should go earn my sandbags in case the water comes over to my house,'' Knittle said.

By the time she returned at 9 p.m., the water had reached her house.

After a previous flood wreaked havoc on her home, Knittle and her husband raised the doorways and took other precautions against flooding.

Knittle did get to use some of the sandbags she had filled—she used them to protect her windows and doorways from the flooding.

On Friday morning, Knittle said she was trapped in her house by water that had crept up to her doorstep.

Throughout Friday, village officials monitored the level of the river, which was slowly declining.

To be safe, Niehof said the public works department would leave the sandbags in place in case more rain fell.

By Saturday, the river was on its way down toward more normal levels. And a community was breathing easier—but warily; weathermen were talking about a 50 percent chance of more rain on Sunday.

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[From the Star, July 21, 1996]

DESPITE CRITICISM, IT APPEARS DEEP TUNNELS DID THEIR JOB

For the first time since 1990, storm water from a torrential rain overwhelmed the region's Deep Tunnel last week, forcing authorities to allow millions of gallons of untreated sewage to flow into Lake Michigan.

This release of sewage-tainted storm water may have helped avert additional flooding in the south and central parts of Chicago.

So some residents of inundated neighborhoods were phoning the Metropolitan Water Reclamation District—the agency that controls the system—to angrily ask why the floodgates weren't opened sooner.

In response, MWRD vice president Kathleen Therese Meany points out that the agency's goals in a situation such as Thursday's are different from those of residents with rising water in their basements.

''The agency's mission is to protect the waters of Lake Michigan,'' Meany said. ''We don't like to do this because it dumps raw sewage into the lake.

''If we opened them (the floodgates) earlier, sewage may have gone way out to the intake cribs and could put the drinking supply in danger.''

The sewage release forced closure of Chicago area beaches to swimmers until tests confirmed bacteria levels were in the safe zone.

But there are more fundamental reasons why water-soaked Cook County residents shouldn't be upset that the MWRD waited until Thursday morning to open the locks that control the flow of the Chicago and Calumet rivers. MWRD Supt. Hugh McMillan said.

First, tainted storm water must fill mainline sewers and the MWRD's Deep Tunnel system before it begins flowing into the rivers, McMillan said. Only after the river levels rise to a certain point, can the locks be opened to release the water into the lake.

''By that time, the event is ending and the damage has already been done,'' McMillan said.

Second, most neighborhood flooding is not caused by backups in the main sewer lines, but by the inability of the smaller lines to carry away water fast enough during a storm this severe, McMillan said.

At Midway Airport, a record 7.7 inches of rain fell between 7 a.m. Wednesday and 7 a.m. Thursday, officials said, with much of it coming Wednesday afternoon.

The heaviest downpours quickly exceeded sewer capacity, officials said.

''The sewer system is not designed to hold water: it's designed to transport water.'' Sagun said.

Chicago Mayor Richard Daley said city officials found the MWRD's response satisfactory.

''They handled it appropriately,'' Daley said. ''You can't just open the locks any time.''

Ald. John Buchanan [10th], who in the past has been critical of the MWRD for failing to extend its Deep Tunnel system into his Southeast Side ward, said he found no fault with the district's timing on opening the locks.

Built on a primordial swamp with soils that drain poorly, the Chicago area has had to rely on sewers and more elaborate projects, like the $2.4 billion Deep Tunnel, for flood relief.

The Deep Tunnel system is a network of giant tunnels that captures the overflow from sewers during heavy rains so that the tainted water normally doesn't flow into area waterways.

It usually works, but every few years too much rain falls too swiftly and the tainted water flows into waterways like the Chicago and Calumet rivers.

Early this century, the flows of both rivers were reversed so that raw-sewage would not enter Lake Michigan, where it could contaminate the city's drinking water supply. Before then, thousands died here in cholera and typhoid fever epidemics.

The flow reversal was accomplished with the locks that, on Thursday morning, were opened to allow the rivers to flow swiftly the opposite direction—into Lake Michigan, where the water level is several feet lower.

The MWRD opened the O'Brien locks at 133rd Street about 7:14 a.m., allowing the Calumet River to flow north into the lake. The decision was made when the river level reached 3.8 feet, although the MWRD policy is normally to wait until it reaches about 4 feet.

On the Chicago River, the locks near Randolph Street were opened at 9:40 a.m. when the river reached 3.27 feet, just short of the 3.3- to 3.5-foot level normally prescribed.

The MRWD also discharged storm water into the Des Plaines River through locks at Lockport.

The most concentrated sewage and most contaminated runoff, from the initial rainfall, already had been captured in the Deep Tunnels. So the raw sewage contained in the 750 million gallons of storm water that flowed into the lake by 1:30 p.m. was well-diluted, McMillan said. ''It should not have an impact on drinking water,'' he said.

By 5 p.m. the MWRD was slowly closing the locks.

Although the Deep Tunnels' current capacity is about 1.2 billion gallons of storm water, their purpose is pollution control, not flood control. It is the second stage of the Deep Tunnel project that promises significant flood relief in the form of three huge reservoirs.

The O'Hare Reservoir is scheduled for completion in fall 1997. Reservoirs in McCook and Thornton were authorized by Congress in 1986 and are in the planning stages, but continued federal funding is not guaranteed.

The McCook reservoir, as now proposed, would hold 10.5 billion gallons of water, while the Thornton facility would hold 8 billion gallons.

''It's impossible to completely eliminate flooding, and the federal government would never go along with such a project,'' Meany said. ''Some areas will still have sewers that can't handle a storm like this one.But when we have the reservoirs on line, it will make a big difference.''

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RECENT FLOODS PUT TUNNEL IN FOREFRONT

WELLER PROMISES FEDERAL FUNDS WILL FLOW TO QUARRY PROJECT

(By Laura Pavlenko)

SOUTH HOLLAND.—As elected officials toured flooded areas throughout the village late last week, they stressed the need for a permanent flooding solution. But even if federal funding continues to flow to the Thornton Quarry reservoir project, a solution still is years away.

For decades the Metropolitan Water Reclamation District has worked on a countywide Tunnel and Reservoir Plan, better known as the Deep Tunnel project, to solve persistent flooding and subsequent pollution problems. A spokesman for the MWRD said Friday that during last week's rains, the tunnels in the south suburbs were completely filled, holding the maximum 1.2 billion gallons of water.

Still, local sewers backed up into residents' basements and waterways rose high enough to cause devastating flooding to hundreds of homes.

South Holland Mayor Don DeGraff said had the tunnels been connected to the west lobe of the Thornton Quarry—the final phase of the Deep Tunnel project—flooding problems would have been nonexistent.

''We wouldn't have any of this flooding,'' he said as he toured the flood damaged areas with U.S. Rep. Jerry Weller, R-Morris, and other state officials. ''There's no place for this water to go but into property owners' homes.''

South Holland and other local communities' cries for a permanent solution to the flooding problem have not fallen on deaf ears.

MWRD officials say they are close to reaching an agreement with Material Services Corp., the company that owns and operates the Thornton Quarry, so the area may be used as a flood basin for an additional 3 billion gallons of water when needed.

Meanwhile, Weller has convinced the Washington leadership to add requests for funds to three separate bills being considered by Congress. The House Appropriations' Energy and Water Committee recently passed a bill that slates $6.7 million to be used to engineer the site. An additional $10 million would be used to complete the Deep Tunnel project, and $101 million for controlling the Little Calumet River and Thorn Creek flooding while the quarry reservoir project is under construction.

A spokeswoman for the MWRD said about 75 percent of the Deep Tunnel and Thornton Reservoir project's funding comes from federal sources.

The project, begun in the late 1970s, calls for 109 miles of tunnels, 12 feet or wider, carved out of limestone bedrock about 300 feet underground in three separate ''systems.'' The O'Hare system is the smallest; all 6.6 miles of tunnels have been completed.

The mainstream system, the largest, stretches from Chicago's North Side to the South Branch of the Chicago River, and ends near the proposed McCook reservoir.

The Calumet system includes 36.3 miles of tunnels stretching along Torrence Avenue from the Southeast Side and branching into Dolton and South Holland and westward along the Cal-Sag Channel. Only about 21 miles of tunnels have been completed to date.

Weller said should Congress continue to approve funding for the project, area residents will begin to experience relief around the turn of the century. The entire project is scheduled to be completed in 14 to 15 years, provided federal funding is not interrupted.

On Friday, DeGraff said he's been pleased with the response from Weller and other officials.

''We're very appreciative of the attention from federal and state legislators,'' DeGraff said. ''We haven't seen this kind of response from federal regulators in quite some time.''

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MYERS of Indiana. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes and that I be permitted to include tabular and extraneous material.

The SPEAKER pro tempore (Mr. HUTCHINSON). Is there objection to the request of the gentleman from Indiana?

There was no objection.

## ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 483 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3816.

□ 1605

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, with Mr. OXLEY in the chair.

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

Under the rule, the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL] each will control 30 minutes.

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

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

Mr. Chairman, your Subcommittee on Energy and Water Development for the Committee on Appropriations brings this bill to the floor as the 13th appropriations bill this year.

Back when the gentleman from Alabama [Mr. BEVILL] and I went on the committee many, many years ago, back in the dark ages, this was known as the Public Works Committee. The bill was also affectionately remembered as the all-American bill because it touches every congressional district, every area of the continental United States and the territories. It was called the all-American bill for that reason back then, but it is even more encompassing today in the fact that now we have energy programs that certainly touch all of us, not only in this country but from all over the world.

Mr. Chairman, today we have a bill that is not the bill that many of us would like to see. We have had to work very hard this year on it as was mentioned previously by the Rules Committee. When we got to allocations this year, we were originally $1.3 billion below last year's 602(b) allocation. Last year the House bill cut almost a half a billion dollars from our 602(b) allocation voluntarily and we cut 120 programs out last year and finally the House in agreement with the Senate cut out about 50 new programs and reduced many more.

This year we were expected to do even more with a $1.3 billion cut below last year. All of us are interested in balancing the budget, in cutting spending, but because each of these that we appropriate in this bill touches so many areas of concern, whether it be in the Department of Energy, be it in national defense, be it in water resources and conservation, the proper use of our water resources, all of these touch every one of us every day. It was just something that we could not cut that much. We did not bring that bill to the floor. We are today, instead of being the first bill as we were a great many years under the able leadership of my predecessor and now ranking member TOM BEVILL, we were the first bill out and usually the first one signed by the President. I apologize to the House that we have taken so long, but there has been hard work and a great many people that we need to thank, including the members but particularly staff members who worked long hours here to bring this bill to the floor: Our chief of staff Jim Ogsbury who worked such very, very long hours and did a great job for us; Jeanne Wilson, Bob Schmidt, Don McKinnon, Roger Butler, Melanie Marshall, Don Medley, as well as Claudia Wear and Doug Wasitis of my personal staff. All of us put in a lot of long, hard hours of work to bring this bill to the floor.

Today we bring before the House a bill totaling $19.4 billion. It is $95 million more than the final bill last year. But that is misleading, because of where some of the dollars find themselves.

A lot of people do not realize and many Members do not realize that this bill contains a lot of money for national defense. We have $10.9 billion in national defense items here. More than 56 percent of our bill is for national defense, having to do with nuclear weapons, with the naval reactors, just to name a few; the surveillance and the maintenance of our nuclear weapons, since we are not building any, we have to maintain the inventory and make sure that they are properly cared for and properly monitored. This is a tremendous responsibility that the Defense Department has and the Department of Energy has to supervise the control and inventory of our national weapons.

Only $8.5 billion goes into domestic discretionary where we have actually any choice, $8.5 billion or slightly over 43 percent of our bill. So when we had the drastic cuts that were first imposed upon the committee, it just made it impossible for us to meet our responsibilities.

The bill consists of 5 titles. Title I is the civilian, Corps of Engineers, water projects. This year we have $3,449,192,000, which is $156 million more than was requested by the administration. It is $83 million more than last year.

Title II is the Department of the Interior, Bureau of Reclamation, $830 million, $5.5 million less than last year.

Title III is Department of Energy. This is where the big bucks are because this is where most of the defense dollars are—$15,279,926,000, which is $902 million less than last year. The biggest cut of our bill is in the Department of Energy.

Independent agencies is $281,531,000, which is $48 million less than last year and title V is general provisions of the bill.

Getting into what is in each of these titles, in title I, again the Corps of Engineers, their major responsibility is the more than 25,000 miles of inland waterways, the major deep seaports of our United States that make our American industry competitive and able to do business in the rest of the world; flood control which has been mentioned here today already. Major floods hopefully can be avoided but flood control, municipal, and industrial water for many people in the country provided in the provisions of title I. We provide $1.035 billion for construction. Construction is going on by the Corps of Engineers in 38 States and Puerto Rico.

For General Investigations, we have $1.7 billion. This is to examine projects that are being considered for cost effectiveness and environmental issues. These general investigations are very necessary in the process before they ever go to construction. We have general investigations now in 41 States and again Puerto Rico.

Title II of the bill again is the Bureau of Reclamation where we have in central Utah $43 million plus, Bureau of Reclamation General Investigation,

we have $14,518,000. We have 345 reservoirs operated by the Bureau of Reclamation in the Midwestern States. We have 54 hydrogenating stations generating 60 billion kilowatt hours per year, providing water for more than 28 million people in the West in the Bureau of Reclamation, a very, very large responsibility that the Bureau of Reclamation has. We have some construction going on there amounting to $398 million.

Operation and maintenance of all of the water, all of the reservoirs on all the locks and dams that are operating in the West, providing the hydropower. We have $286 million for operation and maintenance.

The loan program has been reduced this year to $13 million because we do provide loans for water conservation districts in the Western States to provide for these necessities. For irrigation the Bureau of Reclamation provides irrigation water for more than 10 million acres of agricultural land.

Title III again going to the Department of Energy, $15.3 billion for the Department of Energy. Again $10.9 billion is for defense. The energy and supply research and development is $2.6 billion. This is $372 million less than was requested, a very large cut.

We have solar energy, which has already been mentioned. From 1991 to 1995, this committee increased the solar research by almost 100 percent. Since last year, we reduced it by 26 percent because we reached the point where solar was no longer cost effective. We just did not feel it was necessary to continue putting more research into solar energy.

□ 1615

We have photocoltaics now produced, and almost 100 industries are presently producing photovoltaics. We have more than 300 companies providing support for the solar industry, so it is a big, growing industry in this country. So we have cut back on solar, and we are going to hear about it in the amendment process later on.

In the administrative account is where we made the significant cuts, and probably we are going to hear about this. Last year this committee did reduce the number of dollars for the administrative accounts, because today we are not producing nuclear weapons, we are not doing any testing of nuclear weapons.

There are a lot of things that 10 years ago the Department of Energy was doing when it was first created in 1977 that they are not doing today. So we attempted last year, by cutting the funds in the administrative accounts for the Department of Energy, to help downsize DOE.

Now DOE has been threatened to be eliminated. Most of us on this committee realize the necessity of energy for our children and grandchildren, the research we are doing today for the future of our energy, that we need a strong department. But we felt after last year, when we tried to downsize and, at the end of the year, realized that that had not been done, that we had to tighten the grip just a little bit. So we made about a one-third reduction in the Washington headquarters personnel who are not needed any longer, had people holding each other's hands.

So we have cut and we have gone to micromanaging. We have told them specifically where they had to make the cuts, because after we made strong suggestions last year and cut the dollars, it was not accomplished by the Secretary or her staff, so this year we have gone much further and have directed where those cuts must be made.

We have in the environmental management and waste the largest item in our budget today, $5,400,000,000 in the Department of Energy for management of the waste and growing each year. Last year we did reduce this account. We found after we reduced the account we got more bang for the buck.

Most of this work is done by contract, not by Department of Energy personnel, but it is done by contracts. We have kept that to almost exactly what the President requested, $5,400,000,000.

We have also the civilian waste management where we take care of the civilian waste, the environmental management. Here, what we are talking about is defense waste. But in environmental waste for civilian, we did make some reduction.

In the 1982 Nuclear Waste Policy Act, we provided that the waste would be removed from the utilities around the country, the nuclear waste, and taken to a repository someplace. In 1987, we started the examination of the Yucca Mountain in Nevada, exploring the advisability, the suitability of Yucca Mountain.

That moved very slowly; in the last year, again they started moving more rapidly. But in the meantime the commitment in the 1982 act required that the U.S. Department of Energy would take the waste from the reactor sites, the nuclear reactors producing electricity, by 1998. That is fast coming upon us.

So last year we made a decision there had to be something done about interim storage. This year we provide for $382 million for this waste problem, $182 million of it coming from the waste fund, which is paid into by every utility consumer who uses nuclear energy. The other $200 million is to come out of general appropriated funds.

The fusion program has been around here as long as the gentleman from Alabama [Mr. BEVILL] and I have been here. Back 26 years ago when he and I first went on this committee, we were promised that we would have a fusion prototype reactor by now. We are not too much closer now than we were then. But, we are still strong supporters of fusion.

We have fission now in many reactors, but we have not finally produced a fission reactor that is producing power but we are still supporting it.

Last year we had $244 million for a fusion program; this year we have cut it back to $225 million. We still support fusion, but the Fusion Energy Advisory Committee has suggested a reorganization, realignment for the fusion program in the Department of Energy. We are not going quite as fast as they would like to see it, but we do provide for $225 million, including funds for the ITER Program, which is an international fusion program; $55 million goes for the ITER Program.

General science and research activities, that is all-encompassing. That is the advanced science, nuclear science, what makes up the matter of our Earth and our universe. It is rather vague. It is something that is not going to put bread on our tables, it is not going to introduce us tomorrow to something that is going to make the country a better place to live in, but over the long pull, these are scientific programs that will help make American industry more competitive. So we have put $996 million in this program because it is research and it is very vital.

It will help the general science, it will help us understand the nature of matter, what makes up these atomic nuclei that are around us. So we do support the general science, which is very expensive.

Title IV is independent agencies. We have reduced the Appalachian Regional Commission by $15 million this year from last, down to $155 million. Many of the Members live under the authority of the Tennessee Valley Authority which provides power, electric power, as well as some recreation and navigation on streams in Kentucky, Tennessee, and Alabama. For TVA, we provide $97 million, which is $12 million less than last year.

We are right at our 602(B) allocation right now. Anyone who offers an amendment for more dollars must have an offset. This committee feels, after months of hearings and examination, we have a bill that we hope every Member will support today, and hopefully Members will defeat any amendments that would weaken the bill.

We had, I believe, 394 Members request programs or some help in this bill, the most we have ever had in the 25 years, the 26 years I have been on the committee, the most requests from Members. A great many Governors testified. A great many Members sent letters to us requesting programs. We could not do all of them.

I realize there are going to be some people here today, some of our friends, who are going to ask for changes. I hope Members will understand it is just not possible. Using the best judgment we have been able to come up with, these are the highest priority items with the limited dollars that we had this year.

So we ask for your support and we ask that our colleagues reject any amendments. We will have to summarily reject any amendments that

raise dollar programs without any offset.

Mr. Chairman, H.R. 3816, the Energy and Water Development Appropriations Act, 1997, is a fiscally austere and socially responsible bill. It makes significant contributions to deficit reduction while maintaining sufficient funding for programs and activities critical to the well-being of the Nation. It represents the best efforts of the committee to balance the multiple demands on the energy and water bill against a notably constrained allocation of budgetary resources.

The energy and water development appropriations bill funds most programs of the Department of Energy—including atomic energy defense activities—and the water resources activities of the U.S. Army Corps of Engineers and the Bureau of Reclamation. The bill also funds several independent agencies, including the Nuclear Regulatory Commission, the Tennessee Valley Authority, and the Appalachian Regional Commission.

The bill appropriates a total of $19.4 billion in new budget authority for fiscal year 1997. This amount, which is within the subcommittee's 602(b) allocation, is a modest increase of $94.68 million over the fiscal year 1996 level. Nevertheless, the bill is $800 million less than requested by the administration and $887 million less than the energy and water development appropriations bill recently reported by the Senate Committee on Appropriations.

The grand total of the bill masks the measure's substantial reductions in funding for domestic discretionary programs. The bill's reduction of $147.58 million below last year's level is more than offset by its increase of $242.26 million for atomic energy defense activities. Discounting for the defense increases, the bill is largely a deficit reduction measure, having reduced new domestic outlays for programs within its jurisdiction by 16 percent over the last 2 years.

In targeting these reductions, the bill terminates a number of programs and activities, including: the TVA Environmental Research Center, in-house energy management, and a number of low-priority research and development programs of the Department of Energy and water resource agencies. It also discontinues Federal appropriations for regional river basin commissions and effects significant reductions in programs throughout the bill. The committee has been especially conscientious in reducing administrative accounts and downsizing the bureaucracies of agencies within the jurisdiction of the Subcommittee on Energy and Water Development.

The demands on the fiscal year 1997 energy and water development appropriations bill have been unprecedented. Hundreds of Members, associations, public interest groups, companies, agencies, and individuals have contacted the committee to communicate their priorities and concerns in connection with the energy and water bill. The committee has received over 2,500 discrete requests from Members alone. Unable to provide funding for all such requests, the committee has attempted to accommodate the interests of Members and the public to the extent possible within an extremely constrained budget allocation.

Title I of the bill funds programs and projects of the U.S. Army Corps of Engineers. Total spending for the corps is $3.4 billion, $83 million above last year and $156 million above the budget request.

Last year, the administration proposed a new policy to severely limit the corps' role in local flood control, beach erosion, and small harbor maintenance. The committee and Congress soundly rejected that policy. This year, the administration has proposed a similar, albeit narrow, policy which would, among other things, essentially terminate corps assistance for beach erosion control activities. The committee has again rejected the administration's proposal and has funded a number of beach erosion control projects, notwithstanding the misguided policy.

Although appropriations for the corps have increased, the additional funds are intended to save money over time by accelerating corps construction works in progress and by committing adequate resources to the operation and maintenance of completed projects. Funding for corps construction is $1.035 billing, $121 million over the budget request. Operation and maintenance funding is $1.7 billion, $38 million over the budget request.

The administration's budget request demonstrably underfunds corps activities. Funding at the budget request would result in slipped construction schedules for works in progress and inadequate maintenance of completed projects.

Title II provides funding for programs under the jurisdiction of the Department of the Interior: the Bureau of Reclamation and the Central Utah Project Completion Account. Appropriations for title II total $838 million, $15 million less than fiscal year 1996 and $5.5 million less than the budget request. Funding for the Bureau of Reclamation is $794 million, $14.5 million less than fiscal year 1996 and $5.5 million less than the budget request. These reductions continue the downsizing of the Bureau in recognition that the agency's original mission has been largely accomplished and that the Bureau's role in Western life will be increasingly diminished as more communities take responsibility for the operation of water delivery systems.

Title III of the bill funds most programs and activities of the Department of Energy. Total funding for title III is $15.3 billion, including $10.9 billion for atomic energy defense activities.

It has been somewhat despairing to witness the continuing meltdown of managerial accountability and responsibility at the Department of Energy. Among other things, this managerial breakdown is manifested by: failures to follow explicit congressional direction; liberal execution of reprogrammings without notification; improper augmentations of appropriations; travel process irregularities; an apparent absence of any corporate view or vision; a failure to ameliorate impacts of inevitable budget reductions; irresponsible budgeting; wasteful expenditures of scarce resources; and undue investments in congressional lobbying efforts.

It is of especial concern that the Department's budget so closely conforms to the administration's model of unrealistic outyear projections. Pretending to support a balanced budget, the administration defers significant budget reductions to later years. If there were any intention whatsoever of actually effecting those reductions, then it would be unconscionable to request the substantial programmatic increases included in the fiscal year 1997 budget. Building programs up only to cut them down is shortsighted, unnecessarily disruptive, and fiscally irresponsible.

The committee has been compelled to impose efficiencies on the Department through significant budget reductions. The Department must reverse course and sharpen its focus on a limited number of core missions. The Department, seduced by new wave management theories and wholly lacking resistance to the kudzu-like nature of bureaucratic growth, seems to have lost its way in a murky morass of visionless activity.

It is in the domestic programs of the Department of Energy where the committee has made its most serious reductions. Energy supply, research and development, for example, is funded at $2.6 billion. This represents a reduction of $372 million below the budget request of $3 billion. Included in this amount is a reduction of $132 million, or 36 percent, from the request for solar and renewable energy programs. While this reduction may appear severe, it represents a correction of the dramatic, unjustified, and unsustainable increases that the programs have enjoyed in recent years. In fact, the recommendation of $231 million represents an 18-percent increase over the amount appropriated for these programs just 6 years ago.

The energy supply, research and development account also includes: $225 million for fusion energy sciences, $379 million for biological and environmental research, $643 million for basic energy sciences, and $183 million for nuclear energy programs. The committee's decision to fully fund the budget requests for most basic research programs has required reductions to other programs throughout the account.

The committee has done its best to preserve maximum funding for basic research and pure science activities of the Department. Operating in an environment of severe funding constraints, the committee has determined that these activities should receive higher priority than applied research and technology development, for which funding by private industry is more appropriate. The bill includes $996 million for general science and research activities of the Department of Energy. This is an increase of $15 million over the amount appropriated in fiscal year 1996.

Funding for activities of the Office of Civilian Radioactive Waste Management totals $382 million. Of this amount, $200 million is appropriated as the Federal share of repository development for the disposal of high level defense waste. The remaining $182 million, appropriated from the nuclear waste fund, is available subject to authorization. The committee, which required the Department last year to focus its efforts on characterization activities, is pleased with recent progress in the analysis of Yucca Mountain. Nevertheless, there is great frustration that the Nation's nuclear waste policy remains unresolved. Consequently, the bill requires and anticipates the enactment of reforms to the Nuclear Waste Policy Act by making the appropriation of funds from the nuclear waste fund subject to authorization.

Atomic energy defense activities of the Department are, for the most part, funded at or near the requested levels. Defense Environmental Management, the program responsible for cleaning up the contaminated sites of the nuclear weapons production complex, is funded ats the budget request level of $5.4 billion. The bill also includes $3.7 billion for weapons activities and $1.4 billion for other

defense activities. The bill fully funds the national ignition facility at $191 million. The committee will continue to scrutinize the facility, a centerpiece of the Department's stockpile stewardship program, to assure its cost-effectiveness and continued relevance to national defense needs.

Administrative accounts throughout the Department are substantially reduced. Headquarters employees funded from the departmental administration account, for example, are reduced by one-third. Moreover, the bill prescribes FTE ceilings for certain headquarters offices. The Office of Congressional, Intergovernmental and Public Affairs, for instance, is reduced from 94 FTE to 35. The policy office is reduced from 172 FTE to 20.

Title IV of the bill funds various independent agencies with energy and water resource responsibilities. Total funding for title IV is $281.5 million. This is a reduction of $30 million below fiscal year 1996 and $48 million below the budget request.

The Appalachian Regional Commission is funded at $155 million, a reduction of $15 million—or 8.6 percent—from the fiscal year 1996 and budget request level of $170 million. Appropriated programs of the Tennessee Valley Authority are funded at $97 million, a reduction of $12 million—or 11 percent—from fiscal year 1996 and $23 million—or 19 percent—from the budget request. The bill also includes: $12 million for the Defense Nuclear Facilities Safety Board; $472 million for the Nuclear Regulatory Commission; and $2.5 million for the Nuclear Waste Technical Review Board.

Mr. Chairman, although the energy and water bill will not please everyone, I am certainly proud of the bipartisan spirit in which the committee has worked to produce this legislation. It has been necessary to effect painful reductions, but the committee has exercised its best collective judgment to target these reductions to less essential activities of the Federal Government.

Mr. Chairman, I would be remiss if I failed to pay special tribute to the ranking minority member of the Subcommittee on Energy and Water Development, the Honorable TOM BEVILL. I don't know of anyone who would disagree with the observation that he is one of the finest and most honorable gentlemen ever to have served in this distinguished body. In his years of service as a Member of Congress and as chairman of the Subcommittee on Energy and Water Development, he has always been fair and honest—a man of virtue and impeccable integrity. it has been an honor to follow in his footsteps. In my 2 years as chairman, I have attempted to continue Mr. BEVILL's tradition of bipartisanship and fair treatment of all Members. I must say, though, that to match Mr. BEVILL's record of dedicated service is a daunting task, to say the least. I wish my good friend the very best in his upcoming retirement and look forward to continuing our friendship for years to come.

Mr. Chairman, I urge all Members to support H.R. 3816, the Energy and Water Development Appropriations Act, 1997.

## ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, 1997 (H.R. 3816)

| | FY 1996 Enacted | FY 1997 Estimate | Bill | Bill compared with Enacted | Bill compared with Estimate |
|---|---|---|---|---|---|
| TITLE I - DEPARTMENT OF DEFENSE - CIVIL | | | | | |
| DEPARTMENT OF THE ARMY | | | | | |
| Corps of Engineers - Civil | | | | | |
| General investigations | 121,767,000 | 142,500,000 | 153,628,000 | +31,861,000 | +11,128,000 |
| Construction, general | 804,573,000 | 914,000,000 | 1,035,394,000 | +230,821,000 | +121,394,000 |
| Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee | 307,885,000 | 292,500,000 | 302,990,000 | -4,895,000 | +10,490,000 |
| Operation and maintenance, general | 1,703,697,000 | 1,663,000,000 | 1,701,180,000 | -2,517,000 | +38,180,000 |
| Emergency appropriations (P.L. 104-134) | 30,000,000 | ..... | ..... | -30,000,000 | ..... |
| Regulatory program | 101,000,000 | 112,000,000 | 101,000,000 | ..... | -11,000,000 |
| Flood control and coastal emergencies | 10,000,000 | 15,000,000 | 10,000,000 | ..... | -5,000,000 |
| Emergency appropriations (P.L. 104-134) | 135,000,000 | ..... | ..... | -135,000,000 | ..... |
| General expenses | 151,500,000 | 153,000,000 | 145,000,000 | -6,500,000 | -8,000,000 |
| Oil spill research | 850,000 | 850,000 | ..... | -850,000 | -850,000 |
| Total, title I, Department of Defense - Civil | 3,366,272,000 | 3,292,850,000 | 3,449,192,000 | +82,920,000 | +156,342,000 |
| TITLE II - DEPARTMENT OF THE INTERIOR | | | | | |
| Central Utah Project Completion Account | | | | | |
| Central Utah project construction | 18,905,000 | 25,827,000 | 25,827,000 | +6,922,000 | ..... |
| Fish, wildlife, and recreation mitigation and conservation | 18,503,000 | 11,700,000 | 11,700,000 | -6,803,000 | ..... |
| Utah reclamation mitigation and conservation account | 5,485,000 | 5,000,000 | 5,000,000 | -485,000 | ..... |
| Program oversight and administration | 1,246,000 | 1,100,000 | 1,100,000 | -146,000 | ..... |
| Total, Central Utah project completion account | 44,139,000 | 43,627,000 | 43,627,000 | -512,000 | ..... |
| Bureau of Reclamation | | | | | |
| General investigations | 12,684,000 | 15,095,000 | 14,548,000 | +1,864,000 | -547,000 |
| Construction program | 411,046,000 | 392,524,000 | 398,069,000 | -12,977,000 | +5,545,000 |
| Emergency appropriations (P.L. 104-134) | 9,000,000 | ..... | ..... | -9,000,000 | ..... |
| Operation and maintenance | 273,076,000 | 292,876,000 | 286,232,000 | +13,156,000 | -6,644,000 |
| Loan program | 11,668,000 | 12,715,000 | 12,715,000 | +1,047,000 | ..... |
| (Limitation on direct loans) | (37,000,000) | (37,000,000) | (37,000,000) | ..... | ..... |
| General administrative expenses | 48,150,000 | 48,971,000 | 45,150,000 | -3,000,000 | -3,821,000 |
| Colorado River Dam fund (by transfer, permanent authority) | (-4,556,000) | (-3,774,000) | (-3,774,000) | (+782,000) | ..... |
| Central Valley project restoration fund | 43,579,000 | 38,000,000 | 38,000,000 | -5,579,000 | ..... |
| Total, Bureau of Reclamation | 809,203,000 | 800,181,000 | 794,714,000 | -14,489,000 | -5,467,000 |
| Total, title II, Department of the Interior | 853,342,000 | 843,808,000 | 838,341,000 | -15,001,000 | -5,467,000 |
| (By transfer) | (-4,556,000) | (-3,774,000) | (-3,774,000) | (+782,000) | ..... |
| TITLE III - DEPARTMENT OF ENERGY | | | | | |
| Energy Supply, Research and Development Activities | 2,727,407,000 | 3,020,497,000 | 2,648,000,000 | -79,407,000 | -372,497,000 |
| Uranium Supply and Enrichment Activities | 64,197,000 | 70,000,000 | 53,972,000 | -10,225,000 | -16,028,000 |
| Gross revenues | -34,903,000 | -42,200,000 | -42,200,000 | -7,297,000 | ..... |
| Net appropriation | 29,294,000 | 27,800,000 | 11,772,000 | -17,522,000 | -16,028,000 |
| Uranium enrichment decontamination and decommissioning fund | 278,807,000 | 240,200,000 | 200,200,000 | -78,607,000 | -40,000,000 |
| General Science and Research Activities | 981,000,000 | 1,009,150,000 | 996,000,000 | +15,000,000 | -13,150,000 |
| Nuclear Waste Disposal Fund | 151,600,000 | 200,028,000 | 182,000,000 | +30,400,000 | -18,028,000 |
| Departmental Administration | 366,697,000 | 244,863,000 | 195,000,000 | -171,697,000 | -49,863,000 |
| Miscellaneous revenues | -122,306,000 | -125,388,000 | -125,388,000 | -3,082,000 | ..... |
| Net appropriation | 244,391,000 | 119,475,000 | 69,612,000 | -174,779,000 | -49,863,000 |
| Office of the Inspector General | 25,000,000 | 29,605,000 | 24,000,000 | -1,000,000 | -5,605,000 |
| Environmental Restoration and Waste Management: | | | | | |
| Defense function | (5,557,532,000) | (5,591,310,000) | (5,543,810,000) | (-13,722,000) | (-47,500,000) |
| Non-defense function | (900,348,000) | (891,614,000) | (822,346,000) | (-78,002,000) | (-69,268,000) |
| Total | (6,457,880,000) | (6,482,924,000) | (6,366,156,000) | (-91,724,000) | (-116,768,000) |
| Atomic Energy Defense Activities | | | | | |
| Weapons Activities | 3,460,314,000 | 3,710,002,000 | 3,684,378,000 | +224,064,000 | -25,624,000 |
| Defense Environmental Restoration and Waste Management | 5,557,532,000 | 5,409,310,000 | 5,409,310,000 | -148,222,000 | ..... |
| Fixed asset acquisitions (sec. 621) | ..... | 182,000,000 | 134,500,000 | +134,500,000 | -47,500,000 |
| Other Defense Activities | 1,388,212,000 | 1,547,700,000 | 1,459,533,000 | +71,321,000 | -88,167,000 |
| Defense Nuclear Waste Disposal | 248,400,000 | 200,000,000 | 200,000,000 | -48,400,000 | ..... |
| Total, Atomic Energy Defense Activities | 10,654,458,000 | 11,049,012,000 | 10,887,721,000 | +233,263,000 | -161,291,000 |
| Power Marketing Administrations | | | | | |
| Operation and maintenance, Alaska Power Administration | 4,260,000 | 4,000,000 | 4,000,000 | -260,000 | ..... |
| (By transfer) | (5,500,000) | ..... | ..... | (-5,500,000) | ..... |
| Operation and maintenance, Southeastern Power Administration | 19,843,000 | 20,900,000 | 18,859,000 | -984,000 | -2,041,000 |
| Operation and maintenance, Southwestern Power Administration | 29,778,000 | 26,900,000 | 25,210,000 | -4,568,000 | -1,690,000 |

## ENERGY AND WATER DEVELOPMENT APPROPRIATIONS BILL, 1997 (H.R. 3816)—Continued

| | FY 1996 Enacted | FY 1997 Estimate | Bill | Bill compared with Enacted | Bill compared with Estimate |
|---|---|---|---|---|---|
| Construction, rehabilitation, operation and maintenance, | | | | | |
| Western Area Power Administration | 257,652,000 | 217,891,000 | 211,582,000 | -46,070,000 | -6,309,000 |
| (By transfer, permanent authority) | (4,556,000) | (3,774,000) | (3,774,000) | (-782,000) | ..... |
| Falcon and Amistad operating and maintenance fund | 1,000,000 | 970,000 | 970,000 | -30,000 | ..... |
| Total, Power Marketing Administrations | 312,533,000 | 270,661,000 | 260,621,000 | -51,912,000 | -10,040,000 |
| Federal Energy Regulatory Commission | | | | | |
| Salaries and expenses | 131,290,000 | 159,397,000 | 141,290,000 | +10,000,000 | -18,107,000 |
| Revenues applied | -131,290,000 | -159,397,000 | -141,290,000 | -10,000,000 | +18,107,000 |
| Fixed asset acquisitions (sec. 621) | ..... | 216,066,000 | ..... | ..... | -216,066,000 |
| Total, title III, Department of Energy | 15,404,490,000 | 16,182,494,000 | 15,279,926,000 | -124,564,000 | -902,568,000 |
| (By transfer) | (10,056,000) | (3,774,000) | (3,774,000) | (-6,282,000) | ..... |
| TITLE IV - INDEPENDENT AGENCIES | | | | | |
| Appalachian Regional Commission | 170,000,000 | 170,000,000 | 155,331,000 | -14,669,000 | -14,669,000 |
| Defense Nuclear Facilities Safety Board | 17,000,000 | 17,000,000 | 12,000,000 | -5,000,000 | -5,000,000 |
| Delaware River Basin Commission: | | | | | |
| Salaries and expenses | 343,000 | 342,000 | ..... | -343,000 | -342,000 |
| Contribution to Delaware River Basin Commission | 428,000 | 534,000 | ..... | -428,000 | -534,000 |
| Total | 771,000 | 876,000 | ..... | -771,000 | -876,000 |
| Interstate Commission on the Potomac River Basin: | | | | | |
| Contribution to Interstate Commission on the Potomac River Basin | 511,000 | 508,000 | ..... | -511,000 | -508,000 |
| Nuclear Regulatory Commission: | | | | | |
| Salaries and expenses | 468,300,000 | 475,300,000 | 471,800,000 | +3,500,000 | -3,500,000 |
| Revenues | -457,300,000 | -457,800,000 | -457,300,000 | ..... | +500,000 |
| Subtotal | 11,000,000 | 17,500,000 | 14,500,000 | +3,500,000 | -3,000,000 |
| Office of Inspector General | 5,000,000 | 5,000,000 | 5,000,000 | ..... | ..... |
| Revenues | -5,000,000 | -5,000,000 | -5,000,000 | ..... | ..... |
| Subtotal | ..... | ..... | ..... | ..... | ..... |
| Total | 11,000,000 | 17,500,000 | 14,500,000 | +3,500,000 | -3,000,000 |
| Nuclear Waste Technical Review Board | 2,531,000 | 3,214,000 | 2,531,000 | ..... | -683,000 |
| Susquehanna River Basin Commission: | | | | | |
| Salaries and expenses | 318,000 | 322,000 | ..... | -318,000 | -322,000 |
| Contribution to Susquehanna River Basin Commission | 250,000 | 380,000 | ..... | -250,000 | -380,000 |
| Total | 568,000 | 702,000 | ..... | -568,000 | -702,000 |
| Tennessee Valley Authority: Tennessee Valley Authority Fund | 109,169,000 | 120,000,000 | 97,169,000 | -12,000,000 | -22,831,000 |
| Total, title IV, Independent agencies | 311,550,000 | 329,800,000 | 281,531,000 | -30,019,000 | -48,269,000 |
| Scorekeeping adjustments | -609,343,000 | -428,000,000 | -428,000,000 | +181,343,000 | ..... |
| Grand total: | | | | | |
| New budget (obligational) authority | 19,326,311,000 | 20,220,952,000 | 19,420,990,000 | +94,679,000 | -799,962,000 |
| (By transfer) | (5,500,000) | ..... | ..... | (-5,500,000) | ..... |

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

Mr. BEVILL. Mr. Chairman, I yield myself such time as I my consume.

Mr. Chairman, I want to congratulate the gentleman from Indiana, Chairman MYERS, for the tremendous job that he has done. Without any question, in my 30 years here, this has been the most difficult bill we have ever produced, of course, the reason being the shortage of funds. We were given a very low allocation, and this has caused many headaches and made it very difficult.

As a matter of fact, we have many good projects that we know should be funded that are not funded. Many of the Members are very unhappy about the lack of funding for their projects, very good, approved and authorized programs that have not been funded; and so we have just had to do the best we could under the circumstances.

But I do want to commend the gentleman from Indiana, Chairman MYERS, for his outstanding leadership in making this bill possible, as well as the subcommittee members. We have all worked together on both sides of the aisle; and certainly our fine staffs on both sides of the aisle, the committee staffs, have done their usual great job.

So we do have some good news, for example, in the operation and maintenance of the navigable waterways. As you know, we have the finest inland waterway system in the world, 25,000 miles of navigable waterways, and we are actually slipping on the operation and maintenance. This is, of course, false economics; it is like not putting oil in your automobile when it is needed. We know that that is not saving money.

So we have a good bit of that, and this concerns me a great deal, because as you know, these 25,000 miles of inland waterways that we have transport 80 percent of all of our exports to foreign countries, transferring them to the harbors so they can be exported; and that is where our jobs are created. That is very important to the Nation's economy. Our waterways play a very important role, and we cannot afford to continue neglecting our infrastructure, which is so important to the economy of this country.

In the Energy Department, of course, there is a lot of important research that this bill has protected. We have actually addressed the current needs fully, and our nuclear weapons program has been fully funded.

We have come to grips with the Department of Energy's headquarters staffing problems. There are some inefficiencies there that the committee is not happy about. Getting back to the specific cuts, we hope to be helpful, and in the appropriation process before this bill actually goes to the White House. The Nuclear Regulatory Commission was adequately funded.

On a more personal note, I just want to thank each of my colleagues on the occasion of this, my last Energy and Water Development Appropriations bill. I would like to thank each of the Members for your support and friendship through the years. I admire your dedication to our country and to our constituents, and I wish for Members individually and as a Congress much success. The Members of this great institution have enriched my life and made it better.

Mr. Chairman, once again, I would like to commend the fine job the gentleman from Indiana [Mr. MYERS] has done, and it has been my pleasure to work with him, side by side, to turn out a bill that is nonpartisan and worthy of support from each side of the aisle.

In closing, I simply ask that Members consider that this bill was not an easy bill put together, just a delicate balance. As the chairman has pointed out, we have reached the limit of the funding, and so any amendments that may be offered would have to have an offset.

All the compromises have been made, and we feel that we could not have a better bill under the circumstances.

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

Mr. MYERS of Indiana. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations, whom we thank for helping us get the increase in the 602(b). I know we caused him some heartache because we just could not go with a lesser figure.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Chairman, I thank my friend from Indiana for yielding me the time. I want to take this opportunity to express my deep appreciation to the gentleman from Indiana [Mr. MYERS] and to the gentleman from Alabama [Mr. BEVILL] who just preceded me. They have done extraordinary work on behalf of the American taxpayers, on behalf of the American people, not only in this, the 13th bill of the fiscal year 1997 appropriations cycle, the last bill in the appropriations cycle for the 104th Congress, but also the last bill that both of them will be handling on behalf of the Committee on Appropriations and the American people throughout both their very significant and distinguished careers as Members of this great body.

□ 1630

We appreciate their service and wish them both long and happy retirements in the years that follow their departure from this institution. I thank the gentlemen very much for their service.

Mr. Chairman, this is the last regular bill that the Committee on Appropriations will present from full committee in the 104th Congress. It is a pretty significant one.

This Congress has chosen to cut back on the role of Government and fulfill the pledge of the President of the United States when he stood before this body several months ago and said to the American people that the era of big Government is now over.

I have still not figured out whether he meant e-r-a or e-r-r-o-r, but the fact is he is right, and this Congress has borne his comments out.

We have scaled back, and only with the help, in bipartisan fashion, frankly, of the Republicans and Democrats on the committee and the Republican and Democrat Members on both sides of the aisle in this body and the other body.

I thank all of the Members for their forbearance, their corporation, their hard work and their performance to enable us to make what I believe to have been significant and historic changes. Government is being downsized significantly.

Through the Committee on Appropriations' efforts beginning in fiscal year 1995, we have cut non-defense spending roughly $53 billion. In that process we have terminated some 330 programs, give or take a program or two, but I think that is significant, and it is progress again towards taking the President at his word.

The era of big Government is now over. It is important, if we are to ever balance the budget and get the heavy of debt and escalating interest rates off the shoulders of our children and our grandchildren, that we take this first step, as we have in this Congress, to make sure that Government no longer runs us into the red and burdens the ability of our people to pay for mortgages, to educate its children, to buy cars and be productive in this country.

I am excited about the progress that we have made in this Congress, and I congratulate both the current chairman and the former chairman, who is now the ranking minority member, for their ability to work together in bipartisan fashion and hammer out what admittedly is a very, very difficult bill, but one which recognized the realities of the problems that face this country and has, in fact, helped us deescalate the cost of Government. I congratulate all Members.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, I want to engage the gentleman from Indiana [Mr. MYERS] in a colloquy at this time, if I might.

First, I would like to commend the chairman and the ranking member, the gentleman from Alabama [Mr. BEVILL], for their hard work in this matter. I know their job has not been easy; however, I am concerned about a recent GAO report that identifies more than $180 million in unused construction funds from prior year appropriations at the Department of Energy. Among the GAO lists are 45 completed or terminated construction projects with carryover funds totaling around $46 million. It is my understanding that these funds can remain on the books for years and

that DOE can reprogram those leftover funds as the need arises, sometimes on projects completely unrelated to the original intent of Congress.

In the current budget climate at present, it seems to me this accounting procedure may be flawed, and as we work toward balancing our books and exercise congressional prerogatives in terms of directing how these leftover funds are used, these unneeded carryover funds should be used for deficit reduction or at least to ease shortfalls that can occur in the otherwise austere budget climate.

I would ask the chairman if we could work together to resolve this matter. As a member of both the Committee on National Security and the Committee on Science, I would welcome the opportunity to work with my colleagues on the Committee on Appropriation on this issue.

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

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

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman for bringing this to our attention. The committee is quite concerned about this problem. We have been concerned for quite some time, have tried to identify just how much there are in some of these unobligated funds. Most appropriations are good for just 1 year. Sometimes in defense they go a little longer, but we are deeply concerned about the same problems and share your concern. We get a different figure from DOE when we ask for it, but we share your concern and would be pleased to work with you and the other authorizing committee members in making certain we try to tie up this loose end.

Mr. TANNER. Mr. Chairman, reclaiming my time, I appreciate that because I am concerned about the funding levels in the decontamination and decommissioning account, which funds environmental cleanup and decontamination and decommissioning activities at the Portsmouth, OH, Paducah, KY, and Oak Ridge, TN gaseous diffusion plants, plants, and the nondefense environmental restoration and waste management account.

GAO, I would note, identifies more than $40 million in leftover unneeded funds to cancel construction projects funded in the environmental and waste management account.

May I ask if the chairman believes that at least a portion of these carryover funds could be used to fund needed projects in the decontamination and decommissioning account and the nondefense energy restoration and waste management account?

Mr. MYERS of Indiana. Mr. Chairman, if the gentleman would continue to yield, again we share his concern about this and we are trying to monitor this as closely as we can because this is one of the most rapidly growing accounts that we have and it will continue to be a problem for us. So we have to make sure every dollar is used effectively. We share the gentleman's concern and will be glad to work with him.

Mr. TANNER. Mr. Chairman, I appreciate the service that both the gentlemen have rendered, and I thank the chairman.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore. (Mr. TORKILDSEN) assumed the chair.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3734. An act to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3734) ''An Act to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints from the Committee on the Budget: Mr. DOMENICI, Mr. NICKLES, Mr. GRAMM, Mr. EXON, and Mr. HOLLINGS; from the Committee on Agriculture, Nutrition, and Forestry: Mr. LUGAR, Mr. HELMS, Mr. COCHRAN, Mr. SANTORUM, Mr. LEAHY, Mr. HEFLIN, and Mr. HARKIN; from the Committee on Finance: Mr. ROTH, Mr. CHAFEE, Mr. GRASSLEY, Mr. HATCH, Mr. SIMPSON, Mr. MOYNIHAN, Mr. BRADLEY, Mr. PRYOR, and Mr. ROCKEFELLER; and from the Committee on Labor and Human Resources: Mrs. KASSEBAUM and Mr. DODD, to be the conferees on the part of the Senate.

The SPEAKER pro tempore. The Committee will resume its sitting.

## ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Committee resumed its sitting.

Mr. MYERS of Indiana. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman from Indiana for yielding me this time, and I appreciate all the work he has done, particularly on this bill, but also the staff, my staff and the committee's staff. They worked hard and have done an outstanding job.

There are several things I want to talk about, but to be very brief about this, I want to focus on the fact that in this appropriations bill, like any other appropriations bill, we did not simply spread the pain evenly among the programs in our jurisdiction. Instead, we prioritized spending program by program based on their efficiency and national importance.

I would just tell my colleagues that I am encouraged by the committee's foresight to fund the basic research and development programs at the budget request level. Furthermore, the committee has reduced funding for those programs that simply give subsidies to corporations for product development. We have all heard of corporate welfare, and it seems to be in defiance of a free and open market. The market is the best indicator, of course, of the value of a product.

Programs such as the international solar energy program and the renewable energy production incentive program are an example, I believe, of the Federal Government defying the market by holding otherwise noncompetitive corporations afloat with Federal subsidies.

I want to talk about important item which, frankly, is a concern I think of everybody. It is the environmental waste end of things where we spend something over $6 billion. If we look at the BEMR report, which was produced to give us an example of when this would come to an end, they are talking about the end of the next century. That is simply not acceptable.

I am glad to see we have report language now that will give us a program to get on track and it expresses the committee's strong views, and also, I believe, DOE's, in terms of bringing to closure these sites around the country.

In the report language for fiscal year 1998, the bill, and I certainly want to thank the gentleman from Indiana, Chairman MYERS, and the ranking member, the gentleman from Alabama, Mr. BEVILL, and all the committee for their work on this, we have in place a project closure fund.

It means simply this. The committee then directs the Department of Energy to include in its budget request to Congress an account designated as the project closure fund. As the report indicates, the purpose of a closure project is within a fixed period of time to clean up and decommission a former defense nuclear facility, or portion thereof, and to make the facility safe by stabilizing, consolidating, and removing special nuclear materials from the facility.

The site contractor must demonstrate and validate several criteria, including a project completion date, within 10 years of application. That is a lot shorter than the end of the next century. The amount of funding to be set aside for the project closure fund is 10 percent of the total defense EM Program. This funding would be available to site contractors who meet the criteria on a competitive basis.

The project closure fund is the type of program that can save the EM from becoming a century long spending fiasco. What we need and what the project closure fund provides is a responsible, manageable cleanup program to bring closure to the EM Program and free up the Department of Energy's largest fiscal expenditure for budget deficit reduction.

Closure of these former defense nuclear cleanup sites is mandatory if we are to achieve our highest goal, which is ensuring safety for the communities and the workers in close proximity to the sites.

It also sends a message, I believe, to the Department of Energy and the site contractors that the time is now to close down the EM Program. We owe it to our Nation to come up with a better plan.

Again, I sincerely want to thank Chairman MYERS, Ranking Member BEVILL, and all the crew, all the gang here that worked so hard to include the project closure fund in the report language. I am encouraged by this language, and I am glad to see we are turning the corner.

Mr. BEVILL. Mr. Chairman, I yield 3½ minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the distinguished ranking member for yielding me this time, and I will make a rather short statement with regard to the bill.

Mr. Chairman, it should not take a hike in the price of gasoline, such as we have experienced over the last year, for the Congress to remember its responsibilities to the energy supply and security of this Nation. However, because the last few years of relative calm in the energy markets have lulled us into complacency, perhaps this sharp jab resulting from these gasoline price increases may have been just what we needed.

It is a fact that our only insurance policy against future energy security problems, against further pollution and degradation of the environment and jolts to the economy from gasoline price hikes is energy research and development, and yet the bill before us today cuts energy research and development rather drastically.

I think that there may be some in this body who believe that the American public somehow will not notice that the Congress is cutting energy and renewables R&D even at this time of increased gasoline prices. Perhaps they think it is just too technical for the American public to grasp. However, poll after poll shows that the American public not only knows about these energy R&D programs but overwhelmingly supports them.

□ 1645

The American public expects the Federal Government to promote solar and renewable energy technologies and energy R&D, so that advances occur in the energy market sooner rather than later and so that current energy sources supply as much useful energy as they can. I am referring here, of course, to fossil.

The public understands that we have too much at stake in energy security, in curbing pollution, and in creating and capturing high technology markets for us to curtail Federal efforts in energy R&D now.

The bill before us risks just such a lack of attention to solar and renewables research, to nuclear energy strategy, to biological and environmental research and to fusion energy R&D.

I understand very clearly that this is because of the current budgetary crisis that faces us, but it is time for us to look to the long-term future of our country, and I think that we should begin with the kind of bills that we have before us. For a country as dependent on energy as the United States, investment in R&D is the only prudent course of action. A strong energy R&D program allows us and our children to develop cheap and pollution-free energy sources. More importantly, if we do not make this investment, our children will continue to be plagued by the geopolitical and economic problems that concern us today.

Mr. Chairman, I want to recognize the important contribution to the House and to this bill of the gentleman from Indiana, JOHN MYERS, and the gentleman from Alabama, TOM BEVILL, who will soon retire. They have been leaders. They have been gentlemen. They have treated me with courtesy even though I was a pain in the neck most of the time, and I am very grateful to them for this. I want to wish them the very best in terms of a happy, well-earned retirement. I hope that I will not see the last of them after they retire, and I look forward to continuing our good relationship.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman from California for his very kind and generous remarks.

Mr. Chairman, I yield 2½ minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN], a very hard working new member of this committee. He has made a great contribution in helping us ease the fusion problem.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extent his remarks.)

Mr. FRELINGHUYSEN. Mr. Chairman, I rise today in support of H.R. 3816 making appropriations for energy and water development for fiscal year 1997. I would first like to thank Chairman JOHN MYERS and Ranking Member TOM BEVILL for their leadership and direction. Although I have not had the pleasure of working with them as long as some of my colleagues, I am grateful that I have had 2 years to learn from them. I will miss both of them in the next Congress as they are retiring.

I would also like to thank the dedicated staff of the subcommittee, without them our jobs would be tremendously more difficult. Their knowledge and professionalism is to be commended.

The bill before the House today stresses national priorities while keeping our commitment to downsize the Federal Government, maintain funding for critical flood safety projects, coastal protection, and dredging harbors and waterways throughout our Nation. We have made some tough choices about where to reduce spending but I believe the $19.8 billion that we have provided is targeted toward the areas that are the most important.

I am particularly pleased with the subcommittee decision to flatly reject the President's proposal to end coastal protection and smaller navigation projects. These projects are very important to local economies all over the United States and especially New Jersey. The President's policy was shortsighted and would have resulted in hurting many communities that rely on promises the Federal Government has made to provide flood protection. And more often than not, they are projects that have been undertaken in partnerships with local and State governments. I am hopeful that the administration will abandon future efforts such as these and concentrate on providing the protection that our citizens deserve.

In addition, this bill provides $225 million for magnetic fusion energy research. While this number is reduced from last year level, I am hopeful that as the bill moves through the legislative process the committee will be able to increase the number. I am also optimistic that the committee will be able to reach a compromise on language giving the Department the greatest flexibility in meeting the FEAC recommendations contained in this year's report. Scientists who work in this special area of fusion research tell me that the prospects for achieving practical fusion energy have never been greater. The progress over the past several years has been truly impressive. Fusion energy research needs to be continued if we have any hopes of finding future energy sources that do not harm our environment.

Mr. Chairman, this bill represents real progress toward setting national priorities. I urge my colleagues to support this bill.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY], our ranking Democrat on the House Committee on Appropriations.

Mr. OBEY. Mr. Chairman, let me simply make a few brief observations. I have some concerns about a number of items in this bill, including the international nuclear issues, the squeeze which is created on fusion research by earmarking, which means that you have left only $16 million to fund $51 million worth of demand from research universities around the country. I am concerned about the reduction in solar and renewable energy and about a number of other items, one of which I will be dealing with in an amendment which I will be offering later in the game on the advanced light water reactor.

My purpose in rising at this point, however, is to simply note with considerable regret the decision to retire that has been reached by the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL]. We

have seen a number of stories written lately about why this institution seems to be so much more partisan and why it has become a much less pleasant place to work. It certainly has.

I think if you want to know why that is happening, I think two reasons are simply that Members like Mr. MYERS and Mr. BEVILL are retiring. I think that will be a great loss to this institution because they both bring to this institution not only their considerable expertise in the programs with which they deal, but they also bring considerable grace to the way in which they perform their jobs.

I have admired JOHN MYERS' ability to get along with everybody for as long as I have known him in this body. I do not think there is a mean bone in his body and I do not think there is a partisan bone in his body. He has, I think, genuinely shown that good guys can finish first, despite the admonition to the contrary by Leo Durocher a good many years ago.

I think the same is true for TOM BEVILL. Every one who knows TOM BEVILL understands that he is a consummate gentleman. They understand that he is first and foremost interested in getting the job done and does not much cotton to partisan arguments one way or another. He has helped many a Member and many a community in this country to deal with problems that otherwise would have been beyond their reach.

I will very much regret next year seeing that neither of them will be here, but they have done honor to this House. They have done honor to this country and they have done honor to their respective parties by the manner in which they have served their constituents in this body. I think we all owe them a standing round of applause.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman from Wisconsin [Mr. OBEY] for those very kind remarks. I hope we deserve them.

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

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BENTSEN].

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Chairman, I rise today in support of H.R. 3816, the fiscal year 1997 energy and water appropriations bill.

First, I would like to thank Chairman MYERS and Ranking Member BEVILL for their hard work on this important legislation and the consideration that they have given to my region of the country. As a former staff member of this body, it is an honor to have had the opportunity to work with them for just the short time that I have been here. But I do appreciate it and we will miss their leadership.

Devastating damage from floods is a clear reminder that our lives and our infrastructure and our economy depend on proper watershed management. I am pleased that H.R. 3816 includes vital funding for several flood control and navigational projects in the Houston area. These projects include Brays, Sims, and Breens Bayous and will provide much-needed protection for communities that have been plagued by severe flooding for decades.

Funding is also included for the Port of Houston and Houston ship channel which are of great economic importance to our region and to the Nation.

I would remind my colleagues that in 1994, the Clinton administration proposed a phaseout of Federal funding for local flood control projects. I and other Members of the Texas delegation worked with the chairman and ranking member and members of the subcommittee to reject this proposal, and I am pleased that once again they have chosen to do so. However, as Congress seeks to balance the budget, the scarcity of Federal dollars for flood control could threaten hundreds of projects in southeast Texas and the entire country.

Although this committee has achieved what some would consider impossible in funding these projects, it is clear that Federal flood control policy must adapt to meet budgetary constraints without sacrificing public safety and environmental protection. That is why I have been working with the House Committee on Transportation and Infrastructure which overseas the authorization of water projects to restructure Federal watershed management and flood control policy and allow local entities to have more planning and construction involvement.

I believe local agencies, such as the Harris County Flood Control District in my district can construct these projects more quickly and more cost-effectively if they are free from Federal regulation and given more responsibility in return for less Federal dollars. This should benefit both the families who live in the flood-prone areas as well as taxpayers.

The Committee on Transportation and Infrastructure recently authorized the Water Resources Development Act reauthorization which includes language designating Harris County as a national test site for allowing local control over flood control. Under this plan, the Federal Government remains as partner in flood control but local governments will gain authority to respond more quickly and positively.

It is my hope that the Committee on Appropriations will look favorably on these flood control reforms. The time has come for Congress to give local governments more opportunity to plan and construct Federal flood control projects and to make safer communities and good for the American taxpayers.

I appreciate the work that the committee has done for the southeast Texas region. I ask my colleagues to support the bill.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, I want to take this opportunity to raise a very serious consideration about one aspect of this particular bill; that is, the fact that this bill cuts 36 percent from fiscal year 1995 appropriations, the amount that it will spend in the next fiscal year on renewable energy research and development. This is a critical failure of the legislation. Keep in mind, a few years ago, we fought a war in the gulf. We fought that war for one purpose, because the gulf provides the world with the oil that it needs to run.

Just a few weeks ago, we lost 19 American servicemen in Saudi Arabia. The reason those servicemen were stationed in Saudi Arabia is only one, and that is because so much of our energy in this country is imported. We are now importing more than 50 percent of our annual energy needs, the annual oil needs, from outside of the country. We are becoming critically dependent upon foreign oil once again.

This is a very serious matter indeed. There is only one way for us to unhook ourselves from our dependence on gulf oil, one way to ensure that we do not fight more wars and lose more lives in Saudi Arabia and elsewhere in the gulf region. That is to remove ourselves from this dependence on gulf oil, Saudi Arabian oil particularly. We need to do that through research and development.

The research and development industry, the industry for research and development in solar is about to explode. It is expected that this industry will grow by 70 percent over the next 5 years. Let us look at where we stand with regard to other countries in this area of research and development.

Denmark spends more for wind research and development than does the United States. Japan spends twice as much on photovoltaic research and development than the United States, and Japan spends $150 million more on photovoltaic procurement.

We need to reinvest in alternative energy. If we fail to do that, we are going to lose more American lives in the future.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

(Mrs. MORELLA asked and was given permission to revise and extend her remarks.)

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Mrs. MORELLA. Mr. Chairman, my congratulations to us and to the American people for having had the professional service of these two gentlemen who are leading this bill, the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL], who both have served 30 years each. Three decades they have given to our country in a very professional committed manner, demonstrating that civility is here and does have a place in the legislative process.

Now commenting on the bill, Mr. Chairman: Within the energy and

water development appropriations bill, the Congress must ensure that we equip the Department of Energy to effectively meet our present and future energy needs. While the bill before us funds many critical programs, it would restrict the Department of Energy's ability to perform its mission by including a 30 percent reduction in the Department of Energy's departmental administration overall funding.

DOE's departmental administration salary and expenses budget is reduced by more than 20 percent, a reduction of over $50 million in fiscal year 1997, and instead of allowing DOE to reallocate their reduced resources as they deem appropriate, it reduces DOE's departmental administration staff of 1,500 FTE's as full-time equivalents by another 500 FTE's, a cut of over one-third of their staff, and sets specific FTE targets for each office. So there is no flexibility for the right decisionmaking.

Last year in the fiscal year 1996 appropriations bill, Congress asked DOE headquarters personnel in certain programs to make significant cuts and changes. The departmental administration budget was cut by 15 percent, which translates into a reduction of approximately 400 FTE's. Managers worked hard to administer this staff reduction without resorting to reductions in force. To save jobs, performance awards were eliminated, overtime was reduced by a half, furloughs were used to address further funding shortfalls. And despite substantial reductions in operating cost at headquarters, a two-thirds reduction since 1993, this legislation sets a general management and program support function at DOE at 47 percent less than last year and 20 percent less than the administration's request.

Mr. Chairman, it has been a difficult year for Federal employees. They have endured shutdowns, downsizing, RIF's, uncertainty and reduced benefits. They are among the most resilient people that we know. We really should not hit them any harder.

The negative ramifications of this unprecedented and punitive cut will affect the many important projects funded by this year's Energy and Water Development Appropriations bill. The bill targets cuts in the Environmental Management Program, Nonproliferation, and Energy Efficiency and Renewable Energy. In addition, the 90-percent cut imposed on DOE's Policy Office will leave only 20 employees to perform critical technical and economic analysis. This cut will jeopardize strategic planning and implementation of management reforms, economic policy development, gasoline market impact analyses.

Mr. Chairman, what I want to say is that I think we can ill-afford to have these cuts of the Federal employees, and I think it affects adversely the mission of the Department of Energy. I hope the conference committee will do something to ameliorate it. I feel that this important piece of legislation does have that damaging aspect of it.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY].

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

Mr. Chairman, I regret that I was not present 19 years ago when the Tom Bevill-John Myers story began; the gentleman from Alabama [Mr. BEVILL] at that time being chairman of the subcommittee, the gentleman from Indiana [Mr. MYERS] being the ranking minority member. I am very pleased that I was present, however, as a member of the subcommittee on the very last markup held by the gentleman from Indiana [Mr. MYERS], and the ranking minority member, the gentleman from Alabama [Mr. BEVILL]. These two gentleman are gentleman in the truest sense of the word, and with the national public debate that has been overtaken by cynicism, they are the two who we can point to in the House of Representatives and hold out as examples of people who can hold strongly held views and yet work 24 hours a day to find that responsible bipartisan middle ground.

I say to the gentleman from Indiana and the gentleman from Alabama, I respect you, I have a deep affection for you. You have been friends of mine. You have been more than generous, much more generous than I deserved, with me, and you will be sorely missed. You have my every best wish for good health, joy, and happiness for every day of your life, and it was a tremendous privilege to be able to serve, however shortly, on the subcommittee with both of you in leadership positions.

Mr. BEVILL. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. ROEMER].

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Mr. Chairman, I would like to begin my remarks where my distinguished friend from Indiana left off. That is, attempting to recognize and thank the gentleman from the great State of Indiana, a fellow Hoosier, and the gentleman from Alabama [Mr. BEVILL], a friend on the Democratic side, for all they have contributed to this institution over their long years and their valuable years of service.

Certainly we have many, many debates in this Chamber where oftentimes it is overtaken and overwhelmed by partisanship and by cynicism and by lack of respect for one another. These two gentlemen always would bring bills to this House floor where there was a comity, a respect and an institutional knowledge that lent credibility to this institution, and I thank them for that contribution in making this a better place to serve.

Along those lines, Mr. Chairman, I would like to encourage my colleagues to vote for an amendment that I will be offering later on in this debate on the energy and water bill where I will cut about $9.6 million from the field laboratories. Now, certainly the Senate has done this already. They have said, we do not just cut things from Washington, DC, and the bureaucracy here, we have to cut from our own backyards as well too, and that means going out into the field where we have some of the money going for congressional pork. Let us make sure that as we cut and balance the budget in outyears, that we cut not just Washington, DC, bureaucracy but we cut some of the field offices, and I will be offering a bipartisan amendment to cut to where the Senate has cut.

I would also encourage my colleagues to not overly micromanage in the area of fusion R&D, and there is report language in this bill that I think can be as harmful as some of the cuts that have taken place over the years in fusion. I would say let us not micromanage to our universities, big or small, exactly where each and every one of these dollars should go in fusion research.

Finally, Mr. Chairman, I would say let us continue to put many of our resources in solar and renewable research. I am somewhat concerned with some of the cuts in this bill on solar and renewable. I know an amendment is going to be offered, a bipartisan amendment that I will strongly support, that will include restoring some moneys back into that very, very valuable account.

With that, Mr. Chairman, I conclude my remarks, thank the gentleman from Indiana [Mr. MYERS] for his service to the great State of Indiana once again, and thank the gentleman from Alabama [Mr. BEVILL] for his bipartisanship.

Mr. Chairman, I rise today to comment on several provisions in the House version of the energy and water appropriations bill for fiscal year 1997 that I hope will be fixed by House floor action or in conference.

First, the energy and water bill continues the assault on civilian applied energy R&D initiated last year. From fiscal year 1995 levels, without factoring inflation, this bill cuts solar and renewables research by 44 percent, nuclear energy R&D by almost 60 percent, biological and environmental research by 6 percent, and fusion R&D by 37 percent. This is unacceptable.

These cuts devastate activities such as those that created solar cell modules that allow the United States to lead the world in sales of this technology with over one-third of the $300 million per year photovoltaics market; developed wind turbines that save the energy equivalent of 4.4 million barrels of oil each year in California alone; achieved a 50-percent increase in efficiency at nuclear powerplants, saving several million dollars per year per reactor; and made significant progress toward developing a fusion reactor that could help to create a worldwide supply of cheap energy for the 21st century.

In addition to reducing energy costs, these same technologies also reduce pollution and help to preserve the environment. If technology development can invent a way out of

our pollution problems, it is surely a better approach than imposing Federal mandates and regulations.

Another bonus of such technology development may be that the United States can become more self-sufficient and cease to depend on foreign energy sources. I, for one, don't want to fight another Persian Gulf war if we can avoid it. And I think that spending a little on energy R&D to avoid such a war in the future—even in the distant future—is well worth the price.

Amendments will be offered later to add funds to the solar and renewables research efforts of the Department—I strongly support such amendments. In addition, I will be offering (an) amendment(s) to recoup savings from streamlining in the Department and its laboratories—and I strongly urge Members to listen closely to that debate and support returning those savings, not those from cuts to R&D, to the taxpayer.

At the same time, some Members will offer amendments to eliminate further research and development of Advanced Light Water Reactors. I strongly oppose such a move. We need to complete the final year of the ongoing innovative public-private partnership to develop the next-generation nuclear powerplants of the future. Otherwise we will concede the market to other countries with less stringent safeguards for environmental and health protection.

Each of these issues will be the subject of further floor action. However, there are two issues that I'd also like to discuss now that I respectfully ask the eventual conferees to this bill to consider in conference.

First, the report accompanying the Energy and Water appropriations bill details specific funding allocations within the fusion R&D account. These earmarks severely disadvantage the universities and small laboratories that participate in the program and threaten the balance between small and large experiments so important to its advancement. I appeal to the eventual conferees on this bill to negate this report language in conference. Such earmarking does not reflect well on the Congress and may do more harm to the Fusion R&D program than even the 40-percent cut it has received these past 2 years.

Also within the bill's report language are detailed FTE allocations for the Department's headquarters staff. Not only do these levels severely hamper the ability of the Department to carry out its mission, but such directive language intrudes on the prerogative of the executive branch to organize and staff its offices as circumstances require. This language also does not reflect well on the Congress and I encourage the conferees for this bill to strike it in its entirety.

Before I close, I would like to recognize the excellent work of Chairman MYERS and Ranking Member BEVILL. While there are several aspects of the bill with which I do not agree, I thank them heartily for their fine effort in the face of such a daunting task. Both JOHN MYERS and TOM BEVILL will be sorely missed in this Congress after they retire and their institutional knowledge will be impossible to recover. While this is not yet the time for goodbyes, I want to express my heartfelt appreciation for their important contributions to the Congress and to this bill, and not let my disagreement with certain actions taken in the bill reflect on the tremendous contribution that both Members bring to this House.

Finally, I would like to close with an appeal to Members of the House to consider the long-term implications of reductions to applied R&D contained in this bill. Such R&D has proven time and again its worth to American society through environmental protection and economic gains. Furthermore, energy and environmental technologies will only grow to a greater economic engine in the global economy, as environmental problems and oil import concerns increase. We must not hamper the ability of the United States to compete and benefit from these developments. Otherwise, when we have balanced the budget, we will find that we are left with a knowledge deficit that places the American economy behind its competitors.

I urge Members to vote on upcoming amendments to restore U.S. energy and environment R&D capabilities, while supporting bipartisan efforts to cut in the appropriate places—namely, administrative overhead at the Department and its laboratories.

Mr. MYERS of Indiana. Mr. Chairman, we thank everyone who said nice words about the gentleman from Alabama [Mr. BEVILL] and me, but this is about to conclude here.

So at this time I yield the remaining time that we have on our side to the very distinguished gentleman from California [Mr. RIGGS]. He is a very hard-working, valuable member of the subcommittee.

Mr. RIGGS. Mr. Chairman, I just want to join with all of our colleagues in the accolades that have preceded me in thanking the gentleman from Indiana [Mr. MYERS] and the distinguished former chairman and now ranking member, the gentleman from Alabama [Mr. BEVILL], not just for their tremendous work on this bill, but for their many years of extraordinary service to the House and to our country. I think I speak for all our colleagues in saying that their collective wisdom and experience will be sorely missed in this House and am wishing them well in all their future endeavors.

Later tonight during the appropriate titles of the bill, I want to talk on a couple of other subjects: Small harbor safety and fusion energy. But right now I want to focus on one action that I wish we had taken in committee but did not, and that is dealing with the growing problem of radioactive waste disposal. It is a problem that is not going to go away in this country. It is sort of like a ticking time bomb that gets more serious with every passing day. One in three diagnostic medical tests today uses radioactive materials. Eighty percent of all drugs are developed using some radioactive materials. Critical research on AIDS, cancer and multiple sclerosis could not take place without radioactive materials. These benefits to society, though, come at a cost. We need responsible disposal sites for the waste that is generated by these activities.

That is why I considered offering in committee, but was dissuaded by my good friend and distinguished chairman, considered offering the Ward Valley Land Transfer Act as an amendment to our bill. This would have affected the long-awaited transfer of land from the Department of Interior to the State of California to serve as a site for the storage of low-level radioactive waste.

I regret that the transfer has become embroiled in election year politics. The Interior Department is reluctant to allow our State of California to manage its own waste disposal.

Now, colleagues, we know the history of this particular issue. In 1993, after years of environmental study, California licensed Ward Valley in the remote Mohave Desert as a disposal site for low-level waste. Since that time the State's actions have successfully passed the review of the National Academy of Sciences and the California Supreme Court. All that remains is the actual transfer of the land from the Department of Interior to the State of California. State officials led by our Governor, Pete Wilson, have acted in good faith and they have taken many difficult steps to carry out their duty to provide for the disposal of low-level waste. However, after originally supporting the Ward Valley land transfer, the administration has now taken the position that more study is necessary.

Well, this is the good old bureaucratic paralysis by analysis, and it is blocking our enactment of a nuclear waste policy act, a policy in this country.

We also have the same problem with respect to storing spent nuclear fuel, another problem that is not going away. Since 1983 the Federal Government has collected $11 billion from electric ratepayers throughout the country. Now the Federal Government is seriously behind schedule in meeting its obligation to begin accepting spent nuclear fuel. If we do not enact legislation, legislation such as Yucca Mountain, 27 reactors will exhaust spent fuels storage capacity by 1998, just 2 years away. This will subject ratepayers to billions of dollars more in unnecessary costs for onsite storage of spent fuel.

So let me just tell my colleagues again that we need to be responsive in this body to the concerns of our fellow citizens. The Federal Government lacks a long-term policy for the disposal of nuclear waste. This is holding the benefits of nuclear medicine and nuclear energy hostage to politics.

So I urge my colleagues to rise above election year expediency and help to properly manage its radioactive nuclear materials.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Chairman, I also want to say that I regret the retirement of both the chairman and the ranking member of the subcommittee. The two of them always worked in a bipartisan manner. They are examples in this House of Representatives of what Members and chairman and ranking members truly should be, and I want to commend them for all their efforts.

Particularly this year once again, just as an example of their forward thinking in my opinion, is the report language in this bill that once again rejects the policy that was suggested by the administration that we not, that the Federal Government cut back or eliminate its role in shore protection, beach replenishment and small navigation projects. I looked at the report language today, and I am very pleased to see that it does commend the administration for dropping its opposition to support Federal support of flood control projects; but as we know, we continue to see this distinction in the administration's eyes between flood control and beach erosion protection, and the administration even goes further and suggests that they would fund structural improvements along the coastal areas, but not sand replenishment projects.

I just give you an example in my own district where the committee has once again funded a beach replenishment project that involves both a structural sea wall as well as sand replenishment. We cannot have one without the other. It makes no sense.

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It makes no sense for the Federal Government to say they will pay for a seawall but not pay for the protective sand that is placed in front of the seawall. Once again, the subcommittee has rightly pointed out that it is essentially discriminatory to say that coastal areas cannot have that form of flood protection, whereas inland areas would, if the administration policy was to be continued and to be enacted.

I also wanted to say the same thing is true for small navigation projects. There is really no distinction from an economic point of view for a State or locality with a small navigation project, which tends to be recreational, versus a large commercial project.

In New Jersey, tourism is actually our No. 1 industry. More money is engendered in New Jersey through tourism than any other industry. To suggest that somehow small navigational programs are not important is not accurate.

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

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

Mr. Chairman, I am about to make a motion which I will explain. The Committee will rise at this time. The House will go back to a conference report on the welfare bill with instructions that will take a little over an hour, probably. So that the Members understand, we will come back about 6:30 or quarter to 7, and we will take this bill up again for amendments.

Mr. PORTER. Mr. Chairman, as we discuss the efficacy and safety of pyroprocessing, also known as electrometallurgical treatment, it is extremely important to remember that this technology is still in its development phase. I find many of the arguments against pyroprocessing premature because we do not yet know how this technology may assist in reducing our country's nuclear waste. However, since 35 States currently host nuclear waste, and 22 percent of our Nation's electricity is generated by nuclear power, I think that it is imperative that we research new ways to dispose of our spent nuclear fuel. As we consider funding for further research into this technology and examine our options for safe disposal of nuclear waste, keep in mind that the National Academy of Sciences, which has been monitoring the progress of the pyroprocessing facility, recently gave a strong endorsement for further research into this technology and stressed that DOE should keep this program as a high priority.

Before addressing the anticipated benefits of pyroprocessing, it is necessary to detail its origins. As many are aware, in 1994, the Appropriations Committee terminated the advanced liquid metal reactor or ALMR. This reactor would have manufactured, used, and recycled spent nuclear fuel. The concept of pyroprocessing was born out of the recycling phase of this project. It was almost discovered by accident. When the ALMR was shut down, pyroprocessing was used to safely prepare the spent fuel from the ALMR reactor. This process was then recognized as a potential technology that could be applied to safely dispose of all spent nuclear fuel. In addition, the budget numbers also show that pyroprocessing is not a reincarnation of the ALMR.

Proposed funding for the ALMR for fiscal year 1995 was $70.5 million. Total proposed funding for further pyroprocessing research is $20 million for fiscal year 1997—$15 million in defense funding for disposal of DOE spent fuel and $5 million in civilian funding for further research in this field. The additional $25 million that completes the $45 million mentioned in this amendment is to complete the termination of the EBR–II reactor that was part of the ALMR—it is not part of the funding for pyroprocessing research.

Pyroprocessing technology prepares spent fuel by the degrading uranium and harnessing plutonium with transuranic and other fissionable products to render it inaccessible for proliferation purposes. Pyroprocessing has often been confused with enrichment. However, to relate these two technologies is like comparing a water wheel to a house plant—both need water to function but are very different.

Enrichment and pyroprocessing both work with uranium. However, enrichment increases the radioactivity of the uranium while pyroprocessing decreases the radioactivity level. Pyroprocessing takes high-level uranium and converts it to low level, which makes it much easier and safer to dispose of. In addition, unlike enrichment, pyroprocessing produces minimal radioactive waste, so the whole process is relatively clean with results that are significantly safer and better for the environment than any other technology we have researched up to this point.

As we know from other discussions in both the House and Senate, the safe disposal of nuclear waste is of urgent concern to our Nation. We keep producing more waste and yet we still do not have a permanent disposal facility. While we continue to develop the technology for such a facility, we need to contain our existing waste. Pyroprocessing may offer the answer to this critical problem. It reduces the inventory of highly enriched uranium, stores plutonium in a way that is not a proliferation risk, and does not create any new waste streams. Considering our waste disposal needs at this time, it would be premature to stop research of pyroprocessing technology.

I encourage my colleagues to examine the true benefits of this technology as a solution to our nuclear waste disposal needs and vote against this amendment.

Mr. POMEROY. Mr. Chairman, I rise today to oppose the amendment offered by my friend Mr. BEREUTER of Nebraska. We share many similar concerns about the management of the Missouri River and the revision of the Army Corps Master Manual currently underway. While I do not have any specific objection to his intent to prevent the corps from instituting a ''spring rise'' a part of the management of the river, I do object to legislating changes in the Master Manual through an appropriations bill.

The Army Corps of Engineers currently is undertaking an exhaustive 6 year $23 million study to revise the Missouri River Master Manual. This tremendous undertaking seeks to resolve contentious issues between all interests on the river, those upstream, in North Dakota and likewise those downstream in Missouri. This is no small endeavor. The corps has received exhaustive testimony and input on this revision and although the recently announced delay in the release of the revisions was disappointing, I am confident the process is steadily moving forward.

This amendment is especially troubling given another attempt to circumvent the Master Manual process that will soon be before this body. The Water Resources Development Act of 1996 contains language, inserted in the full committee, without hearing or input, that will have a devastating impact throughout the Missouri River basin. This language proposes to extend the navigation season on the river by 1 month. While seemingly straightforward, the effect of this provision would be to lower upper basin water storage levels, threaten water supply and quality throughout the basin, increase flood risks from ice jams along the entire river, and wreak havoc with fisheries and endangered species populations.

As my colleagues can see, this type of amendment sets a dangerous precedent. Instead of leaving water management up to the professional engineers at the Army Corps, amendments of this type transfer control of water management to the whims of Congress, regardless of impact. For that reason, I urge my colleagues to oppose this amendment.

Mr. RIGGS. Mr. Chairman, I would like to thank Chairman JOHN MYERS and ranking minority member TOM BEVILL, not just for their work on this bill, but for their many years of service to the House and the country. I wish them well in their future endeavors.

The energy and water development bill provides funds for programs that are critically important to preserving the environment and maintaining our national security. California is particularly affected by the programs in this measure. I am pleased that we were able to maintain the balance that most Californians want between environmental protection and continued economic growth. In my remarks today, I wish to focus on a few issues of concern to me and my constituents.

SMALL HARBOR SAFETY

One of the highlights of our consideration of this bill was the total rejection of Clinton administration recommendations to terminate the Army Corps of Engineers' role in shore protection and small navigation projects. This would have hurt coastal States like California. Instead, we will continue studies and construction projects that save lives and property.

FUSION ENERGY

Within the Department of Energy, I do have some concerns about the Fusion Energy Sciences Program. Fusion is important to the Nation because it is one of our most promising future energy sources. I am pleased that there is a strong fusion presence in California, resulting in high technology jobs and spin-offs at universities, national laboratories, and industrial facilities.

Funding for the fusion program has decreased significantly over the past 2 years. Last year, in connection with a $130 million cut, conferees asked the Department of Energy and its Fusion Energy Advisory Committee to restructure the program.

This year, we adopted an amendment in subcommittee which gives guidance to the DOE on allocation of even more limited funds. While I supported the amendment, I am concerned that, in prescribing how 90 percent of the fusion funds are to be spent, we may be contradicting some of our prior direction to the Department.

It is entirely appropriate that the committee suggest to DOE how its fusion funds should be used. However, the restructuring that was put into place as a result of last year's budget, and the accompanying peer review process, have been widely praised.

As we proceed to conference with the Senate, we need to evaluate how we can achieve the appropriate balance between identifying funding priorities and giving program managers necessary flexibility.

RADIOACTIVE WASTE

I finally want to focus on action I wish we had taken in committee, but did not—that is, dealing with our radioactive waste disposal problem.

One in three diagnostic medical tests today uses radioactive materials. Eighty percent of all drugs are developed using some radioactive materials. Critical research on AIDS, cancer, and multiple sclerosis could not take place without radioactive materials.

These benefits to society come at a cost. We need responsible disposal sites for the waste that is generated by these activities. That is why I considered offering the Ward Valley Land Transfer Act as an amendment to the pending bill. This would have effected the transfer of land from the Department of the Interior to the State of California to serve as a site for storage of low-level radioactive waste.

I regret that the Ward Valley Transfer has become embroiled in election-year politics. The Interior Department is reluctant to allow the State to manage its own waste disposal.

We have given the States responsibilities under the Low-Level Radioactive Waste Policy Act, just as we have under the Nuclear Waste Policy Act. The State of California has acted responsibly to fulfill its obligations, but the Federal Government's reply has been irresponsible.

In 1993, after years of environmental study, California licensed Ward Valley in the remote Mojave Desert as a disposal site for low-level waste. Since that time, the State's actions have successfully passed the reviews of the National Academy of Sciences and the California Supreme Court. All that remains is the transfer of the land from the Department of the Interior.

State officials have acted in good faith and taken many difficult steps to carry out their duty to provide for disposal of low-level waste. However, after originally supporting the Ward Valley Transfer, the administration now has taken the bureaucratic low road, opting for ''more study.''

This failure of Federal leadership means that Californians—just as the citizens of other States—are faced with a growing accumulation of low-level waste at neighborhood hospitals, businesses and research facilities. Unless we respond, benefits from the use of radioactive materials will disappear.

Paralysis by analysis is the same problem we are facing as we seek to enact a Nuclear Waste Policy Act. We must end costly delays in achieving a national policy for safely storing spent nuclear fuel.

Since 1983, the Federal Government has collected $11 billion from electric ratepayers throughout the country. Now, the Government is seriously behind schedule in meeting its obligation to begin accepting spent nuclear fuel. If we do not enact legislation, 27 reactors will exhaust spent fuel storage capacity by 1998. This will subject ratepayers to billions of dollars more in unnecessary costs for on-site storage of spent fuel.

We must assure that the Federal bureaucracy responds to the needs of our citizens. The benefits of nuclear medicine and nuclear energy should not be held hostage to politics. I urge my colleagues to rise above election year expediency and help the country properly manage its radioactive materials.

Mr. HAYWORTH. Mr. Chairman, I rise in strong support of the fiscal year 1997 Energy and Water Appropriations Act. I know that Chairman MYERS and Representative BEVILL, the ranking minority member on the subcommittee, have had to work especially hard this year to report this legislation in light of their original allocation. Once again, they have done an incredible job of balancing the many requests they received with the available funding. As I noted earlier this year in hearings, I appreciate the outstanding leadership Chairman MYERS and Representative BEVILL have provided. They will be sorely missed.

Mr. Chairman, this legislation includes $500,000 to complete a reconnaissance study for the Rio de Flag floodplain in Flagstaff, AZ. The residents of Flagstaff, AZ are grateful for the $200,000 provided by the committee last year to initiate this study. The Corps of Engineers anticipates beginning this study this spring. As a result of the Federal Emergency Management Agency designating much of Flagstaff's downtown and southside areas as a special flood hazard area, Flagstaff is prevented from moving forward with new development or important redevelopment projects. The city of Flagstaff is aware of the cost-sharing requirements associated with planning and constructing this project and is a willing partner.

Finally, I want to note my strong support for an amendment offered by one of my colleagues from Arizona, JIM KOLBE. Representative KOLBE intends to offer an amendment which I believe is unprecedented. Instead of looking for ways to score easy political points by attempting to find spending cuts in someone else's backyard, he has looked to Arizona for ways to save money. Specifically, the amendment will cut over $20 million from water projects in Arizona. I am proud of my colleague's courage and vision to offer this amendment and happy that I can stand with a unified delegation from Arizona in supporting it. I hope that as the House continues its efforts to balance the budget, other State delegations in Congress will follow our example.

I urge a ''yes'' vote for the Kolbe amendment and for final passage of this important legislation.

Mr. BARTLETT. Mr. Chairman, I rise today to express my concern for the future of our Nation's fusion program. First of all, I am disappointed with the funding level for fusion research in H.R. 3816. This cut from last year's funding level is significantly below the recommendation of the Fusion Energy Advisory Committee's for a strong U.S. fusion program. The FEAC report warned that any sustained funding level below $250 million would adversely impact the productivity of the U.S. fusion facilities and severely strain our relationship with our international partners.

What concerns me most about the fusion funding level is the language in the committee's report to H.R. 3816. On pages 82 and 83 of the report, the committee recommends that 90 percent of the $225 million for fusion research be allocated for specific programs of the fusion research program. While each of these specific projects are important aspects to a comprehensive U.S. fusion program, this language does not include key elements of the program plan outlined by the FEAC report and is inconsistent with the guidelines Congress provided the fusion community when ordering a restructuring of the program.

The FEAC report's key component for the new domestic fusion program plan is the pursuit of new innovative approaches to fusion through small scale experiments at universities and laboratories throughout the country. This program element was explicitly mandated by Congress and was given top priority by FEAC even at budget levels below $250 million. The committee report cannot support this priority area because there is simply not enough unspecified funding remaining in the fusion budget. The unfortunate consequence is that university experimental fusion research would be virtually eliminated from the fusion program.

Mr. Chairman, it is my hope and expectation that members of the House-Senate conference for this appropriation bill will take another look at the congressional guidelines to the fusion community as well as the FEAC report. This earmarking language must be reconsidered to ensure that the fusion community continues its peer review process and that vital small-scale university programs are maintained.

Mr. JOHNSON of South Dakota. Mr. Chairman, I rise today to take this opportunity to thank Chairman MYERS of the Appropriations Subcommittee on Energy and Water Development, and Ranking Member BEVILL, for their long standing support of water development in South Dakota.

Mr. MYERS and Mr. BEVILL, the announcement of your retirements will be a great loss to water development efforts in South Dakota and across the Nation. The two of you have demonstrated leadership, bipartisanship and

statesmanship as you have helped America develop critically important infrastructure. I am proud to have served with each of you. I look forward to having one more opportunity to work with both of you to move forward on important water development efforts in South Dakota.

Sound water development is crucial to our State, whether it is rural water delivery, wetland and wildlife enhancement, irrigation or flood control. These projects stabilize the rural economy and greatly contribute to rural economic development since water is a vital component to ensure future growth.

I appreciate the time and hard work the members of the subcommittee and subcommittee staff have devoted to developing water infrastructure, especially the efforts in meeting the needs of South Dakota and rural America. I look forward to continued close cooperation with the committee to meet the needs of our Nation.

Again, my heartfelt thanks to Chairman MYERS and Ranking member BEVILL for their distinguished service in the House of Representatives.

Mr. BEREUTER. Mr. Chairman, this Member would like to commend the distinguished gentleman from Indiana [Mr. MYERS], the Chairman of the Energy and Water Development Appropriations Subcommittee, and the distinguished gentleman from Alabama [Mr. BEVILL], the Ranking Member of the subcommittee for their exceptional work in bringing this bill to the floor.

Also, in light of the impending retirements of the distinguished Chairman and the distinguished Ranking Member, this Member would like to take this opportunity to express his sincere gratitude for the dedication, good judgment and wisdom they have consistently demonstrated. The entire country has benefited from their hard work and outstanding leadership on the Energy and Water Development Appropriations Subcommittee. This Member certainly appreciates the distinguished Chairman's and the distinguished Ranking Member's far-sighted actions and equitable treatment which will continue to have a positive impact on America for many years to come. They have left a very impressive legacy.

This Member recognizes that extremely tight budgetary constraints made the job of the subcommittee much more difficult this year. Therefore, the subcommittee is to be commended for its diligence in creating such a fiscally responsible bill. In light of these budgetary pressures, this Member would like to express his appreciation to the subcommittee and formally recognize that the Energy and Water Development Appropriations Bill for fiscal year 1997 includes funding for several water projects that are of great importance to Nebraska.

First, this Member is very pleased that the bill includes $400,000 to complete plans and specifications and initiate construction of the Pender, Nebraska Section 205 Logan Creek Project. There is an urgent need for this funding and this Member is particularly grateful to the Subcommittee for agreeing to this appropriations item during a time when the restrictions on available funding are exceedingly tight.

The amount of money presently spent on the planning process to date is in excess of $350,000. The Village of Pender, a small municipality, and the Lower Elkhorn Natural Resources District have expended approximately $160,000 of their own funds to date. The Village has expended an additional approximate amount of $25,000 on the costs of engineering, project coordination, and other related costs. Without the flood control project the community will remain at risk and will be stymied from undertaking future developments in their community due to FEMA flood plain development restrictions (60 percent of Pender is in the floodplain and 40 percent is in the floodway).

The plan calls for right bank levees and flood walls with a retention pond for internal storm water during flood periods. The project will remove the entire community from the FEMA 100-year flood plain. This project is needed to protect life and property, eliminate or greatly reduce flood insurance costs, and allow community and housing development.

Mr. Chairman, quite simply, at great expense the State and local entities involved in the project have held up their end of the agreement. If federal-local partnerships are to work, Federal commitments need to be met; therefore, this Member is pleased that this legislation will greatly facilitate the completion of this project.

In addition, this bill provides additional funding for other flood-related projects of tremendous importance to residents of Nebraska's 1st Congressional District. Mr. Chairman, flooding in 1993 temporarily closed Interstate 80 and seriously threatened the Lincoln municipal water system which is located along the Platte River near Ashland, Nebraska. Therefore, this Member is extremely pleased the Committee agreed to continue funding for the Lower Platte River and Tributaries Flood Control Study. This study should help to formulate and develop feasible solutions which will alleviate future flood problems along the Lower Platte River and tributaries.

Additionally, the bill provides $175,000 in continued funding for an ongoing floodplain study of the Antelope Creek which runs through the heart of Nebraska's capital city, Lincoln. The purpose of the study is to find a solution to multi-faceted problems involving the flood control and drainage problems in Antelope Creek as well as existing transportation and safety problems all within the context of broad land use issues. This Member continues to have a strong interest in this project since this Member was responsible for stimulating the City of Lincoln, the Lower Platte South Natural Resources District, and the University of Nebraska-Lincoln to work jointly and cooperatively with the Army Corps of Engineers to identify and effective flood control system for downtown Lincoln.

Antelope Creek, which was originally a small meandering stream, became a straightened urban drainage channel as Lincoln grew and urbanized. Resulting erosion has deepened and widened the channel and created an unstable situation. A ten-foot by twenty-foot (height and width) closed underground conduit that was constructed between 1911 and 1916 now requires significant maintenance and major rehabilitation. A dangerous flood threat to adjacent public and private facilities exists.

The goals of the study are to anticipate and provide for the control of flooding of Antelope Creek, map the floodway, evaluate the condition of the underground conduit, make recommendations for any necessary repair, suggest the appropriate limitations of neighborhood and UN-L city campus development within current defined boundaries, eliminate fragmentation of the city campus, minimize vehicle/pedestrian/bicycle conflicts while providing adequate capacity, and improve bikeway and pedestrian systems.

Unfortunately, this legislation includes a significant reduction in funding for the Missouri River Mitigation Project. Despite the importance and effectiveness of this project, the Administration's FY97 budget called for drastic reductions in its funding. The FY96 appropriations measure provided $5.7 million for this project, but the Administration's budget slashed funding in FY97 to $1.6 million with the Omaha Corps District receiving only $100,000. Last year the Omaha District received $3.7 million for mitigation activities. This Member believes that funding at last year's level is fully justified.

This funding is needed to restore fish and wildlife habitat lost due to the federally sponsored channelization and stabilization projects of the Pick-Sloan era. The islands, wetlands, and flat floodplains needed to support the wildlife and waterfowl that once lived along the river are gone. An estimated 475,000 acres of habitat in Iowa, Nebraska, Missouri, and Kansas have been lost. Today's fishery resources are estimated to be only one-fifth of those which existed in pre-development days.

The Missouri River Mitigation Project addresses fish and wildlife habitat concerns much more effectively than the Corps' overwhelmingly unpopular and ill-conceived proposed changes to the Missouri River Master Manual. Although the Corps' proposed plan was designed to improve fish and wildlife habitat, these environmental issues are already being addressed by the Missouri River Mitigation Project. In 1986 the Congress authorized over $50 million to fund the Missouri River Mitigation Project to restore fish and wildlife habitat lost due to the construction of structures to implement the Pick-Sloan plan.

This Member is pleased, however, that the bill provides $200,000 for operation and maintenance and $100,000 for construction of the Missouri National Recreational River Project. This project addresses a serious problem in protecting the river banks from the extraordinary and excessive erosion rates caused by the sporadic and varying releases from the Gavins Point Dam. These erosion rates are a result of previous work on the river by the Federal Government.

Finally, Mr. Speaker, this Member recognizes that H.R. 3816 also provides funding for a Bureau of Reclamation assessment of Nebraska's water supply ($100,000) as well as funding for Army Corps projects in Nebraska at the following sites: Harlan County Lake; Papillion Creek and Tributaries; Gavins Point Dam, Lewis and Clark Lake; and Salt Creek and Tributaries.

Again, Mr. Chairman, this Member commends the distinguished gentleman from Indiana [Mr. MYERS], the chairman of the Energy and Water Development Appropriations Subcommittee, and the distinguished gentleman from Alabama [Mr. BEVILL], the ranking member of the subcommittee for their long-standing support of projects which are important to Nebraska and the 1st Congressional District, as well as to the people living in the Missouri River Basin.

Mr. PACKARD. Mr. Chairman, I want to commend Chairman MYERS for his hard work

in crafting the Energy and Water Appropriations bill in light of our budget constraints. I also appreciate his support of fusion energy by providing $225 million for these programs.

Fusion research takes place at a number of universities and institutions around the country. San Diego is particularly blessed: we host major programs at the University of California at San Diego and at General Atomics. In addition, we serve as the host to the U.S. team for the International Thermonuclear Experimental Reactor—a major international science and engineering project.

Last year's Energy and Water conference report called for a restructuring of the fusion program and set into motion an extensive and effective peer review process carried out through the Fusion Energy Advisory Committee. The restructured program and this ongoing peer review process has been widely praised and I believe the fusion community should be congratulated for a job well done.

Because of the budget difficulties in achieving a higher level for fusion energy, the committee included prescriptive report language concerning fusion programs. This language is not consistent with the recommendations of the Fusion Energy Advisory Committee and the ongoing peer review process. I am also concerned about its impact on university and other aspects of the fusion programs. For these reasons, I urge my colleagues to support a higher funding level for fusion energy in conference. A higher level could enable the current fusion programs to continue their important work, thus making report language unnecessary to keep these programs intact.

I appreciate the opportunity to bring these important issues to the attention of my good friend from Indiana, the distinguished chairman of the Energy and Water Development Subcommittee, and to my other colleagues concerned about fusion programs. I hope my concerns will be kept in mind as the House works with the Senate in conference.

Mr. JOHNSON of South Dakota. Mr. Chairman, the management of the Missouri River has been an ongoing source of conflict between interest groups of States both upstream and downstream for many years. The current Master Manual for the Missouri River was written in 1970 with only minor revisions taking place in 1975 and 1979. While almost everyone agrees that the revision of the outdated Master Manual is long overdue, differences of opinion continue to exist about what changes to the operating plan should be included in the revised Master Manual. Downstream States contend that more water needs to be released from upstream reservoirs to ensure that navigation interests are served on a regular basis, while South Dakota and other upstream States press for dependable water levels to support fish and wildlife management and the recreation/tourism industry.

I rise today in opposition to Representative BEREUTER's amendment. The amendment essentially ensures that the so-called ''spring rise'' proposed by the Corps in the first revision of the Master Manual is never implemented. While I do not necessarily oppose the intent of the amendment because I am not a strong advocate of a so-called ''spring rise,'' I strongly object to the amendment because it circumvents the Master Manual revision process that all interested parties have been actively engaged in for several years. Further, I do not believe it is appropriate nor good policy for the Congress to establish water management policy with little or no debate during consideration of an appropriations bill—especially when the Corps of Engineers is currently completing a 6-year, $23 million study to update the Manual. I have offered to work with Mr. BEREUTER to address his concerns regarding the spring rise by working with the Corps on this issue. Unfortunately, he prefers to offer this amendment and so I must oppose it and I urge my colleagues to do the same.

Mr. ACKERMAN. Mr. Chairman, I rise in support of the fiscal year 1997 energy and water appropriations bill and in particular the provision of $250,000 to begin the feasibility portion of the coastal erosion study on the North Shore of Long Island. I want to thank the distinguished chairman, the gentleman from Indiana [Mr. MYERS], as well as the distinguished gentleman from Alabama [Mr. BEVILL], for their assistance in providing this funding for the North Shore.

Mr. Chairman, the North Shore has a considerable history of tidal flooding, shore erosion, and damage to shorefront development. Hurricanes affecting the area occurred in 1938, 1944, 1954, and 1960. In addition, tropical storms occurred in the area in 1950, 1953, 1955, 1962, and in 1992. Recent coastal storms have caused shoreline erosion resulting in storm damage to several communities, including Bayville in Nassau County and the Village of Asharoken in Suffolk County. The December 1992 Nor'easter inundated hundreds of residential and business properties with damages estimated at $12 million. In addition, approximately 300 people were evacuated, and sections of Bayville, the village of Asharoken and Eatons Neck were impassable for days.

So far this year we have been lucky. There have been several severe storms in the northeast with some flooding but none has resulted in the extensive damage caused by the '92 Nor'easter. It is probably only a matter of time.

In September last year, the Army Corps of Engineers completed the reconnaissance study of the North Shore which found that, based on a general assessment of coastal flooding and beach erosion, the area is particularly susceptible to storm damage and that the villages of Bayville and Asharoken typify the flooding and erosion problems in the study area.

Finally, the study recommended that further feasibility studies for beach erosion control and storm damage reduction be conducted in order to formulate the most appropriate plan for any proposed storm damage protection project.

The Federal interest in the North Shore is well documented. The Army conducted a study of hurricane damage to coastal and tidal areas in response to series of hurricanes in 1954.

In 1963, the Army began a study of beach erosion and hurricane protection which was completed in 1969. Clearly the area has been much studied. It is time to move beyond identifying the problem to designing the solution.

Last year's report identified two plans for Bayville and two for Asharoken both of which have positive benefit to cost ratios. The plans for Bayville use a combination of features including a buried seawall, a composite bulkhead/revetment and floodwalls. The plans for Asharoken use a combination of buried seawall and beach nourishment to provide erosion control and flood protection. The report went on to note that ''a feasibility study having a greater level of detail is required to formulate the most appropriate plan for any proposed storm damage protection project.''

Mr. Chairman, I am pleased that the Subcommittee saw fit to include funding for the next phase of the North Shore feasibility study. Now we can identify the solution to the North Shore's longstanding erosion problem.

Mr. DICKS. Mr. Chairman, I rise to bring to my colleagues' attention an issue that is of great interest to the citizens of the State of Washington, that of the Hanford Thyroid Morbidity Study. The Hanford Thyroid Study is the first study of its kind and will determine the long-term thyroid disease effects, if any, of the releases of radioactivity from the Hanford nuclear site from 1949 to 1957.

Over the course of the past 7 years, this study has been jointly funded by the Center for Disease Control and the Department of Energy. Due to be completed in 1998, this study is an excellent example of two Federal agencies—the Department of Health and Human Services and the Department of Energy—working together in the interest of the American people.

By the end of fiscal year 1996, the Department of Health and Human Services will have spent a total of approximately $12 million and the Department of Energy will have spent $3.4 million since 1989. A combined $4,600,000 is necessary in fiscal year 1997 from HHS and DOE and a total of $2,700,000 would be necessary from these departments in 1998 to complete the project. I am sure that my colleagues will agree that completion of this project is of paramount importance and necessary to bring 7 years of research data already collected to its natural conclusion.

I was pleased to assist the Fred Hutchinson Cancer Research Center, the contractor on the study, in 1995 when administrative delays threatened the release of funds under the DOE–HHS Memorandum of Understanding. We were successful in obtaining the release of the funds from the DOE. I am confident that we can keep this project on track in 1997.

Mr. SKAGGS. Mr. Chairman, nobody can doubt that this is a major bill, one that includes many items of national importance and also a number of things of particular interest to specific States and cities.

I want to briefly discuss one part of the bill that's of great national significance, but that's also particularly important to Colorado—funding for the Energy Department's environmental restoration and waste management programs.

These are the programs that pay for cleaning up the sites where America developed, produced, and tested the atomic and nuclear weapons that brought us first national security, and then victory, in the cold war. That mission was accomplished—but the job isn't finished. We still have to clean up these sites. That is very much a part of the job, and paying for it is very much a part of the price, of our victory in the cold war.

One of these sites is in Colorado, at Rocky Flats. In fact, Rocky Flats, which houses tons of plutonium and other dangerous materials, sits only 15 miles from the center of the Denver metropolitan area, with a population of 2.3 million people. Obviously, it's of utmost importance to all Coloradans that the Congress give high priority to making sure Rocky Flats is safe and cleaned up.

This was made clear by the Colorado Senate, which has formally urged that the Federal Government ''make a sustained commitment to completing environmental cleanup at Rocky Flats'' and has asked for ''full funding of all necessary cleanup activities at Rocky Flats.'' For the RECORD, I am including a copy of this document from our State's Senate at the end of my remarks.

That's why I'm glad this bill provides the full amount of cleanup funds requested by the administration—something that makes it much better than last year's bill, which provided far too little for these crucial tasks. I want the gentleman from Indiana [Mr. MEYERS] and the gentleman from Alabama [Mr. BEVILL] to know that all of us in the Colorado delegation very much appreciate the fact that this part of the bill fully reflects our joint request.

Chairman MEYERS, I know, well remembers that I was very unhappy about the cleanup funding in last year's bill. I was then prepared to offer an amendment to increase those funds. Rather than put the Chairman to making a point of order on the amendment, I withdrew it after a colloquy with the chairman made it clear that the cuts made last year were done without prejudice for future years, that he agreed with me about the necessity for providing the resources to meet our national responsibilities in this area, and that he would work with me on it in connection with the bill for this year, 1997. The Chairman has kept his commitment in that regard, as I knew he would, and I want him to know that I greatly appreciate his cooperation and assistance. He will not be returning to the House next year—and he will be missed very much.

Mr. Chairman, I'm also grateful that the Committee report appropriately points out that real progress is being made at Rocky Flats. Last week, for example, Federal and State officials came together in Colorado to sign a new cleanup agreement and a set of ''vision'' documents for Rocky Flats—documents that lay the foundation for cleaning up the site in ten years, so that it can be converted to other appropriate uses. Establishment of a ''project closure fund'', as called for by the Committee, holds real promise for further expediting completion of the job at Rocky Flats, because I believe that Rocky Flats can and will meet the criteria to qualify for receiving the benefits of this important initiative. In short, this part of the bill is an improvement over last year not only in terms of funding, but also because it includes important initiatives that should help speed up the vital job of cleaning up Rocky Flats and other such sites around the country.

Having said that, I have to say that I find other parts of the bill less satisfactory. In particular, I am concerned about the bill's failure to fund adequately very important solar and renewable energy programs. It's true that in Committee we restored some funds for wind energy and some other renewable-energy programs that would have been zeroed-out. But even so, the bill still calls for deep cuts in these programs—something that's very shortsighted. Investing in these programs pays big dividends, by reducing our dependence on imported fossil fuels, reducing federal spending on energy, and increasing opportunities for American business in the markets of the world.

We can and should do better than this, and I hope that this part of the bill will be improved through the process of amendment and in conference. If that is done, and some other improvements are made, this bill will be one that deserves broad support in the House.

SENATE MEMORIAL 96–1

By Senators Feeley, Norton, Hernandez, Linkhart, Matsunaka, Pascoe, Thiebaut, Casey, Perlmutter, Rupert, and Weissmann.

MEMORIALIZING CONGRESS REGARDING THE CLEANUP OF ROCKY FLATS AND OTHER NUCLEAR WEAPONS FACILITIES IN THE UNITED STATES

Whereas, for more than 40 years, the federal government developed, produced, and tested nuclear weapons in a number of government-owned facilities throughout the country, including Rocky Flats in Colorado; and

Whereas, contamination from these facilities has contributed to environmental damage at the sites, including radiological and hazardous surface and subsurface soil and groundwater contamination at Rocky Flats; and

Whereas, as a result of the end of the Cold War, the federal government has shifted its focus to environmental restoration and waste cleanup at the facilities; and

Whereas, the Department of Energy has committed to clean up the nuclear weapons complex; and

Whereas, if the nuclear weapons complex is not cleaned up in accordance with known health standards, citizens in Colorado and across America will be affected directly or indirectly by the dangers that will continue to exist; and

Whereas, the cost of cleaning up the Rocky Flats site is estimated to be $9 billion or more; and

Whereas, to reach total cleanup, an increase in funding over the next five years is needed but no commitment to this funding has yet been made by the federal government; and

Whereas, commitment by the federal government to the full funding of the necessary costs associated with these cleanup activities may be sacrificed as a result of current budget discussions by Congress; now, therefore,

*Be It Resolved by the Senate of the Sixtieth General Assembly of the State of Colorado, the House of Representatives concurring herein:*

That we, the members of the Colorado General Assembly, urge the federal government to recognize that cleanup of Rocky Flats and other weapons facilities is a related expenditure to the $4 trillion spent for the Cold war.

*Be It Further Resolved,* That we urge the federal government to:

(1) Make a sustained commitment to completing environmental cleanup at Rocky Flats and its other facilities at a reasonable and justifiable pace that protects human health and the environment;

(2) Strive not only to comply with environmental laws, but also to be a leader in the field of environmental cleanup, including addressing public health concerns, ecological restoration, and waste management; and

(3) Consult with officials in Jefferson county, Colorado, and other affected county governments regarding transportation of cleanup materials.

*Be It Further Resolved,* That we urge Congress and the President of the United States to approve full funding of all necessary cleanup activities at Rocky Flats and other nuclear weapons facilities.

TOM NORTON,
*President of the Senate.*
JOAN M. ALBI,
*Secretary of the Senate.*

Mr. FRANKS of New Jersey. Mr. Chairman, today I rise in strong support of H.R. 3816, the fiscal year 1997 Energy and Water Development Appropriations Act. The House Energy and Water Development Appropriations Subcommittee have drafted an excellent bill that meets our Nation's water resources and energy needs, and I urge its adoption by the House.

Although H.R. 3816 contains many worthy provisions, I would like to bring to my colleagues' attention a project contained in the bill of particular important to the people of central New Jersey. The project to which I refer is the Green Brook Flood Control project.

As my colleagues may recall, this project was authorized by Congress under the Water Resources Development Act of 1986 (P.L. 99–662, Sec. 401). During the past 10 fiscal years, Congress has appropriated over $23 million for this project. In fiscal year 1986, Congress appropriated $484,000; in fiscal year 1987, $1.37 million; fiscal year 1988, $1.4 million; fiscal year 1989, $1.5 million; fiscal year 1990, $1.2 million; fiscal year 1991, $2 million; fiscal year 1992, $3.169 million; fiscal year 1993, $3.5 million; fiscal year 1994, $2.8 million; fiscal year 1995, $2 million; and fiscal year 1996, $3.6 million. This bill appropriates $2.781 million for this project.

Mr. Chairman, as the preliminary work for this project draws to a close, I requested that the Green Brook Flood Control Commission obtain resolutions of support from the communities this project impacts within New Jersey's Seventh Congressional District. Considering a decade has elapsed since Federal funds were first appropriated for this project, I wanted to make sure this project still enjoyed local support before it entered the more expensive construction phase. Moreover, these resolutions service the dual purpose of reminding local officials of the fiscal and physical impact this project will have on their community.

To date, I have received resolutions of support from Bound Brook, Bridgewater, Warren, Watchung, Green Brook, North Plainfield, Plainfield, Scotch Plains, Middlesex, Union County, Middlesex County, and Somerset County. The only resolution I received in opposition to the project was from Berkeley Heights. I have asked the Commission and the Corps to work closely with the Berkeley Heights Township Committee to address and resolve, to the greatest extent possible, the concerns of the township.

Mr. Chairman, while the need for flood control in the Green Brook Drainage Sub-basin still exists, this project should only proceed in the most environmentally sensitive manner possible. I grew up along the ''Ridge,'' which is the term used to describe the communities along the Watchung Mountains, and I am acutely aware of the innate value of the Watchung Reservation. As the reservation is one of the largest green spaces left in my congressional district, I intend to zealously protect it from any unnecessary environmental degradation.

Mr. Chairman, I commend Chairman MYERS and ranking minority member, Mr. BEVILL, for again producing an excellent bill. Although their roles have been reversed since the last Congress, the subcommittee's work product remains undiminished. I wish these two distinguished Members, both of whom are leaving Congress this year, the best of luck in their retirement.

I also commend my good friend and fellow New Jersey colleague, RODNEY FRELINGHUYSEN, with the able assistance of his legislative director, Ed Krenik, for the outstanding

work on this bill. Representative FRELINGHUYSEN has done an excellent job in ensuring our State's needs were addressed in this bill, and I look forward to working with him on these issues in the years to come.

Mr. Chairman, I urge all of my colleagues to vote ''aye'' on H.R. 3861.

Mr. KLECZKA. Mr. Chairman, I rise today in support of H.R. 3814, the Commerce, Justice, State Appropriations for the upcoming year. This bill is particularly important among the measures we consider each year, because it funds what more and more Americans identify as their top priority: fighting time.

This bill increases funding for the Justice Department at a time when hard choices have been made across the board. Nevertheless, we've committed to funding Law Enforcement Block Grants, which will help local public safety officials develop the kinds of programs they most need to prevent crimes and to solve them when they do happen.

We've also fully funded the popular Community Oriented Policing Service [COPS] program. In my own community of Milwaukee and its metropolitan region, this program has had a significant impact, enabling us to hire 30 new police officers this year, and 500 statewide since the program began in 1994. This is something tangible that has a real impact on the cities and towns that we represent, and I am happy that the COPS program continues to receive congressional support.

I think the American people will also be happy that we've funded the Violent Crime Reduction Trust Fund that was included in last year's anti-crime bill. In addition, the Violence Against Women grants will receive a boost—helping stem domestic violence and strengthening police effectiveness in dealing with this national scourge.

I'm pleased that the Congress was able to restore some of the funding for the Legal Services Corporation, which provides our Nation's poor and badly needed legal service. While the funding level is lower than last year, it will allow the Legal Services Corporation to fulfill its important mission.

There is, however, much to support in this bill. I commend the committee for reporting strong legislation.

Mr. LAZIO of New York. Mr. Chairman, I rise today to support H.R. 3816, the fiscal year 1997 Energy and Water Appropriations bill.

As you may know, part of my district lies along New York's Atlantic Coast. Like coastal areas in many parts of the country, the barrier islands along the coast in my district have been hit extremely hard by the storms of the past few winters and remain in a delicate state, vulnerable to breaches and overwashes from future storms which could be devastating to the mainland of Long Island.

The barrier islands protect Long Island in the same manner that the levees on the Mississippi River protect the river towns. A vulnerable barrier island system cannot protect Long Island's south shore, which has a multibillion dollar economy and significant public infrastructure. The barriers afford protection to the freshwater wetlands and waters of the back bays, thus nurturing the clamming and fishing industries. Furthermore, Fire Island, Jones Island, Long Beach Island and the rest of Long Island's barrier system provide recreation for the citizens of Long Island and tourists from all over the world. As the tourism industry is the largest employer on Long Island, loss of this vital resource will mean loss of jobs. Long Island's rich commercial and recreational fishing heritage would also be affected if these barrier islands are threatened.

While the President's budget recommends that the Army Corps of Engineers get out of the business of local flood and shore protection, I believe the Army Corps has a cost-effective and justifiable role in these projects. Savings can surely be made in the way the Corps carries out its mission. But the mission itself is vital to the Nation's coastal communities, and it is not one that can be transferred to State or local governments. From the commercial fishermen to the seaside merchants, the engine that drives our economy, small business, relies on the protection afforded by these Army Corps projects. The shoreline protection projects in which the Corps are involved are vitally important to the livelihood of the communities they protect and will save taxpayers money in the long run.

The first project funded by this bill would provide New York with accurate, real-time information on its coastal processes. Many coastal States already have monitoring systems in place, and such a system is essential for New York. A federally funded monitoring system was authorized for New York in the 1992 Water Resources Development Act, and appropriations have been made over the past 2 years to initiate its implementation.

As the authorization states, successful implementation will take $1.4 million for up to 5 years, at which time the State of New York will take over funding and program implementation. The fiscal year 1997 Energy and Water Development Appropriations Bill also allocates this amount.

The second project in the bill, the reformulation study of the area from Montauk Point to the Fire Island Inlet, will provide valuable long-term information on the coastal processes of Long Island's south shore. It is expected to take approximately 10 years and $14 million to complete. Over the past 3 fiscal years, over $7 million has been appropriated by this committee for the reformulation study. This has provided important information and will lay the groundwork for possible interim projects needed to shore up Long Island's coastline. The fiscal year 1997 segment of the study will cost $2.5 million, and this amount was included in H.R. 3816.

The third project in the bill will assist with navigation as well as coastal protection. The area involved, Fire Island Inlet, is the channel between Robert Moses and Jones Beach State Parks. This biannual dredging project, last completed in 1995, is essential to not only allowing marine traffic to flow smoothly between these barrier islands, but will also help nourish Gilgo Beach by depositing the dredged sand on this beach which will help prevent further erosion to this area. These two beaches provide the only line of protection for the State's Ocean Parkway, which runs along the south shore of Long Island and is an alternative route to the heavily traveled roads of the mainland. The fiscal year 1997 Energy and Water Development Appropriations bill allocates $5.3 million for this project.

As a member of the Budget Committee, I understand the fiscal constraints we face. I agree that every expenditure must pass stringent economic tests, and I am confident that, upon examination, expenditures for these projects will pass such tests. The importance of the waterways and the barrier islands to homes and businesses on Long Island and New York cannot be overstated. As history has shown us, the establishment of protective measures now will save the Federal, State, and local government millions of dollars in the long term. I urge my colleagues to support this bill.

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. KNOLLENBERG) having assumed the chair, Mr. OXLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 38916) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, had come to no resolution thereon.

## APPOINTMENT OF CONFEREES ON H.R. 3734, WELFARE AND MEDICAID REFORM ACT OF 1996

Mr. KASICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3734), to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SABO

Mr. SABO. Mr. Speaker, I offer a motion to instruct.

The CHAIRMAN. The Clerk will report the motion.

The Clerk read as follows:

Mr. SABO moves that the managers on the part of the House at the conference on the disagreeing votes of the House of Representatives and the Senate on H.R. 3734 be instructed to do everything possible within the scope of the conference to—

(1) eliminate any provisions in the House and Senate bills which shift costs to states and local governments and result in an increase in the number of children in poverty;

(2) maximize the availability of Food Stamps and vouchers for goods and services for children to prevent any increase in the number of children thrown into poverty while their parents make the transition from welfare to work;

(3) ensure that the bill preserves Medicaid coverage so that the number of people without access to health care does not increase and more children and old people are not driven into poverty; and

(4) provide that any savings that redound to the Federal Government as a result of this legislation be used for deficit reduction.

The SPEAKER pro tempore. Under rule XXVIII, the gentleman from Minnesota [Mr. SABO] will control 30 minutes, and the gentleman from Ohio [Mr. KASICH] will control 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, there is no denying that we must make needed changes to our welfare system to make it more efficient and fair for the American people. In doing so, we should emphasize personal responsibility, and we should honor work. But we should not shred the entire safety net in the process.

It would be unconscionable of this Congress to, in the name of reform, pass a welfare bill that drives millions of children into poverty. It would be equally irresponsible to simply push Federal welfare responsibilities off on State and local governments which may or may not have the resources to care for those truly in need. That is why I am offering this motion to instruct conferees today.

House conferees should use this opportunity to negotiate with the Senate and with the President to ensure that millions of children are not pushed into poverty because of the welfare changes enacted by this Congress. We should also ensure that we do not overwhelm the ability of States and localities to deliver needed welfare services. We must reform our welfare system, but we must not do it in a fashion that increases child poverty or increases the burden on State and local government.

Also, Mr. Speaker, it should be clear that any savings that result from this legislation should go for deficit reduction, not for other purposes.

Mr. KASICH. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I have read with great interest the motions to instruct. I might say, as to each one of these items, in crafting the welfare bill, we had these objectives in mind. Therefore, I find it would be most difficult to oppose the motions to instruct because I think that is exactly what we intend to keep uppermost in our minds.

I think it is necessary to see this as to how we view welfare reform. We view this as giving a path and a way for people to get out of poverty. We know that the present system does not work. We know that people have been paid to stay in a way of life which is self-destructive and which has totally done away with a future for these people.

Unfortunately, the poor victims of this current system, which has been held in place for so many years, are the children. We know that the children of welfare parents are going to, in all probability, and statistics prove these to be correct, are more likely to be poor themselves. They are more likely to fail in school or drop out of school. They are more likely to have trouble and get in trouble with the law. It is a self-destructive behavior.

Mr. Speaker, I think the difference in defending the existing system, to defend the existing system is simply to make somebody comfortable while they are living in poverty. That is not the way. That is destructive of the human spirit. The new way, the way of welfare reform is going to go to the root of poverty. The root of poverty is joblessness.

We have now found that in the inner cities of this country we have piled generation upon generation of people who otherwise would, as their ancestors were, be productive. It is important to remember that these people who are the descendants, who are on welfare, many of them are descendants of people who struggled their whole lives, who went to the cities for a better way of life, and now find that when the jobs went away, they were paid to stay there and do absolutely nothing.

The answer to welfare reform very clearly is to get people out of poverty, to get them jobs, to give them incentives, to give them child care, which we do, to give the States greater flexibility in order to craft these programs, the welfare programs, in order to help the people. We are at last going to be measured by the number of people we get out of poverty, not the number of people that we pay while they are in poverty. We are going to give the bureaucrats a vested interest in the solution to poverty, not the question of just how many people they keep in welfare.

This is a new day. I think yesterday we saw the action that was taken by the other body as a quantum leap forward in bipartisan cooperation. I can say that I am looking forward to a bipartisan solution in this body also.

We had 30 Democrat Members who crossed over and voted with the Republicans just last week on welfare reform. I am looking forward to increasing that number, and I would like to almost rival the Senate in getting as many of the minority party as I possibly can to vote with us on the final passage of this bill.

Mr. Speaker, there is not one Member of this Congress that is willing to get up and defend the status quo. Why? Because we all want a better life for the people of this country. I can say, again, that the four objectives that are set forth in the motion to instruct, unless somebody jumps up and says that there is something in here that I do not see, that there are some fishhooks that I do not anticipate, I would suggest that perhaps the Members vote yes on the motion to instruct that sets forth a general path toward getting people out of poverty. I believe it is a constructive motion to the conferees at this point.

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

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I rise in support of motion to instruct the conferees in exactly the same spirit the gentleman from Florida has just spoken with. I believe when we carefully analyze this amendment, in the spirit in which was indicated support for, we will find that this motion ensures that welfare reform will not shift costs to State and local governments, which I know the gentleman from Florida agrees to.

The National Governors Association, the National Council of State Legislatures, the National Association of Counties, the U.S. Conference of Mayors, and the National League of Cities all have said the bill passed by the House places unfunded mandates on State and local governments and restricts the flexibility to administer welfare programs in their communities.

I am submitting for the RECORD a letter from each of the latter three organizations. Members will find that the Senate has made marginal improvements. The conferees can, if allowed to do our work, make it much better in the spirit of this motion to instruct.

I was particularly concerned to learn that the bills passed by the House and Senate would conflict with the reform initiatives being implemented by Texas, my State, and others States across the country. State legislators and Governors developed proposals after consulting with welfare field offices studying local job markets, evaluating the cost of implementing reforms, and deciding how best to protect children and other vulnerable populations.

The bill as passed by the House does exactly what the majority party generally rails against: That is, having Washington dictate to the States a one-size-fits-all solution. In the spirit of this instruction, we can work that out in conference and have a much better bill.

The bill would force many States either to apply for waivers from the mandates, make significant changes in the plans currently being implemented, or face penalties from the Federal Government.

The second key principle in this motion is protecting children. Again, I would encourage my colleagues to listen to what the States decided must be done to protect children. For example, the welfare reform proposal now being implemented in Texas continues benefits for children after their parents reach a time limit.

Several other States have followed Texas' lead in protecting children from the impact of time limits. Unfortunately, the bill passed by the House substitutes the views of Members of Congress in Washington for the judgments of State officials on how best to provide for children in their States by explicitly prohibiting States from using block grant funds to protect innocent children from being harmed because of the mistakes of their parents. If these provisions in the bill passed by the House become law, Texas and other States will be required to change their plan to apply time limits to children. If you believe that State and local officials know better than Washington how to provide for the needs of low-income children in their communities, you should support the motion to recommit.

Third, the motion to instruct provides that no one should lose health coverage as a result of welfare reform. I was pleased that both the House and Senate adopted amendments preserving current eligibility rules for Medicaid

coverage. However, I am concerned about reports that this provision may be dropped in conference. I hope that Chairman SHAW can assure me and other members concerned about this issue that current Medicaid eligibility rules will be preserved by the conference committee.

I am also concerned about the impact that denying Medicaid to noncitizens will have on the health care system. The bill passed by the House will effectively deny Medicaid to thousands of individuals, removing $7 billion of Medicaid assistance from the health care system. However, health care providers will continue to be morally and legally obligated to provide care to these individuals, resulting in a cost shift to health care providers that will affect the cost, availability, and quality of care to everyone in Texas and other States with large immigrant populations.

In closing, I would say to my colleagues on both sides of the aisle that this motion reflects a continuation of the spirit of trying to break through partisanship to find a commonsense middle ground position on welfare reform. All members who voted for the Castle-Tanner substitute—and all Members who agreed with the principles of the Castle-Tanner substitute but who voted against it for whatever reason—should vote for the motion to instruct. I urge a ''yea'' vote on the motion to instruct conferees.

Mr. Speaker, I include for the RECORD the following letters:

NATIONAL ASSOCIATION OF COUNTIES,
*Washington, DC, July 12, 1996.*

DEAR MEMBER OF CONGRESS: You may be voting soon on the Welfare and Medicaid reform bill (H.R. 3507/S. 1795). The National Association of Counties (NACo) is encouraged that there were improvements to the welfare section of the bill, including: increased funds for child care; maintaining current law for foster care adoption assistance maintenance and administration payments; and no funding cap for food stamps nor a block grant for child nutrition. However, there are not enough improvements to warrant our support. In some respect, particularly the work requirements, the bill has become even more burdensome. NACo particularly opposes the following welfare provisions:

1. The bill ends the entitlement of Aid to Families with Dependent Children, thereby dismantling the safety net for children and their families.

2. The eligibility restriction for legal immigrants goes too far. The most objectionable provisions include denying Supplemental Security Income and Food Stamps, particularly to older immigrants. In fact, by changing the implementation date for these provisions, the bill has become more onerous. NACo is also very concerned about the effect of the deeming requirements particularly with regard to Medicaid and children in need of protective services.

3. The participation requirements have become even more unrealistic. NACo particularly opposes the increased work participation rates and increased penalties, the changes in the hours of work required, and the new restrictions on the activities that may count toward the participation rates.

As the level of government closest to the people, local elected officials understand the importance of reforming the welfare system. While NACo is glad that the bill does contain language that requires some consultation with local officials we prefer the stronger language that is contained in the bipartisan welfare reform bill (H.R. 3266).

NACo also continues to oppose the Medicaid provisions. By capping the fiscal responsibility of the federal government and reducing the state match for the majority of the states, the bill could potentially shift billions of dollars to counties with responsibility for the uninsured. Allowing the states to determine the amount, duration and scope of services even for the remaining populations which would still be guaranteed coverage, will mean that counties will be ultimately responsible for services not covered adequately by the states. While we support the increased use of managed care and additional state and local flexibility in operating the Medicaid program, we do not support the repeal of Medicaid as envisioned in the current legislation.

As it is currently written, the Medicaid and Welfare Reform bill could potentially shift costs and liabilities, create new unfunded mandates upon local governments, and penalize low income families. Such a bill, in combination with federal cuts and increased demands for services, will leave local governments with two options: cut other essential services, such as law enforcement, or raise revenues. NACo therefore urges you to vote against H.R. 3507/S. 1795.

Sincerely,
DOUGLAS R. BOVIN, President.

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NATIONAL LEAGUE OF CITIES,
*Washington, DC, July 18, 1996.*

DEAR REPRESENTATIVE: On behalf of the over 135,000 local elected officials the National League of Cities represents, we are writing to urge you to oppose the Welfare and Budget Reconciliation legislation (H.R. 3734) being considered on the floor this week. As it is currently written, the Welfare and Budget Reconciliation bill would cut federal investments in families and children, shift costs and liabilities, create new unfunded mandates upon local governments, and penalize low-income families.

While we find it encouraging that this welfare bill has some improvements such as increased funds for child care, a larger contingency fund and smaller reductions in SSI benefits for low-income disabled children, is still does not merit our support. In some instances, particularly the stringent work requirements, the bill has become even more harsh. NLC is especially opposed to the following provisions:

1. The bill ends the entitlement of Aid to Families with Dependent Children, thereby dismantling the safety net for children and their families.

2. The eligibility restrictions for legal immigrants goes too far. The most objectionable provisions include denying SSI benefits and food stamps to immigrants, especially older immigrants. These provisions will shift substantial costs onto local governments. Local governments cannot and should not be the safety net for federal policy decisions regarding immigration.

3. The participation requirements have become even more unrealistic. NLC is particularly opposed to the increased work participation rates, the increased penalties, the changes in hours of work required, and the new restrictions on the activities that may count toward the participation rates. Instead of providing more local flexibility, the bill moves in the direction of ever greater unfunded federal mandates.

As the level of government closest to the people, local elected officials understand the importance of reforming the welfare system. While NLC is happy to see that the bill does contain language that requires some consultation with local officials, we prefer the stronger language that is contained in the bipartisan welfare reform bill (H.R. 3266).

We believe that this budget legislation will sharply reduce resources in cities for families and children. It proposes a whole new chapter of unfunded federal mandates. Finally, the shift of liabilities to local governments will leave local governments with two options: cut other essential services, such as law enforcement, or raise revenues. NLC, therefore, urges you to vote against this bill.

Sincerely,
GREGORY S. LASHUTKA,
*President.*

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THE UNITED STATES
CONFERENCE OF MAYORS,
*Washington, DC, July 17, 1996.*

DEAR REPRESENTATIVE: The U.S. Conference of Mayors has long advocated reform of the current welfare system which would change it from a system of dependency to one of work and self-sufficiency. We would like to see welfare reform enacted this year—reform that would be good for our nation, good for our cities and, most important, good for recipients.

We have, however, serious concerns with the welfare reform legislation now moving through Congress. Our primary concern is that the legislation will harm children, increasing the poverty rate among children and making many children who are currently poor even poorer.

The Conference of Mayors has a substantial body of adopted policy on welfare reform. Our basic principles for welfare reform are: the availability of: jobs which pay an adequate wage, health care coverage and child care; provisions which encourage fathers to assume responsibility for providing both financial and emotional support to their children; welfare benefits sufficient to maintain a standard of living compatible with health and well-being, and which remain available for a period of time determined by the client's need rather than an arbitrary time limit; a system based on incentives rather than punitive measures.

While HR 3507 represents an improvement over HR 4, with increased funding for child care, maintenance of the entitlement nature of foster care and adoption assistance, and maintenance of the current mix of child nutrition programs, the bill does not meet the principles for welfare reform which we have set. Unless these concerns are addressed, The U.S. Conference of Mayors must urge you to vote against HR 3507.

Sincerely,
CARDELL COOPER,
*Chair, Health and Human Services Committee.*
RICHARD M. DALEY,
*President.*

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H.R. 3734 RESTRICTS STATE FLEXIBILITY TO IMPLEMENT WELFARE REFORM INITIATIVES

While Congress has been debating welfare reform, states have begun to implement aggressive welfare reform initiatives through the waiver process. These innovative state plans requires greater personal responsibility, place work requirements on welfare recipients and set time limits on benefits. State legislatures and governors developed proposals after consulting with welfare field offices, studying local job markets, evaluating the costs of implementing reforms and deciding how to best protect children and other vulnerable populations. State officials were able to develop welfare reform initiatives that were tailored to the conditions in their states so that the programs would be practical and successful in moving welfare recipients in the state into work. These state plans reflected the views of citizens of their states.

The welfare reform bill passed by the House and Senate would conflict with many of the reform initiatives being implemented by states across the country. The bill overrules the judgement of state officials about what is practical and realistic in work programs by mandating work rules which are

much more severe than most states have established. The work requirements mandated by the bill are more severe than most states believed they could afford or successfully implement. In addition, the bill would prohibit several states from continuing provisions protecting children from the impact of time limits on benefits. Although the bill is intended to give states flexibility to implement welfare reform plans without the need for federal waivers, the bill would force many states to either apply for waivers from the mandates in the bill, make significant changes in the plans currently being implemented (absorbing additional costs to meet federal mandates while federal funding is being frozen), or face penalties from the federal government.

Among the states that are implementing welfare reform initiatives that would not comply with the mandates in H.R. 3734 as passed by the House:

Connecticut: Welfare recipients would be required to work a minimum of 15 hours a week after two years of assistance, 25 hours after three years and 35 hours after four years. The Connecticut program would fail to meet the work requirements mandated in H.R. 3734 because most individuals working under the state plan would not be counted under the rules established in H.R. 3734. Connecticut imposes a time limit for a portion of the caseload that applies only to employable adults. Under H.R. 3734, Connecticut would be required to apply the time limit to children as well.

Delaware: Private contractors are paid for placing welfare recipients in private sector jobs of at least 20 hours a week, recognizing the nature of opportunities in the labor market for unskilled applicants. H.R. 3734 would not count individuals placed in private sector jobs of 20 hours a week as meeting work requirements.

Georgia: Georgia applies a work requirement in ten counties that require recipients to work up to 20 hours per month at an assigned in local, state or Federal government or at a non-profit agency. the Georgia plan does not meet the mandates regarding either the hours of work required or the percentage of the caseload that must be working. The Georgia plan provides that benefits to children are not affected by the plan. H.R. 3734 would require Georgia to amend its plan to eliminated benefits for children after the five year time limit.

Hawaii: The state plan places job-ready recipients in part-time private sector jobs of up to 18 hours a week. These jobs would not comply with the mandates in H.R. 3734.

Indiana: The Indiana plan applies the time limit on benefits to adult benefits only. H.R. 3734 would require Indiana to amend its plan to apply the time limit to children as well as adults.

Iowa: Under the state plan, caseworkers are given latitude to set forth a work plan for recipients based on individual circumstances, including the individual's work history, education level, etc. and environmental barriers such as transportation, child care and the local job market. The work requirements in the individual agreements range from 20 to 45 hours a week. The work requirements mandated in H.R. 3734 would severely restrict the ability of caseworkers in Iowa to set work requirements based on individual circumstances.

Missouri: The Missouri plan applies the time limit on benefits to adults only. H.R. 3734 would require Missouri to amend its plan to apply the time limit to children as well as adults.

Montana: The Montana plan requires recipients to perform 20 hours of community service per week after receiving two years of benefits. This work requirement would not meet the mandate in H.R. 3734. The Montana plan does not apply the time limit to children's benefits, as H.R. 3734 would require.

Oklahoma: Recipients in six counties who are not able to find a job after receiving benefits for three years are required to work at least 24 hours a week in a subsidized job. The Oklahoma plan does not meet the mandates regarding either the hours of work required or the percentage of the caseload that must be working.

Rhode Island: The bipartisan welfare reform proposal being considered in the Rhode Island General Assembly with the support of the Governor would exempt children's benefits from the time limit. H.R. 3734 would require Rhode Island to change its plan before it could be implemented.

Tennessee: The Tennessee welfare waiver request would require welfare recipients to work 25 hours a week, which would not meet the mandates in H.R. 3734.

Texas: The Texas plan requires individuals who are unable to obtain private sector employment of 30 hours week to participate in work activities under the JOBS program of 20 hours a week. The Texas plan is extremely unlikely to meet the mandates in H.R. 3734. The Texas plan continues benefits for children after the time limit, which H.R. 3734 would prohibit.

The list above is only a partial list of states that do not meet the mandates in H.R. 3734. Several states not listed above are in the process of developing programs that would not meet the mandates in the bill. Many other states have welfare reform initiatives that do not address the issues of work requirements and time limits mandated in the bill. Finally, virtually all states that are implementing work requirements have limited the work requirements to targeted segments of the caseload which fall far short of the participation rates mandated by the bill.

Mr. KASICH. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. CAMP].

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

I also have looked at the motion to instruct and do not find anything too objectionable in it, as well. When we look at the costs, I know it mentions the costs that have been put on State and local governments, that they are concerned that costs will be shifted there. What our bill tries to do is give States more flexibility to design and implement a welfare program that will free up resources because, clearly, the kind of welfare system we have had for the last 30 years has been overly restrictive. Just look at the number of waivers States have applied for, which has been a long, difficult, bureaucratic process. Some I think have recently been granted for Tennessee, or that announcement will be made very soon.

Even the Federal Government recognizes, the administration recognizes that the current system has not done the job. The whole purpose of our bill is to try to ease that. The purpose of doing that, of course, is to help lift children from poverty. I think if we look at the last 30 years, the war on poverty has not been won, and it is very, very important that we do better at that.

I think the bipartisan nature of this bill that came out of the Senate, half the Democrat Senators supported the welfare bill. I think it is a very good, strong signal that the kind of bill we are going to design will be a very positive change, one that has been needed for a very, very long time.

□ 1730

Mr. SABO. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Speaker, I thank the gentleman from Minnesota for yielding me this time.

Mr. Speaker, as we head toward the third conference on welfare reform, I hope that this time everybody gets it right and focuses on the children who need to be protected, rather than the political gains to be made. We have actually come very far over the past year, and the bill making its way to the conference is a little bit fairer and more reasonable than the first one.

But there are still loopholes. In other bills, loopholes mean a loss of revenue or a tax shelter. In this bill, a loophole means thousands of starving children.

Here are the holes in the conference that must close. First, in the House bill, children are penalized for their parents' mistakes. If a parent is irresponsible and does not get a job within the time limit, kids get cut off, too. Nobody wants starving children in dirty diapers. That is not welfare reform, but it is what will happen unless the loopholes are closed, with vouchers for kids.

Second, the House bill contained underfunded optional block grants for food stamps. The Senate was wise to recognize that these block grants will be attractive to States, but dangerous for children. When the money runs out, and it will for many States, there will be no money for hungry families. For example, what happens when companies downsize or a recession hits? Families that worked hard, but struggled from paycheck to paycheck, will look to us to help feed their children, and we will have to turn them away. The Senate recognized this problem and we should support their amendment to eliminate the optional block grants.

Like everyone else in this body, I want to see welfare reform, not status quo, signed into law this year. But in doing so, let us be guided by the words of Hubert Humphrey, who considered the moral test of government to be how that government treats those who are in the dawn of life, the children. If we, the most plentiful Nation on Earth, bring harm to our children by passing the wrong welfare reform, we will have failed this test.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from the State of Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I welcome the Sabo amendment, because it does clarify a number of issues that are important for the conference to focus on. I personally worked very, very hard on the Medicaid provisions, and we need to assure

that they are strong and will provide the kind of health care that children need.

I personally feel that one of the important things for the conference, though, is not to be bound by the old thinking. When I hear the preceding speaker talk about children after the 5 years, I do not feel that she really sees what the impact of this plan is going to be. There are just so many opportunities from day 1 to provide day care, to get into job training, to use those day care dollars so effectively that women work in day care centers half the day and then they are in job training half the day, and from the very beginning, day 1, the whole family comes together to the family center and everybody begins growing, changing their future. So, I think there is enormous opportunity here.

Michigan has done a great job with kinship groups. If you see you are going to have trouble, you can bring kinship groups into it, and the whole family, the larger family, needs to have the role here, have a role in planning the solution for this family. So, we need to be sure to be creative and not to cut off the kinds of initiatives that are going to develop.

We do have that 20 percent protection. I agree, we do not want any children disadvantaged by this reform This should offer opportunity and hope to both women and children. But we do not want our thinking about the welfare of the next 20 years to be too narrowly fenced in by the experience of the last 10 years and 20 years when the States were very limited in what they could do.

In Connecticut, we have a 21-month limit, and one of the biggest newspaper critics of it wrote a column just the other day saying, you have to own up when you are wrong, and he was wrong. It is working great.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. TANNER].

(Mr. TANNER asked and was given permission to revise and extend his remarks.)

Mr. TANNER. Mr. Speaker, I want to compliment the gentleman from Florida [Mr. SHAW] and the others who worked with us. I certainly want to thank the gentleman from Delaware [Mr. CASTLE] and the gentleman from Texas [Mr. STENHOLM] and the gentleman from Minnesota [Mr. SABO] and others who have worked on our side. I think we are very close.

This motion to instruct has really four general, but necessary, principles I think we all share in this body, Democrat or Republican, to make sure, as one of the previous speakers said, we get it right. It talks about the cost shifting to local governments, and we need to really take a look at that. As the gentleman from Texas [Mr. STENHOLM] said, there is no reason to again demand that States do it our way or face penalties, and then we all know what happens there.

There is still a part of the House bill that treats a 4-year-old child like a 34-year-old irresponsible adult. We really can fix that, and we need to.

We talk also about Medicaid coverage. The Senate took a great step yesterday in a vote of, I think it was, 95 to 2 to fix that portion of it, and surely the conference committee can take a look at that. Finally, we talk about the savings that are achieved here going to deficit reduction, which directly will affect these children that we are talking about in the previous parts of the bill.

So we are close. The Senate did some good work yesterday. If we can just in the conference utilize our imagination, as one of the previous speakers over there said, to try to get to some closure on these principles, not harming children, actually making sure that the funding is there to make the system work. I think we are very close to a breakthrough and a conference committee report that we can all support and the President can sign.

Mr. KASICH. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from the State of Washington [Ms. DUNN], a member of the Committee on Ways and Means.

Ms. DUNN of Washington. Mr. Speaker, I thank the gentleman for yielding me this time.

I am very pleased today to see us moving toward bipartisanship on welfare. We are all very concerned about solving this major problem. Many of us here on the House floor who have worked on this issue month after month, and some people year after year, are worried about what the current system of welfare has done to children.

I do want to reassure the gentlewoman from Florida that we have indeed built flexibility into this system, this new bipartisan proposal that will take care of children, that they will not suffer at the end of 5 years, that there is a 25-percent exemption number there, that money can be shifted from child care from title XX to take care of those children, and they can be transferred within the block grants, and that there are other State sources that may be used to support the children after 5 years as well.

But I continue to be very pleased to see how much emphasis both sides of the aisle are putting on the issues that are most important to me in this bill, the issues of child care and child support. In the original welfare bill, we were very thoughtful in how we addressed child care. We took a great deal of time to work with the governors of the States, the Members on both sides of the aisle, the administration, to develop a plan that would fund child care at a level that would be far better than what exists in the current system today.

So at this point we are something around $4.5 billion more than the current welfare program provides to the States for child care, including their funding, and $2 billion more than the President originally asked for, and I think this is an appropriate level and shows the concern that we have for those mothers on AFDC who are wishing to get off welfare and into the work force. We have talked to these women and we have figured out that this is the most important piece of this whole legislation that allows them the peace of mind they need to make this transfer.

Child support is critically important. We spent a lot of time, there has been a lot of work that has gone into the child support issue, the issue of deadbeat parents, 30 percent of whom leave the States, Mr. Speaker, to avoid paying child support. We have provided a nationwide information service here that will allow States to find those deadbeat parents, and I must say that today in our Nation, $34 billion is owed in court-ordered child support to custodial parents. When it is not paid, those kids go on welfare and the taxpayers become the parent.

So I am here today to commend both sides of the aisle to support the Sabo motion to instruct and to urge my colleagues to continue the bipartisan approach to welfare that I hope will continue right through to the signing by the President in the White House.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I rise in support of this motion to instruct the conferees. First, let me make one attempt, one final attempt, to interject some sanity into this debate about the future of mothers and their children. We can accomplish welfare reform without abandoning poor children. If this government cannot agree to that, it will agree to nothing.

Both the House and Senate versions of this bill would decimate the food stamps program; both would unduly restrict benefits for legal immigrants. The proponents of this legislation are clearly driven by two impulses, neither of which is reforming welfare. First, they are eager to balance the budget on the backs of poor children rather than tackle corporate welfare. And second, they are attempting to create a wage issue, which they know divides Americans, and inject their divisive spirit into this political season.

This is not how we make sound public policy, Mr. Speaker. The last bill that was sent to the President's desk would have thrown at least 1.2 million children into poverty. While we do not have a comparable study on the impact of this bill, I would ask my colleagues, how many children will this Congress feel comfortable making poor? One million, 2 million, a half million? Where is the job creation? Where are the incentives to business to stop exporting our jobs to Third World countries for cheap labor so that we can provide jobs for jobless Americans here at home?

Mr. Speaker, many welfare recipients want desperately to change their lives.

They want to correct the mistakes in their lives. They want help, not more pain. They want jobs. Let us train them, not starve them.

Mr. Speaker, we should support this motion to instruct the conferees to keep children out of poverty, preserve Medicaid, maximize food stamps, provide job training and work opportunities. This is not fun and games. This issue is about human lives.

Mr. KASICH. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I think it is pretty amazing for the American people to make note of the fact that in the other body, 74 Members of the other body voted for a significant, the most significant change in welfare that we have seen in this country since welfare was created, and that of course enjoins the action of this body to do a number of things.

First, to say that we will take care of people who cannot, simply cannot take care of themselves. But at the same time, it says for those people who are able-bodied and find themselves on this welfare system, that we will provide adequate day care so that the children of people on welfare will be protected.

Second, that the people who are on welfare are going to be asked to get trained. We are going to give them a skill. We are going to educate them. We are going to help them. And at the end of the day, it is also expected that those folks will be able to leave welfare and find employment to work.

I think that is what Americans have been calling for in this country my entire political career, and frankly all of my lifetime. Because in a Judeo-Christian society, it is wrong not to help people who need help; but in a Judeo-Christian society, it is also wrong to help people who need to learn how to help themselves. I do not think there is much disagreement with this.

Now, there are some starts and some stops in any legislation. There is always concerns about what happens. But it has been those concerns that have blocked this Congress, not this Congress, but previous Congresses from being able to deliver the kind of welfare reform that taxpayers want, and the kind of welfare reform that taxpayers will support.

□ 1745

I would say to the Members of the House today that the gentleman from Minnesota makes an amendment that I think has a lot of merit. It speaks to the fact that we do not want unfunded mandates. That is why, in fact, Governors sit in our deliberations and give us their opinions in terms of the impact of this legislation on their States. They basically have one plea, however: ''Trust us, we can do the job. After all, it is our citizens' money, and we think we can design a program that fits local solutions to local problems at less cost and will be more productive and rescue people from poverty.''

At the same time I think it is very important to realize that as we go through this, we are going to be in a position where taxpayers finally are going to be able to say, ''I can support this program. It is fair to those who cannot help themselves, it is fair to those because we provide the adequate programs to protect their children as they get skills and get work, and it is fair to me as a taxpayer.''

I am always proud of saying that I think the real American heroes in this country are not the Shaquille O'Neals who make $125 million or the Juwan Howards who make $100 million. God bless them for having the skills to drive the market to make that kind of money but they are not my heroes.

My hero is that lady who goes to the airport to pour the coffee, puts her children in day care, and works like the dickens with her husband to make ends meet, and they do not get anything from the government. They are not unwilling to help those that cannot help themselves, but at the end of the day they want to believe it is a system that encourages people to leave.

We cannot let the concerns that we have had over the years deny the kind of welfare reform we ought to have. I think the gentleman from Minnesota [Mr. SABO] speaks to the issue of the local mandates, the need to be concerned about children, which all of us are. We believe at the end of the day this is a compassionate bill that will help the folks that need the help and help the taxpayers who want to have a legitimate welfare system.

So we can support the Sabo amendment, move to conference, and, ladies and gentlemen, I think we are on the verge of truly historic reform of the system that has needed reform all of my lifetime and I think it is a day for us to be excited.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, we will agree that the welfare system does not work for taxpayers and it certainly does not work for families on welfare. That is the easy part.

The challenge and responsibility we face as legislators, however, is to fix the system so that it helps parents move from welfare to work while at the same time ensuring that children are safe, healthy and protected. We have to do that because parents cannot succeed in school, training or work if their children are not taken care of. They cannot do their best when their children are home alone or in a car or if they are sick or hungry.

Take it from me. I was on welfare. Even though I was working, I needed Aid For Dependent Children for one reason and one reason only, to give my children the food, the medical care, and the child care they needed. Without those crucial support services, Mr. Speaker, without that safety net, I do not know what would have happened to my family.

So, conferees, Members of this body, remember, the lives of millions of children are in your hands. Take this responsibility very seriously. If you err, err on the side of our children. Make sure that no child is left without proper health care, nutrition, or child care. Make sure that no child is left behind. Remember how the safety net saved my family. Remember the children. I urge my colleagues, protect our children.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Delaware [Mr. CASTLE], the former Governor.

Mr. CASTLE. I thank the gentleman for yielding me this time.

Mr. Speaker, I would just like to share some thoughts I have on welfare reform. I support all the concepts of the motion to instruct conferees. I think the gentleman from Minnesota [Mr. SABO] has done a good job here, but I would just like to point out where we have gone in the welfare reform package.

We had it coming out of committee, we took it to the floor of the House, we made some amendments to it which I think made it a better bill. It went over to the Senate, they acted on it. I think they have added some aspects to it or reaffirmed what we have done in the House, which makes it a better bill. Hopefully the conferees can sit down and meet and also make some of the improvements along some of the lines that have been discussed here to make it an even better bill.

I think we are going to have welfare reform in the United States. I think we need to be very serious about what is going to be in it. Quite frankly, I think we have worked hard to actually make this a very good piece of legislation.

I could not agree more, we should not have unfunded mandates. We have now preserved Medicaid coverage almost completely in this bill. We need to protect that. That is a very important point which is made here. I also believe we need to deal with the vouchers for goods and services, and I think maybe we are a little further long that line than even I thought after some further research. Hopefully we can develop that a little bit more too, as well, as we look at this.

Obviously I believe we should have whatever savings we can possibly have, but the bottom line is right. So many people have spoken here today and before on welfare reform. We need to put into place a system which will change it. There are job opportunities being created in America. The President of the United States says that constantly. Our economy shows that. We think these individuals ought to have the opportunity to go out and work where they can. We believe some should be protected, the 20 percent who cannot work.

I think this is all coming together. I congratulate all the Members of the House. Sometimes we do not listen to one another. I think in this instance

we have been listening to one another. Hopefully we will listen to this motion to instruct conferees, go to conference and have a good welfare reform package.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. I thank the gentleman for yielding me this time.

Mr. Speaker, I am pleased to follow the preceding speaker who has worked so hard to make certain that a bipartisan welfare reform package is possible. The issue before us is not whether we should reform welfare. It is how we reform welfare in the correct way. I think the Senate took a major step forward in showing that true bipartisan reform is possible. Sbustantial changes were made in the Medicaid and in the food stamp areas, resulting in a much more bipartisan vote than was achieved in the House.

What other changes can be made in conference to get a stronger bipartisan House vote? The motion before us lays them out. Do not shift costs to localities, do not harm children, particularly as parents make that critical transition into the work force, preserve Medicaid coverage so that people without health care access does not increase, and, finally, if there are savings, let us apply them on the deficit.

We can do better than the bill that came out of the House in reaching bipartisan agreement. If the conferees adhere to these points, we will have a bipartisan welfare reform proposal.

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

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BECERRA], and I ask unanimous consent to yield the balance of my time to the distinguished gentleman from New York [Mr. RANGEL] and that he have authority to yield to others.

The SPEAKER pro tempore (Mr. KNOLLENBERG). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

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

Mr. Speaker, if there is one clarion call that we should hear in this Congress when it comes to reforming welfare, it should be: Hold our children harmless. We can disagree on a lot of things, but I think one thing is clear: None of us intends to put children in worse condition by reforming welfare. Yet we still have an issue. The Republican welfare bill that passed in this House would send 1.5 million children into poverty. It would increase the level of poverty for those children already existing without enough. Why would we want, as this bill does, to deny a child who lives in a home where there is domestic violence the opportunity to escape that home? Why would we want to deny more than 300,000 children who exist with a disability the opportunity to try to have the same opportunity as any other child? Why would we want to deny a child who is hungry the opportunity through food stamps to be nourished? I do not think we want to do that, and I believe on a bipartisan basis we can get there. We are getting closer. There are still some disagreements. But certainly we can get there. Let us not fool ourselves. If we do not give through the Federal Government some assistance through food stamps or other services to that child, no one in the community in Los Angeles where I live or any community where you live will say, ''We're going to leave that child on the street.'' We are going to care for that child one way or the other because we are very humane in this country. But let us not shift costs to the local governments and claim that we have saved welfare. Let us do it the right way and let us remember, in the end, the clarion call should be: We will hold our children harmless.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, my dear friend CLAY SHAW who has worked so hard to protect the children of our great Republic and who made so many attempts to make this a bipartisan effort closed his remarks by saying, ''And who would want to be in a position of defending the status quo?''

Mr. Speaker, the gentleman has no idea what a powerful political statement he made. Because the answer should be, ''Nobody.''

There is widespread feeling in this Congress and in the United States that anybody that can work should be working, and anybody who freeloads is inconsistent with the ideas and the ideals that made our country the great country it is. Nothing gets to a taxpayer more than seeing a freeloader living at their expense and not making any attempt to pay their own way with the dignity that a job brings to them.

Having said that, if I understand this bill, this is not just reform because you call it reform. President Clinton said you can put wings on a pig but it does not make it an eagle. Why should I accept the fact that just because it is different, it is reform?

''Trust the States.'' I trust the States. Give them the Federal money, they are closer to the problem. Put in a safety net. Make certain the children are protected. We are not talking about aid to dependent mothers. We are talking about children. Whether you are Democrat, conservative, liberal, or Republican, OMB says 1 million kids are going to be pushed into poverty. Why? Because people have arbitrarily said, ''Trust the Governors.'' After 2 years they decide if the mother is not working, kick the kid off.

Well, I do not know what would have happened in the manger at Christmastime if that attitude had prevailed, but I think that Mary and Joseph would have had a harder time under today's bill than they had 2,000 years ago.

The fact remains is, if you say go to work, is there not a responsibility to have a job? If someone plays by the rules, makes a mistake, the boyfriend got killed, they were on their way to the church, they looked for the job, they took the training, but there were no jobs.

□ 1800

Oh, the Governors will work out something. If we are providing Federal funds and for the first time in 60 years are saying we wash our hands of this problem, it is now a State problem and you, RANGEL, trust the Governors, you have been there for 40 years, that is a heck of a thing to tell to a child that is being denied food stamps, that is being denied health care because we have a problem with the mother. But if you do not have a problem with the mother and she has worked hard and there is no job for her to find, you say if it is 2 years, 3 years, 4 years, 5 years, it is OK with you that she has not got a job.

I say if we want to turn it over to the States, I think it is wrong, but I would support it. But we have an obligation as a Congress, as a Nation to put a safety net there for those kids. They have not hurt anybody. But it is not there in any of these bills.

What has really happened is that the question before us as we adopt the resolution that the gentleman from Minnesota [Mr. SABO] has is not whether or not this is a good or bad bill. It is the question that the gentleman from Florida [Mr. SHAW], my friend, raised: Who is prepared before this election to protect the status quo? It is not me, but that does not mean that this flying pig is an eagle. It means that we have to do something before the election.

Democrats have to have a vote on something and so do the Republicans, unless, of course, which I know never entered the minds of my friends in the majority, unless we can make the President look worse by having to veto it. So now good-thinking people are wondering in the Congress do they really want a bill or do they really want to embarrass the President. And that is what we are talking about today. The urgency to get this bill out is based really to get it out before we go to the election.

All I am saying is, if the bill is so good, why does Catholic Charities say it is so bad? Are they dealing with such a higher authority that they cannot reach the Christians outside of the Christian Coalition? If the bill is so good, why is it my Jewish friends who take care of kids every day in the Jewish Council Against Poverty, which every year, the gentleman from New York [Mr. GILMAN], my good friend, and I are there saying that poverty is not black or white or Catholic or Protestant or Jew or gentile, hey, they are against the bill. And the Muslims

are against the bill. The Protestant Council said it may be a good concept but it is bad for children.

I tell my colleagues one thing, this is the best medicine we can find to have food for an election. So I retain my time to yield to other Members, but I really wish that we could hurt the people that should be hurt and provide the jobs and the opportunity for those people who played by the rules; but there is no provision there to protect them.

One day when we are talking about welfare reform, we will concentrate on education and dreams and training and have people that have more time to be prepared to get married and to get the picket fence and to have the same dreams as other people. But I realize that that issue is a local issue. We will leave that to the local school boards, and we will tackle the big ones like welfare reform and let the Governors tell us how well they are doing.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I would like to respond very briefly to my good friend from New York. On this floor we often use the word good friend in referring to somebody right before we slap them upside the head, but CHARLIE and I are good friends; we really are, both on the floor and off of the floor. I would like to say to the gentleman from New York, next year I think we all anticipate he would be the ranking member on the Committee on Ways and Means.

My colleague may try to make the argument that he is going to be chairman, but it is not going to happen next year. But in any event he is going to be the top Democrat on the Committee on Ways and Means. In that position, as I have said to him in the past that I would hold out to him my hand to work in cooperation with him once welfare reform gets in place to be sure it is going to work, there are going to be problems with welfare reform.

Anyone in this body that feels that we have washed our hands of the problem is kidding themselves. The Federal Government, by defense of a welfare system that has not worked and has built up layer after layer of generations on poverty, we have a responsibility as a Federal Government to go in and clean up this mess and to get people where the jobs are or get the jobs where the people are. I know, I say to my friend and colleague, that this is something that he is interested in, and I will tell my colleague tonight that I would be happy to go to his district and to work with him because I know of his concern for the people he represents. I also have concern for them.

Now, one quick response to the question as to whether we are trying to rush something in before the election, we are trying to give this President the opportunity to deliver on a promise he made 4 years ago during the campaign on which he mentioned right below where the speaker is standing here tonight in telling us during the State of the Union Address that he wants a welfare bill that he can sign. We intend to deliver him a welfare bill that hopefully he will sign.

It got great support in the Senate. I hope we take the momentum that they came out of the Senate onto the House Floor and that we send him a bipartisan bill and he will sign it.

Mr. RANGEL. Mr. Speaker, I am certain that the President will make note of this contribution that we are making to his campaign and the great opportunity that we have given to him. I would like to yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, Democrats and Republicans have agreed from the very beginning of this session on welfare reform, the need for welfare reform. We agreed that one title of the welfare reform bill should be there, child support enforcement. It was placed in, we worked together and it stayed that way.

Other than that, there were many disagreements. There were many debates. There were many arguments. We come to this point where we have the motion before us that will put people to work and protect children.

We look at this motion. It says yes to welfare to work programs and no to unfunded mandates. We look at this motion that says yes to strict time limits on adults and no to driving additional children into poverty. The motion says yes to reforming welfare but no to increasing the number of people without health coverage.

So the motion is a good motion. This bill can become a better bill. I remember the other day last week when we were voting on final passage in the House, on the welfare bill. One of my colleagues on the other side of the aisle came down and said: BARBARA, I thought you said, if we made this bill better, you would vote for it. I said yes, I said that, but I think it can be better.

Yesterday it was made better. Yesterday Medicaid language was much better in the Senate. Yesterday no block grant for food stamps. Let us use the surplus agriculture supplies we have for nutrition for the children. Yet there were other ways that the Senate bill very definitely made this a better bill.

We have this motion, a commonsense blueprint for welfare reform that will work and that President Clinton can look at so he can decide if he is going to sign it.

I say to my colleagues on the other side of the aisle this is a much better bill that we continue to talk about. Tomorrow there will be a conference, where we will meet. The gentleman from Florida [Mr. SHAW] has been a leader on this and has been patient, unbelievably patient.

I say let us still consider that safety net for children. Let us still make it a better bill so that we can all vote for it and the President can sign it and we can all say we did welfare reform.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, certainly it is the tradition of the Congress that going to conference is a time when House Members and Members of the other body think together anew about legislation, and the best ideas from both sides are merged. So, there is no doubt in my mind that what comes out of conference will be a bill we will all be proud of.

I do want to go back to something that my friend from New York said, and that is jobs; what are we going to do if there are no jobs? And why do all these religious groups oppose the bill? Well, I would say to my colleagues that welfare reform is not just about welfare. Welfare reform is about system change in America. Those groups do not understand that. They do not see the possibilities.

I think we are missing the understanding of the new opportunities this bill creates. For example, it has always been unfair for local taxpayers, and we know how terribly, terribly stressed people are at the level of local property taxes. Those people are paying their local government people, and they are participating in paying welfare benefits.

Through attrition, without anybody who is employed losing their job, there is not any level of government that cannot open up entry-level jobs for welfare recipients so right off the bat they get real wages for real work. They make contacts and then the local governments can use that money to up the salaries of some of their people to do supervision and to do coordination.

So I believe in the long run we are going to use our public dollars better as a result of welfare reform because we are going to open up jobs. We are going to build job training into our Federal, State and local bureaucracy, and people will have opportunities right off the bat they never dreamed of. So I think using the resources of the employment base that government provides with taxpayer dollars, our community colleges and our adult education resources, we are going to create opportunity with this bill that we are going to be proud of.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, the basic foundations of welfare reform have been clear for some time: moving people on welfare into productive work with time limits and State flexibility, protecting the child who will be a main beneficiary of breaking the cycle of dependency.

While I have believed that there was a mainstream cutting across the parties to build a new structure on these foundations, and I have been actively engaged along these very lines, early

Republican bills veered sharply in an opposite direction and as a result the President vetoed them.

In direct response, the majority moved and there have been some significant improvements in the proposed legislation, moving from no specific provision for health care and woefully inadequate day care to assurance of health and day care as parents move off of welfare to work, better ensuring that States who meet their responsibilities and maintain their effort, not simply substituting Federal dollars for their own, canceling the punitive program cuts for severely handicapped children, restoring the safety net for foster care and child nutrition and creating a structure, though still very inadequate, to protect people who want to work from the ravages of a major recession.

The bipartisan Tanner-Castle bill, which I actively supported, and several amendments in the Senate point to several key areas where there is a serious need for further change, especially those relating to the protection of health and welfare of children who are legally in this country, and to really achieving what is most needed for the parent on welfare, for their benefit, for the child and for the taxpayer; that is, work.

This motion instructs the conferees to do everything possible to achieve the stated objectives on a bipartisan basis. The conference can be an important step forward on a bipartisan basis toward welfare reform or a backward step on a partisan one leading to further gridlock. This Nation badly needs and wants the former. We must strive to achieve it.

Mr. KASICH. Mr. Speaker, I yield myself 2 minutes.

I want to say to my friend from New York I was amazed the other day in talking to some of my friends on the Democratic side of the aisle. They were wondering about our economic program. I think what my colleagues have to understand, they may not like our program, but our program balances the budget and lowers interest rates.

One of the major ways we do it is to shift power and money from this city back home so that people can solve local problems with local solutions, I would say to the gentleman. I want my local housing authority administrators to set the rules for the people that live in the housing in my community. I do not want to come to Washington for the rules. I want to do it in the neighborhood.

Our program is to provide tax incentives, we believe, and lower taxes on risk-taking. We think that will create jobs, and my good friend Bob Garcia joined with Jack Kemp to create enterprise zones to give tax relief so we can create jobs. The day is going to come, in my judgment, where the poorest Americans are going to support lowering capital gains taxes so that people will risk money to create jobs.

I would also say to the gentleman that our view of deregulation, of unshackling businesses that cannot get started in communities because they got to hire lawyers and accountants and Lord knows how much. Instead of treating those people with great respect, we make it difficult for them to create a job and hire people. That is why we support deregulation.

□ 1815

That is why we support less Federal involvement, because we believe we need to reclaim our communities and our neighborhoods and our families.

So this plan cannot be divorced from our economic plan. The gentleman may not agree with our economic plan, but we are sincere in our efforts to try to bring greater prosperity to this country, and we think we are on the right track. The gentleman believes we are not. But we cannot divorce welfare from the need to provide economic growth. We believe we have the better way to do it, and I want the gentleman to understand that is our approach.

Mr. RANGEL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California [Ms. PELOSI].

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I rise in support of the motion to instruct and reject the idea of putting more children into poverty.

Mr. Speaker, we can all agree that the welfare status quo is unacceptable. But the Republican welfare reform proposal will make the problems of poverty and dependence much worse because it refuses to make work the cornerstone of welfare reform.

Real welfare reform is about work. Opportunities for work, jobs that pay a living wage, job training opportunities to provide skills necessary to earn a living wage are long term solutions for a permanent and productive reform in our welfare system.

Real welfare reform must emphasize the importance of work. Real welfare reform must also aid rather than punish children. In the United States, 14 million children live in poverty. Passage of this legislation would add millions more to that statistic. This welfare bill is punitive and unrealistic.

Abolishing the safety net for children, imposing family caps, denying legal immigrants benefits, imposing arbitrary time limits and failing to provide adequate child care, health care, education, job training, and work opportunities for people in need will thrust millions more into poverty.

This bill cuts almost $60 billion from the poor in this country. These cuts will affect children whose parents are on welfare. These cuts will trap countless women in abusive relationships, with nowhere to turn—without a realistic way to gain independence, gain work, and provide for their children.

Welfare reform must be about education, job training, and work. We must keep families together, rather than ripping them apart. We cannot simply reduce the deficit at the cost of our poorest Americans. This proposal has little wisdom, conscience, or heart.

Some of my colleagues will vote for this bill and then wash their hands of welfare reform, saying they have done their job. But the job of welfare reform is more complex and dire. People living in poverty are not cardboard cutouts: they do not have the same stories, they do not need the same services. This bill treats everyone alike, with unrealistic time limits and no real lasting and effective plan to move welfare recipients to work at a living wage.

The denial of benefits to legal immigrants in this legislation will do great harm to children and have a devastating impact on the health care system in our country. Only 3.9 percent of immigrants, who come to the United States to join their families or to work, rely on public assistance compared to 4.2 percent of native-born citizens. According to the Urban Institute, immigrants pay $25 billion more annually than they receive in benefits. Yet the myth persists that welfare benefits are the primary purpose for immigration to the United States. Instead of appreciating legal immigrants for their signficant contributions to this, their adopted country, this bill blatantly punishes them, especially young children and the elderly. It bans SSI and food stamps for virtually all legal immigrants. It tosses aside people who pay taxes, serve our country, and play by the rules. This lacks compassion and common sense.

If we want to achieve real welfare reform, we need to offer some long-term solutions to help people move up and out from the cycle of poverty. The current welfare system is not adequate, but this bill makes it far worse.

I urge my colleagues to oppose the Republican bill and work together for meaningful reform that puts people to work and pulls them out of poverty for good.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I want to thank the gentleman from New York [Mr. RANGEL] for yielding me this time.

Let me offer a statistic this evening that I think is the most compelling number that has surrounded this debate for the better part of 18 months. There are 12.8 million people in America who receive AFDC. Of that number, between 8 and 9 million of those recipients are children.

That is the issue that we can never lose focus on. That is the issue that ought to motivate, and that is the issue that ought to drive these deliberations. And yet after 18 months there has only been one bipartisan initiative that deals with welfare. The authors having been the former Governor of Delaware, MIKE CASTLE, and the Congressman from Tennessee, JOHN TANNER. Only one bill had the support of Democrats and Republicans alike in this institution, and it was the piece of legislation that Bill Clinton said ''I will sign if you put that on my desk.''

But the posturing that has taken place over this issue has delayed getting to a bill that withstands the scrutiny that we all know welfare reform deserves. Let me just read one sentence from a letter that was sent by the Speaker of the House to the members

of the Republican Conference. He said, in suggesting they oppose the bipartisan bill, the following: ''It is critical that Republicans maintain the upper hand on this issue by rejecting the Gephardt substitute.''

That they maintain the upper hand, because that is what this debate has been about. This debate has been about November. This debate has been about trying to get a bill down to the White House that they know the President of the United States cannot sign. That is how policy has been made, and that is how it has evolved in this institution. And remember those words, it is important that the Republicans maintain the upper hand on this issue.

Mr. KASICH. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. MCCRERY].

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

Mr. Speaker, just a couple of points. My good friend on the Committee on Ways and Means, the gentleman from Massachusetts [Mr. NEAL], is a good member of that committee and certainly I listen when he speaks. He talks about a bipartisan bill that was offered here on this floor, and he said that was the only bipartisan bill offered. Well, maybe it was the only bill with a bipartisan list of authors, but the fact is that that bill only got 9 Republicans to vote for it on the floor. The Republican bill got 30 Democrats to vote for it on the floor. So the more bipartisan of those two bills, my colleagues, was not the so-called bipartisan bill, it was the Republican bill that in fact passed this House.

Another point. The gentleman from Massachusetts, [Mr. NEAL] and the gentleman from Michigan [Mr. LEVIN] talked about how far Republicans have come, and I appreciate their giving us that. We have come a long way from where we started. But so has the President. To give him some credit, he has come a long way.

The first bill the President sent to this House increased spending for welfare programs in this country. The bill that we hope he will sign now will save somewhere on the order of $60 billion. So that is coming a long way on the part of the President and the Democrats in this House. And I appreciate that, too.

Mr. Speaker, I think this is a classic example of negotiators starting at the far ends, coming to the middle, producing a product that is a compromise but that will move this country forward, that will bring families and children out of poverty finally in this country, give them some hope instead of lives of despair and hopelessness.

So I want to congratulate both sides of the aisle, the Republicans and the Democrats, for compromising, coming to the middle, producing a bill that I hope will become law.

Mr. KASICH. Mr. Speaker, I urge Members to support the Sabo amendment, and I yield back the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in strong support of the motion to instruct. Welfare conferees should do all in their power to ensure that the welfare conference agreement reinforces our basic values of responsibility and work and protects our Nation's children.

The welfare bill that passed the House last week woefully fell short on these goals. Instead, the bill is tough on children and soft on requiring work.

The Republican bill fails to meet the goal of moving people from welfare to work by underfunding the work program by $10 billion. My Republican colleague from Connecticut talked about local government being the source of jobs. I quite frankly do not understand how New Haven and Hartford and Bridgeport and Stanford, how they provide jobs without raising the property tax in Connecticut. And those in Connecticut know that they are being choked by taxes.

Let me just say that I urge the conferees to protect our children. Without these protections attempts to reform welfare will increase the number of children living in poverty and fail to move people off the welfare rolls and into the work force. Protect innocent children, vote for the motion to instruct.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

I am astounded to hear the gentleman from Ohio [Mr. KASICH] talk about a bill that will cut out the safety net under the poor and then say in years to come the poor will ask us to cut capital gains and maybe something will trickle down.

We need this motion to instruct. Both the House and the Senate have protections for eligibility standards for Medicaid. Let us make sure they do not drop it. That is what they did in the last conference, and unless we get any assurances to the contrary, let us instruct our conferees to hold to the provisions that protect the rights of children at least to get health care, which is both in the House and the Senate bill.

Mr. RANGEL. Mr. Speaker, as we conclude the debate in support of the motion to instruct by the gentleman from Minnesota [Mr. SABO], I would like to say that I do not think that any Member in this House could challenge the fact that if we want true welfare reform we have to talk about education, training, access to jobs and people working with dignity and with pride so that they do not have time to do the things that require dependency on the Government.

Maybe one day we will get to those issues instead of talking about punishment, cutting grants, mandatory sentences, and make this country as great as she can be with education, jobs, and productivity. One day when we reach that, that truly will be welfare reform and an opportunity for this great republic to reach the heights that she can reach.

(Mr. MYERS of Indiana asked and was given permission to speak out of order.)

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3816, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

Mr. MYERS of Indiana. Mr. Speaker, I ask unanimous consent that during the further consideration of H.R. 3816, in the Committee of the Whole, pursuant to House Resolution 483, the bill be considered as read, and no amendment shall be in order except for the following amendments, which shall be considered as read, shall not be subject to amendment or to a demand for a division of the question in the House or in the Committee of the Whole, and shall be debatable for the time specified, equally divided and controlled by the proponent and a Member opposed:

Amendment No. 1 by Mr. SOLOMON for 10 minutes; amendment No. 2 by Mr. FOGLIETTA for 10 minutes; amendment Nos. 3 or 4 by Mr. OBEY for 40 minutes; amendment No. 5 by Mr. GUTKNECHT for 20 minutes; amendment No. 6 by Mr. KLUG for 20 minutes; amendment No. 7 by Mr. KLUG for 20 minutes; amendment No. 8 by Mr. ROEMER for 10 minutes; amendment No. 9 by Mr. ROEMER for 10 minutes; amendment No. 10 by Mr. ROHRABACHER for 10 minutes; amendment No. 11 by Mr. TRAFICANT for 5 minutes; amendment No. 12 by Mr. BARTON of Texas for 10 minutes; amendment No. 13 by Mr. BEREUTER for 10 minutes; amendment No. 14 by Mr. HILLEARY for 10 minutes; amendment Nos. 15 & 16 en bloc by Mr. MARKEY for 20 minutes; amendment No. 17 by Mr. PETRI for 20 minutes; amendment No. 20 by Mr. ZIMMER for 10 minutes; an amendment by Mr. ROGERS—regarding the new Madrid floodway—for 5 minutes; an amendment by Mr. FILNER—regarding the Tijuana River Basin—for 10 minutes; an amendment by either Mr. KLUG or Mr. SCHAEFER or Mr. FAZIO—regarding solar energy—for 30 minutes; an amendment by Mr. KOLBE—regarding the central Arizona project—for 10 minutes; and an amendment by Mr. PICKETT—regarding the Sandbridge beach project—for 10 mintues.

The SPEAKER pro tempore (Mr. KNOLLENBERG). Is there objection to the request of the gentleman from Indiana?

Mr. BROWN of California. Mr. Speaker, reserving the right to object, may I inquire of the distinguished chairman if this would preclude me from making the pro forma amendment that I had discussed with him earlier?

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BROWN of California. Further reserving the right to object, I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, by unanimous consent, the gentleman can address the Committee for 5 minutes during which we will have a colloquy for that period of time and we will not object.

Mr. SKAGGS. Mr. Speaker, if the gentleman will yield, I believe the colloquy that was just had answered my question as well, because I was anticipating a colloquy with the chairman.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield under this reservation?

Mr. BROWN of California. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I would say to the gentleman that I think we have taken care of all those. We have an understanding that there are some of these in controversy or in misunderstanding which require further consideration and we will have a dialog and a colloquy and we will yield for that purpose and there will no objection.

We would like to hold that to a minimum, however, I must say to each of the gentlemen. I hope we hold it to just 5 minutes, because we want to expedite this and get finished tonight. Here in Washington it is 6:30 and we hope we can finish by no later than 11, give or take an hour.

Mr. BROWN of California. Mr. Speaker, I understand the problem and I will do my best to accede.

Mr. SKAGGS. Mr. Speaker, if the gentleman will yield further, I was expecting to be long-winded, but given what he has said, I will try to be succinct.

Mr. BROWN of California. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Minnesota [Mr. SABO].

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

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 418, noes 0, not voting 15, as follows:

[Roll No. 353]

AYES—418

| | | |
|---|---|---|
| Abercrombie | Barcia | Berman |
| Ackerman | Barr | Bevill |
| Allard | Barrett (NE) | Bilbray |
| Andrews | Barrett (WI) | Bilirakis |
| Archer | Bartlett | Bishop |
| Armey | Barton | Bliley |
| Bachus | Bass | Blumenauer |
| Baesler | Bateman | Blute |
| Baker (CA) | Becerra | Boehlert |
| Baker (LA) | Beilenson | Boehner |
| Baldacci | Bentsen | Bonilla |
| Ballenger | Bereuter | Bonior |
| Bono | Frelinghuysen | LoBiondo |
| Borski | Frisa | Lofgren |
| Boucher | Frost | Longley |
| Brewster | Funderburk | Lowey |
| Browder | Furse | Lucas |
| Brown (CA) | Gallegly | Luther |
| Brown (FL) | Ganske | Maloney |
| Brown (OH) | Gejdenson | Manton |
| Brownback | Gekas | Manzullo |
| Bryant (TN) | Gephardt | Markey |
| Bryant (TX) | Geren | Martinez |
| Bunn | Gilchrest | Martini |
| Bunning | Gillmor | Mascara |
| Burr | Gilman | Matsui |
| Burton | Gonzalez | McCarthy |
| Callahan | Goodlatte | McCollum |
| Calvert | Goodling | McCrery |
| Camp | Gordon | McDermott |
| Campbell | Goss | McHale |
| Canady | Graham | McHugh |
| Cardin | Green (TX) | McInnis |
| Castle | Greene (UT) | McIntosh |
| Chabot | Greenwood | McKeon |
| Chambliss | Gunderson | McKinney |
| Chapman | Gutierrez | McNulty |
| Chenoweth | Gutknecht | Meehan |
| Christensen | Hall (OH) | Meek |
| Chrysler | Hall (TX) | Menendez |
| Clay | Hamilton | Metcalf |
| Clayton | Hancock | Meyers |
| Clement | Hansen | Mica |
| Clinger | Harman | Millender-McDonald |
| Clyburn | Hastert | Miller (CA) |
| Coble | Hastings (FL) | Miller (FL) |
| Coburn | Hastings (WA) | Minge |
| Collins (GA) | Hayworth | Mink |
| Collins (MI) | Hefley | Moakley |
| Combest | Hefner | Molinari |
| Condit | Heineman | Mollohan |
| Cooley | Herger | Montgomery |
| Costello | Hilleary | Moorhead |
| Cox | Hilliard | Moran |
| Coyne | Hinchey | Morella |
| Cramer | Hobson | Murtha |
| Crane | Hoekstra | Myers |
| Crapo | Hoke | Myrick |
| Cremeans | Holden | Nadler |
| Cubin | Horn | Neal |
| Cummings | Hostettler | Nethercutt |
| Cunningham | Houghton | Neumann |
| Danner | Hoyer | Ney |
| de la Garza | Hunter | Norwood |
| Deal | Hutchinson | Nussle |
| DeFazio | Hyde | Oberstar |
| DeLauro | Inglis | Obey |
| DeLay | Istook | Olver |
| Dellums | Jackson (IL) | Ortiz |
| Deutsch | Jackson-Lee (TX) | Orton |
| Diaz-Balart | Jacobs | Owens |
| Dickey | Jefferson | Oxley |
| Dicks | Johnson (CT) | Packard |
| Dingell | Johnson (SD) | Pallone |
| Dixon | Johnson, E. B. | Parker |
| Doggett | Johnson, Sam | Pastor |
| Dooley | Johnston | Paxon |
| Doolittle | Jones | Payne (NJ) |
| Dornan | Kanjorski | Payne (VA) |
| Doyle | Kaptur | Pelosi |
| Dreier | Kasich | Peterson (MN) |
| Duncan | Kelly | Petri |
| Dunn | Kennedy (MA) | Pickett |
| Durbin | Kennedy (RI) | Pombo |
| Edwards | Kennelly | Pomeroy |
| Ehlers | Kildee | Porter |
| Ehrlich | Kim | Portman |
| Engel | King | Poshard |
| English | Kingston | Pryce |
| Ensign | Kleczka | Quillen |
| Eshoo | Klink | Quinn |
| Evans | Klug | Radanovich |
| Everett | Knollenberg | Rahall |
| Ewing | Kolbe | Ramstad |
| Farr | LaFalce | Rangel |
| Fattah | LaHood | Reed |
| Fawell | Largent | Regula |
| Fazio | Latham | Richardson |
| Fields (LA) | LaTourette | Riggs |
| Fields (TX) | Laughlin | Rivers |
| Filner | Lazio | Roberts |
| Flake | Leach | Roemer |
| Flanagan | Levin | Rogers |
| Foglietta | Lewis (CA) | Rohrabacher |
| Foley | Lewis (GA) | Ros-Lehtinen |
| Forbes | Lewis (KY) | Roth |
| Fowler | Lightfoot | Roukema |
| Fox | Linder | Roybal-Allard |
| Frank (MA) | Lipinski | Royce |
| Franks (CT) | Livingston | Rush |
| Franks (NJ) | Sabo | Souder |
| Salmon | Spence | Velazquez |
| Sanders | Spratt | Vento |
| Sanford | Stark | Visclosky |
| Sawyer | Stearns | Volkmer |
| Saxton | Stenholm | Vucanovich |
| Scarborough | Stockman | Walker |
| Schaefer | Stokes | Walsh |
| Schiff | Studds | Wamp |
| Schroeder | Stump | Ward |
| Schumer | Stupak | Waters |
| Scott | Talent | Watt (NC) |
| Seastrand | Tanner | Watts (OK) |
| Sensenbrenner | Tate | Waxman |
| Serrano | Tauzin | Weldon (FL) |
| Shadegg | Taylor (MS) | Weldon (PA) |
| Shaw | Tejeda | Weller |
| Shays | Thomas | White |
| Shuster | Thompson | Whitfield |
| Sisisky | Thornberry | Wicker |
| Skaggs | Thornton | Williams |
| Skeen | Thurman | Wilson |
| Skelton | Tiahrt | Wise |
| Slaughter | Torkildsen | Wolf |
| Smith (MI) | Torres | Woolsey |
| Smith (NJ) | Torricelli | Wynn |
| Smith (TX) | Towns | Yates |
| Smith (WA) | Traficant | Young (AK) |
| Solomon | Upton | Zeliff |
| | | Zimmer |

NOT VOTING—15

| | | |
|---|---|---|
| Buyer | Ford | McDade |
| Coleman | Gibbons | Peterson (FL) |
| Collins (IL) | Hayes | Rose |
| Conyers | Lantos | Taylor (NC) |
| Davis | Lincoln | Young (FL) |

☐ 1846

Messrs. SKEEN, FLAKE, and BLILEY changed their vote from ''no'' to ''aye.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. KNOLLENBERG). Without objection, the Chair appoints the following conferees: Messrs. KASICH, ARCHER, GOODLING, ROBERTS, BLILEY, SHAW, TALENT, NUSSLE, HUTCHINSON, MCCRERY, BILIRAKIS, SMITH of Texas, Mrs. JOHNSON of Connecticut, Messrs. CAMP, FRANKS of Connecticut, CUNNINGHAM, CASTLE, GOODLATTE, SABO, GIBBONS, CONYERS, DE LA GARZA, CLAY, FORD, MILLER of California, WAXMAN, STENHOLM, Mrs. KENNELLY, Messrs. LEVIN, TANNER, BECERRA, Mrs. THURMAN, and Ms. WOOLSEY.

There was no objection.

## GENERAL LEAVE

Mr. SABO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the motion to instruct conferees on H.R. 3734.

The SPEAKER pro tempore (Mr. KNOLLENBERG). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2391, WORKING FAMILIES FLEXIBILITY ACT OF 1996

Ms. GREENE of Utah, from the Committee on Rules, submitted a privileged report (Rept. No. 104–704) on the

Resolution (H. Res. 488) providing for consideration of the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees, which was referred to the House Calendar and ordered to be printed.

## APPOINTMENT OF CONFEREES ON H.R. 3005, SECURITIES AMENDMENTS OF 1996

Mr. BLILEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3005) to amend the Federal securities laws in order to promote efficiency and capital formation in the financial markets, and to amend the Investment Company Act of 1940 to promote more efficient management of mutual funds, protect investors, and provide more effective and less burdensome regulation, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. DINGELL. Mr. Speaker, reserving the right to object, I do so simply to have a very brief colloquy with my respected and dear friend, the gentleman from Virginia [Mr. BLILEY].

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

Mr. DINGELL. I yield to the gentleman from Virginia, but I believe the request for the appointment of conferees represents the agreement that we have had earlier; is that correct?

Mr. BLILEY. Mr. Speaker, the gentleman is absolutely correct.

Mr. DINGELL. Then, Mr. Speaker, I do not object.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota? The Chair hears none and, without objection, appoints the following conferees: Messrs. BLILEY, FIELDS of Texas, OXLEY, TAUZIN, SCHAEFER, DEAL of Georgia, FRISA, WHITE, DINGELL, MARKEY, BOUCHER, GORDON, Ms. FURSE, and Mr. KLINK.

There was no objection.

## ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore. Pursuant to House Resolution 483 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3816.

☐ 1854

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, with Mr. OXLEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose earlier today, all time for general debate had expired.

Pursuant to the order of the House of earlier today, the bill is considered read.

The text of H.R. 3816 is as follows:

H.R. 3816

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for energy and water development, and for other purposes, namely:*

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

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

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $153,628,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Norco Bluffs, California, $180,000;

San Joaquin River Basin, Caliente Creek, California, $150,000;

Tampa Harbor, Alafia Channel, Florida, $200,000;

Lake George, Hobart, Indiana, $100,000;

Little Calumet River Basin, Cady Marsh Ditch, Indiana, $200,000;

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $558,000;

Brigantine Inlet to Great Egg Harbor Inlet, New Jersey, $600,000;

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

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

Townsends Inlet to Cape May Inlet, New Jersey, $375,000;

South Shore of Staten Island, New York, $300,000;

Mussers Dam, Middle Creek, Snyder County, Pennsylvania, $450,000;

Monongahela River, West Virginia, $500,000;

Monongahela River, Fairmont, West Virginia, $250,000; and

Tygart River Basin, Philippi, West Virginia, $250,000.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,035,394,000, to remain available until expended, of which such sums as are necessary pursuant to Public Law 99–662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri, Lock and Dam 14, Mississippi River, Iowa, and Lock and Dam 24, Mississippi River, Illinois and Missouri, projects, and of which funds are provided for the following projects in the amounts specified:

San Timoteo Creek (Santa Ana River Mainstem), California, $7,000,000;

Ohio River Flood Protection, Indiana, $1,800,000;

Indianapolis Central Waterfront, Indiana, $8,000,000;

Indiana Shoreline Erosion, Indiana, $2,200,000;

Harlan (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $18,500,000;

Martin County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $350,000;

Middlesboro (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $2,000,000;

Pike County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $2,000,000;

Town of Martin (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $300,000;

Williamsburg (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,050,000;

Salyersville, Kentucky, $3,500,000;

Lake Pontchartrain and Vicinity, Louisiana, $18,525,000;

Red River below Denison Dam Levee and Bank Stabilization, Louisiana, Arkansas, and Texas, $100,000;

Glen Foerd, Pennsylvania, $800,000;

South Central Pennsylvania Environmental Restoration Infrastructure and Resource Protection Development Pilot Program, Pennsylvania, $10,000,000;

Wallisville Lake, Texas, $10,000,000;

Richmond Filtration Plant, Virginia, $3,500,000; and

Virginia Beach, Virginia, $8,000,000:

*Provided*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to use $1,000,000 of the funds appropriated in Public Law 104–46 for construction of the Ohio River Flood Protection, Indiana, project: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed, in cooperation with State, county, and city officials and in consultation with the Des Moines River Greenbelt Advisory Committee, to provide highway and other signs appropriate to direct the public to the bike trail which runs from downtown Des Moines, Iowa, to the Big Creek Recreation area at the Corps of Engineers Saylorville Lake project and the wildlife refuge in Jasper and Marion Counties in Iowa authorized in Public Law 101–302: *Provided further*, That using $500,000 of the funds appropriated for the Passaic River Mainstem, New Jersey, project under the heading ''General Investigations'' in Public Law 103–126, the Secretary of the Army, acting through the Chief of Engineers, is directed to begin implementation of the Passaic River Preservation of Natural Storage Areas separable element of the Passaic River Flood Reduction Project, New Jersey.

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

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood

control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g–1), $302,990,000, to remain available until expended.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,701,180,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662, may be derived from that fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that fund for construction, operation, and maintenance of outdoor recreation facilities, and of which funds are provided for the following projects in the amounts specified:

Raystown Lake, Pennsylvania, $4,190,000; and

Cooper Lake and Channels, Texas, $2,601,000:

*Provided,* That using $1,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to design and construct a landing at Guntersville, Alabama, as described in the Master Plan Report of the Nashville District titled ''Guntersville Landing'' dated June, 1996.

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $101,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $10,000,000, to remain available until expended: *Provided,* That the Secretary of the Army, acting through the Chief of Engineers, is directed to use up to $8,000,000 of the funds appropriated herein and under this heading in Public Law 104–134 to rehabilitate non-Federal flood control levees along the Puyallup and Carbon Rivers in Pierce County, Washington.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Engineering Strategic Studies Center, and the Water Resources Support Center, and for costs of implementing the Secretary of the Army's plan to reduce the number of division offices as directed in title I, Public Law 104–46, $145,000,000, to remain available until expended: *Provided,* That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the Division Offices.

ADMINISTRATIVE PROVISIONS

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

GENERAL PROVISIONS

CORPS OF ENGINEERS—CIVIL

SEC. 101. (a) In fiscal year 1997, the Secretary of the Army shall advertise for competitive bid at least 10,000,000 cubic yards of the hopper dredge volume accomplished with government owned dredges in fiscal year 1992.

(b) Notwithstanding the provisions of this section, the Secretary is authorized to use the dredge fleet of the Corps of Engineers to undertake projects when industry does not perform as required by the contract specifications or when the bids are more than 25 percent in excess of what the Secretary determines to be a fair and reasonable estimated cost of a well equipped contractor doing the work or to respond to emergency requirements.

SEC. 102. None of the funds appropriated in this Act may be used to study, design, or undertake improvements of the Federal vessel, McFARLAND.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For the purpose of carrying out provisions of the Central Utah Project Completion Act, Public Law 102–575 (106 Stat. 4605), and for feasibility studies of alternatives to the Uintah and Upalco Units, $42,527,000, to remain available until expended, of which $16,700,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: *Provided,* That of the amounts deposited into the Account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Act and $11,700,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under the Act.

In addition, for necessary expenses incurred in carrying out responsibilities of the Secretary of the Interior under the Act, $1,100,000, to remain available until expended.

BUREAU OF RECLAMATION

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

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, $14,548,000, to remain available until expended: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended: *Provided further,* That of the total appropriated, $500,000 shall be available to complete the appraisal study and initiate preconstruction engineering and design for the Del Norte County and Crescent City, California, Wastewater Reclamation Project, and $500,000 shall be available to complete the appraisal study and initiate preconstruction engineering and design for the Fort Bragg, California, Water Supply Project.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, $398,069,000, to remain available until expended, of which $23,410,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $71,728,000 shall be available for transfer to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation under this heading: *Provided further,* That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: *Provided further,* That all costs of the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, performed under the authority of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506), as amended, are in addition to the amount authorized in section 5 of said Act: *Provided further,* That utilizing funds appropriated for the Tucson Aqueduct System Reliability Investigation, the Bureau of Reclamation is directed to complete, by the end of fiscal year 1997, the environmental impact statement being conducted on the proposed surface reservoir. The Bureau of Reclamation is further directed to work with the City of Tucson on any outstanding issues related to the preferred alternative.

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, $286,232,000, to remain available until expended: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund, and the amount for program activities which can be derived from the special fee account established pursuant to the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), may be derived from that fund: *Provided further,* That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same purpose and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further,* That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $12,290,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $37,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $425,000: *Provided,* That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from the fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f) and 3406(c)(1) of Public Law 102–575, to remain available until expended: *Provided,* That the Bureau of Reclamation is directed to levy additional mitigation and restoration payments totaling $30,000,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by section 3407(d) of Public Law 102–575.

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $45,150,000, to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided,* That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 6 passenger motor vehicles for replacement only.

## TITLE III

## DEPARTMENT OF ENERGY

### ENERGY PROGRAMS

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy supply, research and development activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 24 for replacement only), $2,648,000,000, to remain available until expended: *Provided,* That of the $13,102,000 made available to the Office of Energy Efficiency and Renewable Energy for program direction, $1,440,000 is available only for termination expenses related to reducing FTEs of the headquarters staff of that Office.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.) and the Energy Policy Act (Public Law 102–486, section 901), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of electricity as necessary; and the purchase of passenger motor vehicles (not to exceed 3 for replacement only); $53,972,000, to remain available until expended: *Provided,* That revenues received by the Department for uranium programs and estimated to total $42,200,000 in fiscal year 1997 shall be retained and used for the specific purpose of offsetting costs incurred by the Department for such activities notwithstanding the provisions of 31 U.S.C. 3302(b) and 42 U.S.C. 2296(b)(2): *Provided further,* That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $11,772,000.

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $200,200,000, to be derived from the Fund, to remain available until expended: *Provided,* That $34,000,000 of amounts derived from the Fund for such expenses shall be available in accordance with title X, subtitle A, of the Energy Policy Act of 1992.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, $996,000,000, to remain available until expended.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $182,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund, subject to authorization: *Provided,* That none of the funds provided herein shall be distributed to the State of Nevada or affected units of local government (as defined by Public Law 97–425) by direct payment, grant, or other means, for financial assistance under section 116 of the Nuclear Waste Policy Act of 1982, as amended: *Provided further,* That the foregoing proviso shall not apply to payments in lieu of taxes under section 116(c)(3)(A) of the Nuclear Waste Policy Act of 1982, as amended.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $195,000,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511, et seq.): *Provided,* That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further,* That moneys received by the Department for miscellaneous revenues estimated to total $125,388,000 in fiscal year 1997 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: *Provided further,* That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $69,612,000: *Provided further,* That end of year employee levels for fiscal year 1997 may not exceed the following by organization: Board of Contract Appeals, 6; Chief Financial Officer, 192; Congressional, Public, and Intergovernmental Affairs, 35; Economic Impact and Diversity, 30; Field Management, 20; General Counsel, 153; Human Resources and Administration, 550; Office of the Secretary, 23; and Policy, 20.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $24,000,000, to remain available until expended.

### ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 94 for replacement only), $3,684,378,000, to remain available until expended.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 20, of which 19 are for replacement only), $5,409,310,000, to remain available until expended: *Provided,* That an additional amount of $134,500,000 is available for privatization initiatives.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying

out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of passenger motor vehicles (not to exceed 2 for replacement only), $1,459,533,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $200,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $4,000,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1997, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $18,859,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $25,210,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $3,787,000 in reimbursements, to remain available until expended.

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

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7101, et seq.), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, $211,582,000, to remain available until expended, of which $203,687,000 shall be derived from the Department of the Interior Reclamation Fund: *Provided,* That of the amount herein appropriated, $5,432,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: *Provided further,* That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $3,774,000 to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

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

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $141,290,000, to remain available until expended: *Provided,* That notwithstanding any other provision of law, not to exceed $141,290,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1997 shall be retained and used for necessary expenses in this account, and shall remain available until expended: *Provided further,* That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $0.

GENERAL PROVISION

**SEC. 301. PRIORITY PLACEMENT, JOB PLACEMENT, RETRAINING, AND COUNSELING PROGRAMS FOR UNITED STATES DEPARTMENT OF ENERGY EMPLOYEES AFFECTED BY A REDUCTION IN FORCE.**

(a) DEFINITIONS.—

(1) for the purposes of this section, the term ''agency'' means the United States Department of Energy.

(2) For the purposes of this section, the term ''eligible employee'' means any employee of the agency who—

(A) is scheduled to be separated from service due to a reduction in force under—

(i) regulations prescribed under section 3502 of title 5, United States Code; or

(ii) procedures established under section 3595 of title 5, United States Code; or

(B) is separated from service due to such a reduction in force, but does not include—

(i) an employee separated from service for cause on charges of misconduct or delinquency; or

(ii) an employee who, at the time of separation, meets the age and service requirements for an immediate annuity under subchapter III of chapter 83 or chapter 84 of title 5, United States Code.

(b) PRIORITY PLACEMENT AND RETRAINING PROGRAM.—Not later than 30 days after the date of the enactment of this Act, the United States Department of Energy shall establish an agency-wide priority placement and retraining program for eligible employees.

(c) The priority placement program established under subsection (b) shall include provisions under which a vacant position shall not be filled by the appointment or transfer of any individual from outside of the agency if—

(1) there is then available any eligible employee who applies for the position within 30 days of the agency issuing a job announcement and is qualified (or can be trained or retrained to become qualified within 90 days of assuming the position) for the position; and

(2) the position is within the same commuting area as the eligible employee's last-held position or residence.

(d) JOB PLACEMENT AND COUNSELING SERVICES.—The head of the agency may establish a program to provide job placement and counseling services to eligible employees.

(1) TYPES OF SERVICES.—A program established under subsection (d) may include, but is not limited to, such services as—

(A) career and personal counseling;

(B) training and job search skills; and

(C) job placement assistance, including assistance provided through cooperative arrangements with State and local employment services offices.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $155,331,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $12,000,000, to remain available until expended.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $471,800,000, to remain available until expended: *Provided,* That of the amount appropriated herein, $11,000,000 shall be derived from the Nuclear Waste Fund, subject to the authorization required in this bill under the heading, ''Nuclear Waste Disposal Fund'': *Provided further,* That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act may be retained and used for salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That revenues from licensing fees, inspection services, and other services and collections estimated at $457,300,000 in fiscal year 1997 shall be retained and used for necessary salaries and

expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That the funds herein appropriated for regulatory reviews and other activities pertaining to waste stored at the Hanford site, Washington, shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: *Provided further,* That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1997 appropriation estimated at not more than $14,500,000.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $5,000,000, to remain available until expended; and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: *Provided,* That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: *Provided further,* That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further,* That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: *Provided further,* That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1997 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100–203, section 5051, $2,531,000, to be derived from the Nuclear Waste Fund, subject to the authorization required in this bill under the heading, ''Nuclear Waste Disposal Fund'', and to remain available until expended.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $97,169,000, to remain available until expended: *Provided,* That none of the funds provided herein shall be available for activities of the Environmental Research Center in Muscle Shoals, Alabama, except for necessary termination expenses: *Provided further,* That of the funds provided herein, not more than $5,000,000 shall be made available for operation, maintenance, improvement, and surveillance of Land Between the Lakes: *Provided further,* That of the amount provided herein, not more than $16,000,000 shall be available for Economic Development activities.

TITLE V—GENERAL PROVISIONS

SEC. 501. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

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

SEC. 502. Section 508(f) of Public Law 104–46, the Energy and Water Development Appropriations Act, 1996, is repealed.

SEC. 503. 42 U.S.C. 7262 is repealed.

SEC. 504. Public Law 101–514, the Energy and Water Development Appropriations Act, 1991, is amended by striking '': *Provided*'' and all that follows through ''nonreimbursable'' under the heading, ''Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration''.

SEC. 505. (a) None of the funds appropriated or otherwise made available by this Act may be used to determine the final point of discharge for the interceptor drain for the San Luis Unit until development by the Secretary of the Interior and the State of California of a plan, which shall conform to the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

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

This Act may be cited as the ''Energy and Water Development Appropriations Act, 1997''.

The CHAIRMAN. Pursuant to that order, no amendment shall be in order except the following amendments, which shall be considered read, shall not be subject to amendment or to a demand for division of the question, and shall be debatable for the time specified, equally divided and controlled by the proponent and a Member opposed:

Amendment No. 1 by the gentleman from New York [Mr. SOLOMON] for 10 minutes;

Amendment No. 2 by the gentleman from Pennsylvania [Mr. FOGLIETTA] for 10 minutes;

Amendment No. 3 or 4 by the gentleman from Wisconsin [Mr. OBEY] for 40 minutes;

Amendment No. 5 by the gentleman from Minnesota [Mr. GUTKNECHT] for 20 minutes;

Amendment No. 6 by the gentleman from Wisconsin [Mr. KLUG] for 20 minutes;

Amendment No. 7 by the gentleman from Wisconsin [Mr. KLUG] for 20 minutes;

Amendment No. 8 by the gentleman from Indiana [Mr. ROEMER] for 10 minutes;

Amendment No. 9 by the gentleman from Indiana [Mr. ROEMER] for 10 minutes;

Amendment No. 10 by the gentleman from California [Mr. ROHRABACHER] for 10 minutes;

Amendment No. 11 by the gentleman from Ohio [Mr. TRAFICANT] for 5 minutes;

Amendment No. 12 by the gentleman from Texas [Mr. BARTON] for 10 minutes;

Amendment No. 13 by the gentleman from Nebraska [Mr. BEREUTER] for 10 minutes;

Amendment No. 14 by the gentleman from Tennessee [Mr. HILLEARY] for 10 minutes;

Amendments Nos. 15 and 16 en bloc by the gentleman from Massachusetts [Mr. MARKEY] for 20 minutes.

Amendment No. 17 by the gentleman from Wisconsin [Mr. PETRI] for 20 minutes;

Amendment No. 20 by the gentleman from New Jersey [Mr. ZIMMER] for 10 minutes;

An amendment by the gentleman from Kentucky, [Mr. ROGERS] regarding the New Madrid Floodway, for 5 minutes;

An amendment by the gentleman from California [Mr. FILNER] regarding the Tijuana River basin, for 10 minutes;

An amendment by either the gentleman from Wisconsin [Mr. KLUG], or the gentleman from Colorado [Mr. SCHAEFER], or the gentleman from California [Mr. FAZIO], regarding solar energy, for 30 minutes;

An amendment by the gentleman from Arizona [Mr. KOLBE] regarding the Central Arizona project for 10 minutes; and

An amendment by the gentleman from Virginia [Mr. PICKETT] regarding the Sandbridge Beach project, for 10 minutes.

Pursuant to House Resolution 483, the Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

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

Mr. MYERS of Indiana. Mr. Chairman, I ask unanimous consent to strike the last word to explain the procedure for the remainder of the evening.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MYERS of Indiana. Mr. Chairman, the committee hopes and expects to finish this bill tonight. That is our expectation, and the procedure we are going to use for the next hour and a half, until about 8:30 or quarter of 9, is that we are going to roll all ordered votes until that time.

At this time, down at the Ellipse, the Army has a tattoo to honor those Members of Congress who are retiring, Mr. BEVILL, Mr. CHAPMAN among them, two members of this subcommittee who are retiring; Mr. BEVILL, et al., retired Army types. We would love to have been down there, but work comes first, so there will be no votes ordered, no votes taken during the next hour and a half, no earlier than 8:30, and probably closer to 8:45 or 9 o'clock.

So we now understand what the procedure is, and hopefully, we will hold discussion to a minimum here. We have 20 amendments, some having as much as 40 minutes. To finish those by 11 o'clock is ambitious, but with the cooperation of everyone, we will get out early.

We do not want to cut anyone off. We will try to make sure that everyone that wishes to speak has that opportunity, but let us expedite it if we possibly can.

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But let us expedite it as quickly as we can. Everyone knows the issues we are going to be discussing tonight. Let us stick with it, and we will try to expedite it as rapidly as possible.

Mr. PORTER. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. Mr. Chairman, unfortunately, we will soon be bidding a fond farewell to our good and old friends, the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL]. Both will be very sorely missed in this Chamber. Both have brought professionalism, knowledge, and collegiality to this body, qualities that we need in order to make our system work, and do not always find in our Members.

Despite a great deal more partisanship and contention in this Chamber, those who understand our system realize that cooperation and comity are necessary to find the common ground we need to govern. TOM and JOHN represent to me the personal qualities envisioned in our constitutional system, and I commend them for their work, for their making a difference in their service in the Congress, and wish both of them all good things in their retirements and in the years ahead.

Mr. Chairman, I would ask the chairman of the subcommittee if I may engage him in a colloquy.

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

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

Mr. MYERS of Indiana. Mr. Chairman, I am happy to engage in a colloquy with the gentleman.

Mr. PORTER. Mr. Chairman, I am concerned with the funding level for the section 205 continuing authorities program. I want to be certain that projects under this section specifically mentioned in the report, including the North Libertyville Estates project, will receive priority funding by the Army Corps of Engineers for fiscal year 1997.

Mr. MYERS of Indiana. If the gentleman will continue to yield, it certainly is the intention of this committee that projects such as Libertyville Estates in Libertyville, IL, will receive the top priorities from the Corps of Engineers.

The gentleman has our support, yes.

Mr. PORTER. I would also like to clarify that when the Army Corps of Engineers commits the requested funding for the North Libertyville Estates project, the project cooperation agreement between the local sponsor and the Army Corps of Engineers Chicago District Office can be signed. This commitment indicates to the local sponsor the Federal Government's financial obligation to the project. When the PCA is signed, the local sponsor can begin working on the sewer system. Following the completion of that work, which may take up to 8 months, the Army Corps will begin construction on the levee. The Corps hopes to complete its work in less than 1 year.

It is also my understanding that when funding is committed by the Department of the Army Office of Civil Works, the PCA can be signed and the local sponsor can be assured that the funding for the Federal share is set aside for that project.

I would ask the chairman of the subcommittee, is that correct?

Mr. MYERS of Indiana. If the gentleman will continue to yield, that is correct. When the local sponsor is willing to put money up, it shows two things. First, the people of that area who are going to be affected are concerned and, second, are willing to put their money up; so, yes, that is the intention of the subcommittee.

Mr. PORTER. I very much thank the chairman of the subcommittee.

Mr. DICKEY. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. DICKEY. Mr. Chairman, I would like to enter into a colloquy with the gentleman from Indiana [Mr. MYERS].

Mr. Chairman, H.R. 3816 includes $8 million for the Army Corps of Engineers to continue work on the Montgomery Point Lock and Dam, in Arkansas, on the White River, without cost sharing from the Inland Waterways Trust Fund.

I would ask the chairman of the subcommittee, is it his intent to direct the Corps to use these funds in fiscal year 1997 to continue construction on the Montgomery Point Lock and Dam?

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman is correct. If he will read the report language, we very specifically said this is to be provided completely with Federal funds from the taxpayers.

Mr. DICKEY. Would that provision in this bill direct the Corps to use the funds provided in fiscal year 1997 to begin construction of a diversion channel, or at least to begin moving dirt?

Mr. MYERS of Indiana. The gentleman is correct.

Mr. DICKEY. Mr. Chairman, I would ask the chairman of the subcommittee, is it his intent that the Corps maintain its published schedule for the completion of the Montgomery Point Lock and Dam?

Mr. MYERS of Indiana. If the gentleman will continue to yield, Mr. Chairman, this is not a new project. It has been before us for a good long time. We understand the level of the two rivers is a problem, that something must be done, and we completely support it. The Corps should understand, and I think they do, they have told us they do, that they have to proceed.

Mr. DICKEY. I want to thank the gentleman. I know he is going to be glad after he retires that he will not hear any more about the Montgomery Point Lock and Dam.

Mr. MYERS of Indiana. Promise?

Mr. DICKEY. I cannot promise. Best wishes to you, Mr. Chairman.

Mr. SKAGGS. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SKAGGS. Mr. Chairman, I would like first of all to echo really the understated praise that has been offered by many Members for both the chairman and ranking member who are completing their service this year. I was privileged to serve with them on this subcommittee for a couple of years, and enjoyed that very much, and respect their good work for the country enormously.

Mr. Chairman, I would like to engage the chairman of the subcommittee in a brief colloquy, if I may, concerning one of the projects funded in this bill, namely, the Animas-La Plata project in New Mexico.

As the chairman knows, the bill includes money for this project. There is an extensive discussion of it in the committee report. As we discussed when the bill was before the committee for markup, I think it is important that there be no misunderstanding about this part of the report and the intent that it reflects.

Report language starts by saying, ''In the event that the funding provided the

Bureau of Reclamation is inadequate for the task to be accomplished this year, the committee expects the Bureau to reprogram available funds for construction of the project.''

Mr. Chairman, am I correct in understanding that any such reprogramming would be subject to the normal procedures, including consultation with the committee?

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman is absolutely correct. This has been an ongoing program for the many years the gentleman from Alabama [Mr. BEVILL] and I have been on this subcommittee, and we have tried to make sure that all the concerns, be they environmental, State, whatever it might be, all these are met.

There is no intention here to short-circuit anything. All the normal requirements for reprogramming must be met.

Mr. SKAGGS. If I may follow on further, Mr. Chairman, the project as the gentleman knows has been the subject of some litigation concerning the applicability of various environmental laws, NEPA, endangered species, and so forth. The report also refers to the need for environmental compliance and the possibility that implementation of the Endangered Species Act could limit water development in the San Juan River Basin, which includes the Animas and La Plata Rivers.

Is it nonetheless correct that nothing in the report should be read as suggesting that there is any intent to waive NEPA or the Endangered Species Act or any other environmental law, or to limit the extent to which any such law applies to the Animas-La Plata project?

Mr. MYERS of Indiana. If the gentleman will continue to yield, there is absolutely no intent by this subcommittee to circumvent or to bypass any present environmental laws or rules. The language is written to make sure we do not apply some new rules someplace down the road 2 or 3 years from now.

Mr. SKAGGS. Finally, Mr. Chairman, the report further says that ''Construction of the first stage of the project may proceed without adversely affecting any other water users on the San Juan system.''

Again, I would ask if I am correct in understanding that this simply states an opinion based upon information available to the committee and is not intended to foreclose the ability of any holders of water rights on the San Juan River or its tributaries to raise any issues about the project's effects on their rights?

Mr. MYERS of Indiana. There is no intent by this subcommittee, Mr. Chairman, if the gentleman will continue to yield, to ever change riparian rights. They are as old and constitutional as our country. Downstream holders of rights must not be denied. We have no change in the riparian rights.

Mr. SKAGGS. I greatly appreciate the gentleman's clarification on these points, Mr. Chairman.

AMENDMENT OFFERED BY MR. SOLOMON

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: Page 36, after line 10, insert the following new sections:

SEC. 506. (a) DENIAL OF FUNDS FOR PREVENTING ROTC ACCESS TO CAMPUS.—None of the funds made available in this Act may be provided by contract or by grant (including a grant of funds to be available for student aid) to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that the institution (or any subelement thereof) has a policy or practice (regardless of when implemented) that prohibits, or in effect prevents—

(1) the maintaining, establishing, or operation of a unit of the Senior Reserve Officer Training Corps (in accordance with section 654 of title 10, United States Code, and other applicable Federal laws) at the institution (or subelement); or

(2) a student at the institution (or subelement) from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

(b) EXCEPTION.—The limitation established in subsection (a) shall not apply to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the institution (or subelement) has ceased the policy or practice described in such subsection; or

(2) the institution has a longstanding policy of pacifism based on historical religious affiliation.

SEC. 507. (a) DENIAL OF FUNDS FOR PREVENTING FEDERAL MILITARY RECRUITING ON CAMPUS.—None of the funds made available in this Act may be provided by contract or grant (including a grant of funds to be available for student aid) to any institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that the institution (or any subelement thereof) has a policy or practice (regardless of when implemented) that prohibits, or in effect prevents—

(1) entry to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of Federal military recruiting; or

(2) access to the following information pertaining to student (who are 17 years of age or older) for purposes of Federal military recruiting: student names, addresses, telephone listings, dates and places of birth, levels of education, degrees received, prior military experience, and the most recent previous educational institutions enrolled in by the students.

(b) EXCEPTIONS.—The limitation established in subsection (a) shall not apply to an institution of higher education when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) the institution (or subelement) has ceased the policy or practice described in such subsection; or

(2) the institution has a longstanding policy of pacifism based on historical religious affiliation.

SEC. 508. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from New York [Mr. SOLOMON] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

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

Mr. Chairman, I do not believe there will be anyone rising in opposition to this very good amendment. It has been accepted by all of the chairmen of all of the preceding subcommittees of the Committee on Appropriations, as well as the ranking member.

Mr. Chairman, the amendment that I am offering with the gentleman from California [Mr. POMBO] and the gentleman from Indiana [Mr. BUYER] has passed this House a number of times, most recently on the VA–HUD and Labor–HHS appropriation bills, so I will be brief.

Mr. Chairman, as we know, in many places across the country military recruiters are being denied access to educational facilities, preventing recruiters from explaining the benefits of an honorable career in our Armed Forces of the United States of America, explaining it to our young people. Likewise ROTC units have been kicked off of several campuses around this country.

This amendment today would simply prevent any funds appropriated in this act from going to any institution of higher learning which prevents military recruiting on their campuses or has an anti-ROTC policy. Mr. Chairman, institutions that are receiving Federal taxpayer money just cannot be able to then turn their backs on young people who are defending their country.

Mr. Chairman, it is really a matter of simple fairness. That is why this amendment has always received such strong bipartisan support and become law for Defense Department funds.

A third part of the amendment would also deny contracts or grants to institutions that are not in compliance with the existing law that they submit an annual report on veterans' hiring practices to the Department of Labor. In the same vein, this is simple commonsense and fairness to the people who defend our country. Mr. Chairman, all we are doing here is asking for compliance with existing law. I would urge support of the Solomon-Pombo-Buyer amendment.

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman discussed this amendment with the committee. Coming from a congressional district that has six universities, and having gone through the Vietnam war and the Korean war and some of the problems we had, I completely agree with the gentleman. There is no reason whatsoever for that. These universities are here because some people have fought for the right for them to be there, so we completely agree with the gentleman. We accept the amendment.

Mr. SOLOMON. Mr. Chairman, I certainly thank the gentleman.

Mr. BEVILL. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN. Is there any Member who seeks time in opposition to the amendment?

If not, the question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. ROGERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROGERS: On page 7, line 11, strike ''$302,990,000'' and insert in lieu thereof: ''$303,240,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Kentucky [Mr. ROGERS] and a Member opposed each will control 2½ minutes.

The Chair recognizes the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, this amendment deals with a project in Missouri's Eighth Congressional District, which has been represented, as we all know, by the late and great Bill Emerson. The St. John's-New Madrid project was authorized in the Water Resources Development Act of 1986, but was delayed due to disagreements between the Corps and the local sponsor over cost-sharing issues. Those issues I am told have now been resolved.

This amendment would provide money for the project, allowing the Corps to complete its planning work and to sign formal agreements with the sponsor and begin construction. This project is a priority in this district because of the flooding that it would prevent. It provides levee protection for 400 acres of prime farmland in a three-county area and it will protect three townships, two of which have suffered flooding this year.

It will also prevent flooding on two major U.S. interstate highways.

This amendment provides a relatively small amount, $250,000 for the project, so that the Corps can move it along.

Mr. Chairman, I want to say as vice chairman of the subcommittee what a pleasure it has been working with the gentleman from Indiana, JOHN MYERS, and the gentleman from Alabama, Mr. BEVILL, two stalwart giants of this body whom we will all miss very much. It has been a great pleasure working with them, seeing them work from the inside. It is as pleasurable as seeing them work from the outside.

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

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

Mr. MYERS of Indiana. Mr. Chairman, I thank our colleague, first for his nice words, and his contribution to the subcommittee.

The committee is very much aware of the situation in the New Madrid area of Missouri. Our good friend, Bill Emerson, talked to the committee a number of times. I have been in his district twice on this particular issue. We discussed it with Bill before his passing, that it was a new start. The committee has tried to hold the line on new starts because of concern about future funds. We are completely understanding. We loved Bill. We want to honor his memory. But we did put the language in our report on page 37 that the Corps of Engineers is to complete its preconstruction engineering activities on the St. Johns-New Madrid floodway, and they are to report back to the committee within 6 months. So while I cannot obligate the next Congress or the conference committee, it is fully understood that this is a high priority. We respect that we want to remember Bill this way, and we hope that future Congresses will do this job.

The CHAIRMAN. Does any Member seek time in opposition to the amendment?

Does any Member seek unanimous consent to control the time in opposition?

Mr. MYERS of Indiana. Mr. Chairman, I ask unanimous consent to control the time in opposition, while I am not opposed to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MYERS of Indiana. Mr. Chairman, I yield the gentleman from Kentucky [Mr. ROGERS].

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

Mr. Chairman, I would ask the gentleman, is this something the chairman and the Members could consider as we proceed along in the future?

Mr. MYERS of Indiana. Mr. Chairman, we are going to go to conference hopefully next week, even, with the other body. If the opportunity presents itself, and we do not know what funds they will have, it will be, I assure the gentleman, under consideration when we do go to conference. The gentleman will be a member of that conference, so I assure him we will give it every consideration. We loved Bill Emerson and we want to remember him properly.

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Mr. ROGERS. Mr. Chairman, I thank the gentleman for that willingness to consider the project in conference as we proceed.

Mr. Chairman, with that assurance, I ask unanimous consent to withdraw the amendment.

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

There was no objection.

AMENDMENT OFFERED BY MR. TRAFICANT

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

The CHAIRMAN. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT:

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If its has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Ohio [Mr. TRAFICANT] and a Member opposed each will control 2½ minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I want to start out by associating myself with all of the remarks relative to the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL]. I want to thank both of the gentlemen, on behalf of all of the people in the 17th District of Ohio, for over the years having worked with us, being honest with us, and attempting to give us a hand, and certainly on behalf of all of the people in the country.

Let me also say that my amendment is straightforward. Any person who affixes a fraudulent Made-in-America label on an import shall be ineligible to receive any contract or subcontract under this bill. It is good, straightforward legislation.

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

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

Mr. MYERS of Indiana. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Ohio [Mr. TRAFICANT], as always, has discussed his amendment with the committee. We have added the basic language to our bill for a number of years under the leadership of the gentleman from Alabama [Mr. BEVILL], and we are pleased to accept your new additional language which we understand and completely agree with.

Mr. TRAFICANT. Mr. Chairman, I yield such time as he may consume to

the distinguished gentleman from California [Mr. MILLER].

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. I thank the gentleman for yielding. I rise in support of his amendment and also in support of his legislation.

I rise in support of H.R. 3816, making appropriations for energy and water development for fiscal year 1997.

This bill provides funds for critical flood control and navigation projects in Contra Costa and Solano counties in the San Francisco Bay Area of California. I appreciate the committee's continued support for these projects.

I am particularly pleased that the committee's bill seeks to resolve two important matters affecting California's Central Valley Project and the protection of water quality in the Sacramento-San Joaquin Delta. Specifically, the committee has included language to compel San Joaquin Valley irrigators to repay over $30 million in costs related to cleaning up the contamination at Kesterson Reservoir and for studies on how to resolve the mounting drainage crisis in the Central Valley. Committee members also voted to reimpose a ban on selection of any terminus for the San Luis Drain. The drain was proposed years ago to benefit irrigators who want to convey their agricultural wastes from the Valley into the Delta and San Francisco Bay.

Agricultural wastewater in California's Central Valley poisoned Kesterson Reservoir in the 1980's and demonstrated the severe pollution generated by irrigated agriculture in the West. Years later, there is widespread opposition to any drain that would dump those wastes into the Delta and San Francisco Bay. For years, the farmers whose irrigation practices caused the severe pollution problems in the Valley have evaded paying for the cleanup costs. With the language included in H.R. 3816, the delays will end, and the payment will begin. The restriction on selection of any terminus re-emphasizes the Congress' often-stated concerns about the proposed drain to the Delta.

As a result of these provisions, taxpayers will finally receive long-overdue payment for the costs of cleaning up Kesterson Reservoir; the Delta and San Francisco bay will be protected from toxic discharges of agricultural wastes; and Central Valley irrigators can close the books on Kesterson and pursue innovative solutions to their drainage problems within their own area instead of seeking to export their pollution problems elsewhere.

My own opposition to such a drain is long-standing and reflected in years of testimony before the Appropriations Committee in support of the restrictive amendment that once again is included for fiscal year 1997. The Bay-Delta system is the ecological and economic core of northern California. We have spent years, and billions of tax dollars—and private dollars—cleaning it up and restoring its water quality, its fisheries, and its aesthetic appeal. Through a series of laws I have authored, including the Central Valley Project Improvement Act of 1992, we have rededicated our efforts toward those goals through major reforms in the management of our water resources. We are never going to go backward and again allow others to treat our Bay-Delta system as a cesspool for their own contamination.

As important as these provisions concerning repayment and the drain terminus are, they alone will not resolve the drainage problems in the San Joaquin Valley. The Bureau of Reclamation, acting pursuant to a court order, is now negotiating a memorandum of understanding with the California State Water Resources Control Board and the Westlands Water District regarding the terms and conditions under which an environmental impact statement addressing drainage issues will be prepared. I have had an opportunity to review a draft of this MOU, and I note that it quite properly assigns full responsibility for payment of all costs of preparing the EIS to the Westlands Water District. Any agreement that allows Westlands to evade paying 100 percent of the expenses of preparing this EIS will not be acceptable. In addition, the MOU must strictly limit Westlands' role in the actual preparation of the EIS and in approving all or portions of the EIS. Under no circumstances should Westlands or other Central Valley Project water users be in a position of authority with respect to NEPA compliance. I have alerted the Bureau of Reclamation of my concerns regarding the pending execution of this MOU, and I will continue to insist that the strictest standards of public involvement be followed as solutions to drainage issues in the San Joaquin Valley continue to be pursued.

H.R. 3816 and the accompanying committee report also raise an additional issue which I will address in my capacity as senior Democratic member of the Committee on Resources.

I wish to register at this time my strong objections to language contained in the committee report accompanying H.R. 3816 (House Report 104–679), which directs that no funds be made available for the San Joaquin River Basin Resource initiative in fiscal year 1997. As my colleague from California, Ms. PELOSI, noted in her additional views on this bill, the San Joaquin study is required by law; it is not optional. The study was authorized to determine how to restore fish to the San Joaquin River, where diversions of water for irrigation have wiped out several stocks of commercially valuable anadromous fish.

The Appropriations Committee is obviously determined to kill this study and prevent people from learning the truth about the destruction of fishery resources in the San Joaquin River. The effort to kill this study is important only to a small group of CVP beneficiaries who continue to profit from their subsidized water supplies at the expense of California's commercial and sport fish businesses. The San Joaquin study has been authorized by Congress and the Secretary is obligated to complete this study. The San Joaquin study should be fully funded and allowed to proceed without interference from special interests.

Mr. TRAFICANT. Mr. Chairman, before I close I want to thank the gentleman from Indiana [Mr. MYERS] for his position and leadership on the Committee on Commerce. I urge an ''aye'' vote.

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

The CHAIRMAN. Does any Member seek the time in opposition?

The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

Mr. HASTINGS of Washington. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Washington is recognized for 5 minutes.

There was no objection.

Mr. HASTINGS of Washington. Mr. Chairman, I would like to engage in a colloquy with the gentleman from Indiana [Mr. MYERS] and also associate myself with the remarks that were made earlier in his behalf on his retirement. We have worked closely together over the last 2 years and I greatly appreciate his hard work on this legislation.

What I would like to do, however, Mr. Chairman, is inquire about report language that has been included in the Senate bill. This encourages the Bonneville Power Administration to enter into an energy exchange with non-Federal hydro projects on the Columbia River that are affected by Federal fish protection measures.

The Douglas County PUD district estimates that it loses almost one-fifth of its energy-carrying capability as a result of the Federal fish protection programs. The cost of these losses, which do not take into account the PUD's own fish protection costs, have nearly tripled in this past decade.

The Senate language is intended to urge BPA to provide winter energy to non-Federal projects in return for delivery of an equal amount of energy generated in those projects from the increased Federal fish flows in the spring and the summer. Such an exchange is similar to the kinds of federally authorized seasonal exchanges BPA already makes with utilities in California. This is also specifically provided under by the Northwest Power Planning Act.

I believe that this issue is best resolved between BPA and those interested non-Federal utilities. However, I am willing to explore a solution to this problem as a member of the House Committee on Resources, should I be convinced that BPA is not negotiating in good faith.

Will the chairman be willing to work with us to arrive at an acceptable resolution to this problem?

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

Mr. HASTINGS of Washington. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, of course, the committee will be very pleased to work with the gentleman, as we always have. The committee shares that concern about which we are all interested in saving the salmon and other fish, but at what cost? We have to offset that some way, so we are very much willing to work with the gentleman. I thank the gentleman for bringing this issue up.

Mr. HASTINGS of Washington. Mr. Chairman, I thank the gentleman for that. I would also like the chairman to know, because we have been discussing other issues mainly with the Department of Energy on environmental

cleanup efforts, I want him to know, however, that the House and Senate have accepted legislation dealing with this from a structural standpoint. Those issues are in committee right now and should be resolved in the authorization bill. So I wanted to let the gentleman know that that is proceeding on even though it is out of his jurisdiction.

I also appreciate the chairman's willingness to work with us to ensure that the savings reached in the new Hanford contracts which are in my district can be used to compensate for the Department's plan to transfer $185 million in cleanup into an insurance fund. I appreciate his work on this because this is critical to my district, and, Mr. Chairman, I thank the gentleman for his consideration.

Mr. MYERS of Indiana. I thank the gentleman.

Mr. BROWN of California. Mr. Chairman, I ask unanimous consent to strike the last word in order to engage in a colloquy.

The CHAIRMAN. Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I would say to my colleague, the gentleman from Indiana [Mr. MYERS] that this is what I would like to do. I am going to give a brief description of the situation of the Salton Sea for which we have in this bill $400,000, and then I am going to conclude by asking the gentleman if he would be willing to consider adding report language directing the Bureau of Reclamation to develop a mitigation plan for the Salton Sea. The gentleman can think about that while I describe the situation.

Mr. Chairman, my colleagues, these two charts show the Salton Sea, in case you think it does not exist. The Salton Sea is this body of water right here in the southeast corner of California. It is about 500 square miles. It is probably one of the largest bodies of inland water outside of the Great Lakes in the United States. It is an artificial lake that was created 90 years ago by the flooding of the Colorado River, and a good lawyer would easily find that the Federal Government was responsible for that flood and for cleaning up the mess that now exists there, which I am going to describe very briefly.

The Salton Sea was created, as I said, by the overflow of the Colorado River 90 years ago. It was a fresh water lake to begin with and it had fresh water fish, trout and so on. Over the last 90 days it has become a salt water lake. It is now 50 percent saltier than the ocean.

The 1992 Water Act, which we passed in this House, authorized $10 million for the analysis of this situation, the problem of the Salton Sea. The Bureau of Reclamation in its wisdom has only requested $300,000 of that $10 million to engage in research, and they requested nothing for the next fiscal year.

I want to thank the gentleman from Indiana [Mr. MYERS] and his committee in their wisdom for adding $400,000, unrequested by the Bureau.

Now, the Bureau's description of the Salton Sea project, which I have here, and I would like to quote from it briefly. It says that ''Over the last several decades there has been concern over the increasing salinity of the Salton Sea.'' It is, as I said, now 50 percent saltier than the ocean. It goes on to say that ''There are indications that increasing salinity is adversely impacting biological values.''

Would pictures of acres of dead fish constitute an indication that biological values were being impacted? Because that is what we have, acres of dead fish, and it is now clear that all fish in that lake will be dead within a very short time.

I quote further: ''There are also adverse impacts on recreational uses.'' The actual value of those adverse impacts is $50 million a year today and going up.

Another concern is that the surface elevation of the sea has been on the rise. That elevation can fluctuate by a foot or more with a very small change in the amount of water coming in, and that inflow is not being controlled. The one lawsuit that I know of which was brought on that matter resulted in a liability judgement by the court of $10 million against the irrigation district for not controlling it.

Now, this situation will become drastically worse within 5 years because of the plans to conserve and sell water in the Imperial Valley. They are going to probably conserve 20 percent of the irrigation water coming from here into the Salton Sea and reduce the size of the Salton Sea by probably about 20 percent, leaving a huge vacant area around the edge of the Salton Sea, and those properties which are now lakeside properties will be a mile from the edge of the lake. Every one of those property owners is going to sue. The potential damages run into the hundreds of millions of dollars.

Now, why did the Bureau of Reclamation not ask for any money this year to continue research on solutions to this problem? I do not know. they are all nice people. I have talked to them. They say, ''Well, it is pretty controversial. We are not sure that we ought to get into something at this time.'' Another year from now may be too late. We have to have an action plan.

I want to see the Bureau, which has the best qualified people in the world, begin to do something. Would the chairman, the gentleman from Indiana [Mr. MYERS] be willing to give them some modest direction in the language of committee report saying that we would like to see them use this $400,000, which must be matched by local sources, meaning $800,000, to prepare an action plan?

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

Mr. BROWN of California. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, the Salton Sea is, I guess, California's Dead Sea. We are very much aware of it. We have had it under consideration for quite some time.

The gentleman said it was not requested. The gentleman from California [Mr. BROWN] requested it from the committee, so it may not have been requested by the Bureau of Reclamation. We are very much aware of it.

Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Indiana is recognized for 5 minutes.

There was no objection.

Mr. MYERS of Indiana. Mr. Chairman, I will yield to my colleague for a response here, but first, we are fully aware of this. The New River is becoming more and more polluted. We understand there is a threat from Mexico. I think it meets the requirements to clean it up. They are going to shut some of our water off, and that will present a worse problem.

We are very much aware of that. That is where the gentleman put $400,000. We are asking the Bureau of Reclamation to get its work done and do what the gentleman is speaking of here. We are very much aware of it, and we are going to be pushing and making sure that BOR does its job.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I would like to express my profound thanks to the gentleman from Indiana [Mr. MYERS] for his knowledge about this situation. As he has already indicated, the Mexicans now have EPA money and United States-Mexico Border Commission cleanup money to build a sewage system. They are going to clean up that water and then they are going to keep it in Mexico. That reduces, again, the amount of flow coming from across the border here into the Salton Sea and it means the problem becomes worse.

Mr. MYERS of Indiana. Mr. Chairman, we have the Kesterson situation in California, similar to this because it was neglected in years past. Now, we are still living with that problem. We want to avoid this at this point. We have recurring responsibilities in this country. We think they should also adhere to the recurring responsibility and have an obligation downstream to help keep that lake alive.

Mr. BROWN of California. Mr. Chairman, if the gentleman will yield further, I am not going to take any more of his time, but he has been a true gentleman, and I appreciate it.

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

Mr. MYERS of Indiana. Mr. Chairman, I yield to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, if the gentleman from California [Mr. BROWN] would remain, I just have a couple of questions for him.

Not being on the committee, I can tell you where Worchester is and Pintail Duck Club, and so can my father-in-law because we use it all the time, and I am aware of some of the pollution problems. I am not aware of some of the areas which the gentleman is trying to help.

I support what the gentleman is trying to do. If the gentleman could make me more knowledgeable on the issues as far as what those plans are, maybe I could even be more supportive for him.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, if I may respond briefly to the gentleman, the duck hunters from my district, which is one reason I have a concern, are very unhappy with the situation down there. This is a flyway, a migratory bird flyway where they come from the north down to the Gulf of California here. There are large nesting areas down here.

The duck hunters are now seeing examples of bird kill from eating the dead fish which may have selenium in them, and further increases in salinity will compound the problem. We will have environmentalists suing all over the place to force Salton Sea to be cleaned up, which can be done probably in the same way they did at Kesterson, which is to shut down part of the agriculture, and that is a $1 billion a year agriculture industry there. A 10 percent shutdown is $100 million a year.

Mr. MYERS of Indiana. Mr. Chairman, the committee understands the concern and shares that concern and we will do all we can.

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Mr. FOGLIETTA. Mr. Chairman, I ask unanimous consent to strike the last word in order to enter into a colloquy with the chairman of the subcommittee.

The CHAIRMAN. Without objection, the gentleman from Pennsylvania is recognized for 5 minutes.

There was no objection.

Mr. FOGLIETTA. Mr. Chairman, I am deeply concerned about the language in the bill which prohibits funding for the hopper dredge, the U.S.S. *McFarland*. The *McFarland* is a seagoing hopper dredge owned by the Philadelphia District Army Corps of Engineers. This vessel is vital to the commerce in the Delaware River as well as to the environment in the area. I understand that there are some ideas on dredging in the future, but I am concerned with a provision of this bill forbidding the expenditure of funds to maintain the capabilities of this vessel. It is my understanding that we have the gentleman's commitment, according to our prior conversation, to work together with myself and my colleague, the gentleman from Pennsylvania [Mr. BORSKI], to arrive at a result in conference that would enable the *McFarland* to be maintained and improved so that it can continue to do its job in the Delaware River.

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

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

Mr. MEYERS of Indiana. Mr. Chairman, the *McFarland*, as we all know, is an old, old hopper dredge. The necessity of keeping it in inventory to do the type of work the gentleman is referring to, local work there, the committee has recognized for several years. The concern was to spend good money after bad. It is an old, old hopper dredge. We have rejected major overhaul improvements and this is what the intent of this language was, to make sure that it is maintained so it can do the job when needed but not to be put back into inventory to do a job it was never intended to, and it has outlived its lifetime.

Mr. FOGLIETTA. But we certainly do not anticipate a complete overhaul of this ship or this vessel. All we want to do is maintain it in its full capability it now has to continue doing its work as it is now doing until the Army Corps of Engineers issues its report, which is due in the near future.

Mr. MEYERS of Indiana. The intent was to keep it like it is today, repairs when necessary but no major overhaul.

Mr. FOGLIETTA. We are not looking for a major overhaul.

Mr. MEYERS of Indiana. We are reading on the same page.

Mr. FOGLIETTA. I thank the chairman.

AMENDMENT OFFERED BY MR. BARTON OF TEXAS

Mr. BARTON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. BARTON of Texas: Page 20, line 18, insert ''(reduced by $1,000,000)'' after ''$195,000,000''.

Page 21, line 21, insert ''(increased by $1,000,000)'' after ''$24,000,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Texas [Mr. BARTON] and a Member opposed will each control 5 minutes.

The Chair recognizes the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I talk abut my amendment, I want to compliment the gentleman from Indiana, Chairman MYERS, and the gentleman from Alabama, Ranking Member BEVILL, for their work, not just this year but in prior Congresses. They have always been a pleasure to work with and been very professional and have helped me not just on this amendment but many other issues in the past, including the late lamented superconducting super collider that they both worked very hard for.

Mr. Chairman, the amendment before the body is a straightforward amendment. It would reduce the general administration account in the departmental administration, Department of Energy, by $1 million, from $195 million to $194 million, and transfer that $1 million to the Inspector General account in that same department. The Inspector General office last year actually spent $28 million. The Senate mark this year was at $23 million. The current House mark is at $24 million. So this transfer of $1 million would increase the Inspector General account to $25 million. The Inspector General's office in the department has been very helpful to me in my duties as chairman of the Committee on Oversight and Investigations of the Committee on Commerce, especially with regard to the travel practices of the current Secretary, Mrs. O'Leary. They have uncovered numerous instances of waste of funds. In fact, the Secretary herself in her appearances before my subcommittee has admitted that mistakes have been made and is trying to work to rectify those mistakes.

So I would hope that we would accept this amendment, and it is my understanding that both the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] are prepared to accept it.

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

Mr. BARTON of Texas. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, let me explain how we got here. We put $25 million, as the gentleman has expressed, last year to the IG. The IG is a very important function of government, of every agency. We need inspections. I appreciate the fact that the gentleman has shared that they have helped him very much in his examination of the way the funds of the department have been spent. Last year the IG was appropriated $25 million but later, not too long ago we learned that not only did they spend the $25 million that we had appropriated, but they had also had some funds someplace of more than $3 million that they also spent. We were not aware of that at the time we marked the bill up. We have had to cut back, reduce the size of government, so we cut back $1 million here as badly as the IG is needed. So with the understanding now that they used these extra funds, where it came from I am not sure yet.

In any event, we accept the amendment because they do a very necessary and fine job. I thank the gentleman for offering the amendment.

Mr. BARTON of Texas. Mr. Chairman, it is my understanding that the minority also accepts the amendment.

With that, Mr. Chairman, I yield back the balance of my time, but I do have a query to the Chair: Is the bruise above the Chairman's left eye going to

preclude him from participating in the sporting contest tomorrow evening that he has been preparing for for the last several months?

The CHAIRMAN. Nothing could keep me from that game.

Mr. BARTON of Texas. Mr. Chairman, I would hope for a unanimous vote in support of the amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROEMER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. ROEMER: Page 17, line 21, strike ''$2,648,000,000'' and insert in lieu thereof ''$2,638,400,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Indiana [Mr. ROEMER] and a Member opposed each will control 5 minutes.

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

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

Mr. Chairman, I offer this amendment in the spirit of bipartisanship with the gentleman from California [Mr. ROHRABACHER], my chairman who serves with me on the Subcommittee on Energy of the Committee on Science. We have offered this amendment for two reasons: Primarily for deficit reduction. If we are going to move toward a balanced budget by 2002, if we are going to achieve that in a fair manner, we need to come up with some spending reductions in a host of different accounts. When we looked very carefully at this budget, we found that the field offices under the Energy Department jurisdiction had actually said that they were going to decrease their staff by 6 percent. Instead they got a 7-percent increase. We offer this amendment to cut $9.6 million out of those field offices and take them down to the level that they said they would go down to.

The second reason is the U.S. Senate has agreed to this cut. They have already made the cut of $9.6 million in this account. So if this body agrees to this bipartisan amendment, this will bring it to the same level as the U.S. Senate.

Oftentimes around this body to spending reductions, we take the approach called NIMBY, not in my backyard, Mr. Chairman. Don't cut it if it affects us out in the field in our congressional offices.

We have cut the headquarters in Washington, DC, under this budget by about 25 percent. Yet, as I said previously, we have not cut the field offices. This would apply those same fair cuts to some of the field offices. Not devastating cuts, fair cuts to help us reach a balanced budget in the next few years.

The justification for this, and I do not think this is an onerous amendment at all, Mr. Chairman, reading through the budget request, here is something typical of one of the field offices:

The budget request of an Idaho field office states that it needs $893,000 to pay seven new employees but later on, Mr. Chairman, five pages later in the budget to be precise, the office says that it will cut its staff by 15 employees next year. So it needs money to add employees and then it is going to cut employees, anyway.

I think this is in line with some of the fair cuts that we are trying to work together on in a bipartisan spirit, Mr. Chairman, and I would encourage this body to vote in favor of this amendment.

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

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

Mr. MYERS of Indiana. Mr. Chairman, my good friend and colleague from Indiana has discussed this amendment, and we have agreed. We have cut headquarters; we have cut the administrative staff quite a little bit. We did not cut the field offices, but we agree with the gentleman. I think there can be a reduction there. I think everyone agrees. We accept the gentleman's amendment.

Mr. ROEMER. Mr. Chairman, I am not going to use any more of any time on this amendment. I know a good thing when I see it. This will save the taxpayers almost $10 million. I urge the body to agree with the chairman and the ranking member's recommendations and move my amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROEMER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. ROEMER: Page 17, line 21, strike ''$2,648,000,000'' and insert in lieu thereof ''$2,638,000,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Indiana [Mr. ROEMER] and a Member opposed each will control 5 minutes.

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

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

Mr. Chairman, I am going to be very brief with this amendment. I am delighted to have passed the last amendment. This amendment would save the taxpayer approximately $10 million.

In testimony that I sat through based on the February 1995 Galvin report, Alternative Futures for the Department of Energy National Laboratories, Dr. Robert Galvin, the former CEO of Motorola, estimated that the labs could reduce their cost by 50 percent through streamlining and other efficiencies. Since the publication of this report, DOE has implemented some of its recommendations.

As a result, DOE claims to have saved $264 million in fiscal year 1996 and expects to save $366 million in fiscal year 1997. In total, DOE has promised to save over $1.7 billion in the next 5 years. Overall the DOE budget request remained level from fiscal year 1996 to fiscal year 1997. Thus, despite savings from the Galvin initiative, DOE has made up for the administrative cost reductions by advancing other new initiatives. These new initiatives included the National Ignition Facility and countless smaller activities.

Mr. Chairman, my amendment says if we are going to save the money through the Galvin report, it should not be respent, then, from administrative savings on other new initiatives. Let us say to the Department of Energy, if we are going to run it better, cheaper, more efficiently for the taxpayer, then the taxpayer needs to see some of the benefits from that.

My amendment would make sure that the taxpayer received some of those benefits by making sure that the $10 million in this amendment goes to deficit reduction.

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

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

Mr. MYERS of Indiana. I thank my friend for yielding.

Mr. Chairman, we share the concern that the gentleman has, and he is right. We have many, many, too many national labs today. We have to do something about it. It is a concern of this committee. We have had concern for several years. We have to consolidate some of them. We just cannot continue to fund all of these. However, we have already reduced this account. We were aware of Mr. Galvin. In fact, we invited him last year to appear before our committee. While we have made significant reductions here, we feel that might be too much at this time. But in the future I think that we are going to have to do something along this line and reduce.

I urge the gentleman to withdraw at this time this amendment. I think the gentleman is on the right track, but maybe we have cut it enough already in the bill.

Mr. ROEMER. Reclaiming my time, Mr. Chairman, I would just say that for those kinds of comments and the kind of bipartisanship that the gentleman from Indiana [Mr. MYERS] has shown our side in the past, we will sincerely miss him next year when I will hopefully continue to work on this.

Mr. MYERS of Indiana. We wish the gentleman well.

Mr. ROEMER. It will be a fight, as the gentleman from Indiana knows. We

will continue to try to restructure, not just cut the national laboratories. They are an invaluable resource for this country. We do need to restructure them, we do need to make sure they are not duplicating efforts from our colleges and universities in the private sector, and we do need to make sure when we cut costs that we actually save money for the taxpayer.

With that, Mr. Chairman, and with the kind words from the distinguished Member from my State of Indiana, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDMENT OFFERED BY MR. KOLBE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KOLBE: On page 12, line 23 strike ''$398,069,000'' and insert ''$377,496,000'', and on page 13, line 1 strike ''$71,728,000'' and insert ''$51,155,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Arizona [Mr. KOLBE] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Arizona [Mr. KOLBE].

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

Mr. Chairman, the amendment I am offering on behalf of the entire Arizona congressional delegation reduces the FY 1997 funding level of the Central Arizona Project [CAP] by $20,573,000. If adopted, my amendment would bring the FY97 appropriation for the CAP from the $76.6 million recommended in the bill to $56,073,000. That's about a 27% cut in this project alone, and a nearly 5% cut in the total Bureau of Reclamation construction budget.

Mr. Chairman, most members would agree this is a tad unusual: to cut your own construction project! So they may wonder why I'm proposing this reduction, particularly as Federal commitments to Energy and Water programs are dwindling and funding for worthwhile and important projects is difficult to obtain.

But the truth is simple—we don't need all of this money! Of course, I'm extremely grateful to Chairman JOHN MYERS and Ranking Minority Member TIM BEVILL for being such stalwart supporters of this project over the years. But, the fact is we are nearing the completion of this monumental project, and we just don't need the money that the Bureau is trying to spend on this project.

This amendment does not imply that the CAP has diminished in importance. This simply is not the case. Bringing a stable water supply from the mainstream of the Colorado River into central and southern Arizona is, very simply, the sustenance that has allowed Arizona to thrive. The Ancient Ones—the Hohokams—knew that the area could not survive without a dependable source of water. Their disappearance 800 years ago is associated with their inability to have an assured water supply during a long-term sustained drought. However, with the help of Congress and the vision of some great leaders from my own State of Arizona, we have accomplished what past civilizations could not. The Central Arizona Project provides the water that has become our lifeblood. Its value is being proved, even as I speak, as it delivers water to thirsty Arizona during the worst drought in 100 years.

That doesn't mean, however, that we have to gild the lily. We don't have to add things to the project that have nothing to do with delivering water to central Arizona. But that is exactly what the Bureau has proposed doing in their budget request this year. As I stated earlier, the CAP is nearing completion; in fact, it has been declared ''complete'' and operation turned over to its ongoing manager, the Central Arizona Water Conservation District [CAWCD]. It has thus become possible to scale back the Federal Government's financial commitment to minor parts of the CAP's budget without having any negative impact on the overall project. Working with the management and board of CAWCD, I have identified several programs within the CAP whose funding can be reduced for fiscal year 1997.

The following list identifies the specific projects/activities, provides a brief description of the work to be performed, lists the projects location in the Bureau of Reclamation's Budget Justifications for fiscal year 1997, and the total amount of the reduction that I'm proposing. Again, the total amount of the reductions that I am proposing to the CAP's fiscal year 1997 budget is $20,573,000.

(1) Hayden-Rhodes Aqueduct: Siphon Repairs, PF–2B, page 5, line 5, $1,616,000.

(2) Hayden-Rhodes Aqueduct: other repairs, PF–2B, page 5, line 12, $1,509,000.

(3) Modified Roosevelt Dam: noncontract costs, PF–2B, page 14, line 15, $4,465,000.

(4) Other project costs: Water allocations non-contract costs, PF–2B, page 33, line 9, $500,000.

OPC O&M during construction, PF–2B, page 33, line 15, $350,000.

Curation Facilities, PF–2B, page 34, line 3, $750,000.

Native Fish Protection, PF–2B, page 34, line 13, $2,775,000.

Native Fish—noncontract costs, PF–2B, page 34, line 14, $332,000.

(5) Environmental Enhancement: Major contracts, PF–2B, page 35, line 6, $2,200,000.

Noncontract costs, PF–2B, page 35, line 7, $801,000.

(6) New Waddell Dam: Roadrunner Campground, PF–2B, page 10, line 2, $1,470,000.

New Recreation Enhancement Contracts, PF–2B, page 10, lines 3, 4, 5, & 6, $1,550,000.

Non-contact costs, PF–2B, page 10, line 1, $2,255,000.

Total reduction in fiscal year 1997 cap budget—$20,573,000.

Mr. Chairman, in some cases these programs do not need to be funded at all, and others require no funding in fiscal year 1997. For instance, $1.6 million was requested for siphon work, but the Bureau of Reclamation (the Bureau) completed siphon work on September 30, 1993. Furthermore, the Bureau has declined to perform any siphon repairs that may be needed. If this issue is ever resolved and the Bureau agrees to initiate and do the work on the siphons in need of repair, then we can provide them with money in fiscal year 1998. But the Bureau has not made any indications that they are willing to undertake this work.

Another example of unneeded federal funding is the $1.5 million earmarked for Reach 11 dike repairs. The Bureau has already completed Reach 11 dike repairs and has no need of any more money for work related to those repairs. Staff costs earmarked for modified Roosevelt Dam are in a similar situation; $4.5 million was included for staff costs. Modified Roosevelt Dam, however, is now complete and a notice of ''substantial completion'' will be issued by the Bureau this fall. And that is an exorbitant cost to finish up this project.

The same can be said for over the $5 million recommended for recreational related activities at New Waddell Dam. Although recreational activities enhance one's overall outdoor experience, they aren't integral to the delivery of Colorado River water to central and southern Arizona, and they certainly shouldn't be paid by taxpayers elsewhere in our nation. If a case can be made that these appealing, yet ancillary activities, should be funded, then we can review this information and consider funding them in fiscal year 1998. The list I have prepared is replete with similar situations. That is why these programs have been targeted for funding reductions.

The Bureau in responding to my amendment allege that cuts of the order that I have proposed would jeopardize other CAP features and delay work on several projects. The Bureau also states that the proposed reductions would cause a delay in funding ''*** work on the Pascua Yaqui and San Carlos Indian Distribution Systems ***'' and delay the ''Gila River Indian Community (GRIC) Self Governance contract''. To further illustrate their concern the Bureau claims that they would have to ''reassign'' $5.3 million that has been earmarked for the GRIC contract to other activities. This not so veiled threat is gamesmanship, at best, and I categorically and completely refute the Bureau's contentions.

First of all, my amendment does not have any impact on work related to the Indian Distribution System account. Funding for work related to this vital project is contained in a separate line item within the CAP budget and one which my amendment leaves untouched. I firmly believe that Federal commitments made to tribal leaders should be fulfilled. Secondly, the Bureau's threat to reprogram monies set-aside for the GRIC contract are hollow. Final reprogramming authority is vested with Congress and more specifically

the House and Senate Appropriations Subcommittees on Energy and Water Development. I don't think this Congress will be a willing partner in any effort to renege on a long-standing commitment to the Gila River Indian Community. Lastly, I am amazed that in an era of downsizing the Bureau of Reclamation is fighting tooth and nail to keep from trimming their bureaucracy.

I am convinced that my amendment will not negatively impact ongoing projects which are vital to the CAP. In fact, I have a letter from the general manager of the Central Arizona Water Conservation District, the governing body of the CAP, endorsing my amendment.

In the letter the general manager reiterates that the reduction proposed by my amendment will not impact CAWCD's ability to manage the Central Arizona Project, and that CAWCD agrees with the level of reductions that are being proposed.

Mr. Chairman, this is a win-win-win for all of us. American taxpayers don't have to put up the front money for unnecessary work on this project; CAP water users don't have to pay higher property taxes to repay parts of a project that are unneeded; and Bureau personnel and resources can be released for other important projects.

Mr. Chairman, this Nation is facing a $5.2 trillion debt, and this Congress is working diligently to reduce our annual deficit. The Central Arizona Water Conservation District and the residents of Arizona are prepared to do our part to assist in this endeavor. My amendment trims over $20 million from the Central Arizona Project's budget in fiscal year 1997. I ask that my colleagues support this cost saving amendment.

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Mr. Chairman, I ask my colleagues to support this cost-saving amendment.

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

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

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Does any Member seek time in opposition:

Mr. KOLBE. Mr. Chairman, in the absence of any Member in opposition, I ask unanimous consent that the gentleman from Indiana [Mr. MYERS] be allowed to take the 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. MYERS] for 5 minutes.

Mr. MYERS of Indiana. Mr. Chairman, the gentleman, who is a member of the full committee and a very strong advocate of the CAP, has discussed this amendment with us. In examining his recommendations, on a number of these we completely agree. How we missed them, I do not know.

As an example, the siphons. The siphons are in litigation, have been for quite some time. And some of the repairs, I understand, have been made. But there are still some that have not been made subject to whatever the decision will be by the court. But a number of others are legitimate and ways to save money.

Anytime this committee can find a way to save money, and it is unanimous from the gentleman's delegation from Arizona, we have no objections. We welcome it, and I thank the gentleman.

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

Mr. MYERS of Indiana. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman's support. The Senators concur with that, and they will be offering the same reduction over on the Senate side.

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

Mr. MYERS of Indiana. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I have no objections.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. KOLBE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PETRI

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PETRI: Page 12, line 23, after the dollar amount, insert ''(reduced by $10,000,000)''.

Page 12, line 24, after the dollar amount, insert ''(reduced by $9,500,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Wisconsin [Mr. PETRI] will be recognized for 10 minutes, and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. PETRI].

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

Mr. Chairman, this amendment cuts the $10 million in the bill that would be used to begin construction of the Animas-La Plata [A–LP] Bureau of Reclamation water project in southern Colorado and northern New Mexico.

Just on the face of it, pumping water over 1,000 feet uphill into another watershed, largely for irrigation, does not appear to be a sensible thing to do. I know of no other irrigation system with such an inherently uneconomic basic design.

Proponents attempt to justify A–LP by saying it is needed to satisfy Indian water rights claims, but this project can't possibly be built in time to avoid litigation.

The 1988 Settlement Agreement says that if the Indian water rights have not been fulfilled by the year 2000, the tribes may unilaterally abandon the A–LP project and seek an alternative settlement. It is physically impossible for the Bureau of Reclamation to meet this construction deadline.

Although the Indian water rights provide an excuse for this project, they are not its driving force. The driving force is huge Federal water subsidies for local, non-Indian water users.

Now, let me be clear: I don't have a problem with supplying water to non-Indian users—as long as they are willing to pay for it.

There is no national interest whatever in forcing my constitutents—and everyone else's too—to pay for the massive water subsidies in A–LP.

For example, let's look at irrigation, the use to which most of the project's water would be devoted.

The capital cost of irrigating each acre of land works out to $7,467.

The land that would be irrigated is currently worth about $300 to $500 per acre.

With irrigation, the value of these high elevation and rather marginal lands might double.

The farmers who own this land are supposed to pay about $300 per acre to build the A–LP project, but everybody else would pay the rest.

Does it make any sense at all to force nonirrigators to pay over $7,000 per acre to raise irrigators' land values by a few hundred dollars per acre?

For $7,000 per acre, maybe we could grow corn in Antarctica. But that wouldn't make sense, and neither does this.

Federal taxpayers would get almost as bad a deal on the project's municipal and industrial water. Under Federal law, municipal and industrial users are supposed to cover the entire cost of that water—signing a contract with the Federal Government before construction starts.

In the case of the A–LP project, some repayment contracts have been signed, but records show that those contracts wouldn't repay the full cost of the water to the Treasury.

Even worse, only a couple of the municipal and industrial users have signed such contracts, while other have not.

How can we possibly start building this project when we don't have the appropriate contracts in place?

At the very least, we shouldn't appropriate money to start construction on a boondoggle like this until applicable laws have been complied with.

Perhaps the best argument against Animas-La Plata is contained in this ad in favor of it, that appeared in the Durango Herald in 1987. It says: ''Why we should support the Animas-La Plata project. Reason No. 7: Because someone else is paying most of the tab. We get the water. We get the reservoir. They pay the bill.''

My friends, we should not pay this bill.

The days of massive Federal subsidies—subsidies from your constituents and mine—for mammoth water

projects aimed at opening and developing the West should be over.

The West is open and developed. Any further development should be paid for by the people who benefit from it.

Therefore, I urge my colleagues to vote ''yes'' on our amendment to delete funding for this ''Jurassic'' porker.

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

The CHAIRMAN. Is there a Member seeking time in opposition?

Mr. MYERS of Indiana. Mr. Chairman, I rise in opposition.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] is recognized for 10 minutes.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. BEVILL], my colleague of long standing, the ranking member.

Mr. BEVILL. Mr. Chairman, I rise in opposition to the amendment to kill the Animas-La Plata. I say that this is a project that actually had 100 years of negotiation between the two large Indian tribes in Colorado and the Indians. Those tribes gave up many of their very valuable water rights.

They have unemployment at the rate of 65 percent, and every phase of government entered into this agreement, the local government, the State, the Federal Government. We had a ground breaking there some 3 or 4 or 5 years ago and over 2,000 people turned out for that dedication because of the interest in this water project and because it means so much to these people who have been suffering as a result of not having a water supply.

With that agreement, the Federal Government as well as the others are obligated. Everybody has lived up to their part of the agreement, except the Federal Government, and is ready and willing to go ahead and proceed with it. All the court cases by everybody that has opposed it have been acted on unsuccessfully by those who opposed it. It seems we still have some who feel like they are in opposition to the program.

But I urge we go ahead in all fairness and in commitments by this Federal Government to those two Indian tribes and the people of southwest Colorado that the gentleman from Indiana, Chairman MYERS, and I have visited during a time when everybody was getting together on it and we participated in it. Many years of work have gone into it and the integrity of the U.S. Government is really at stake with these people. It would be very unfair and I just urge my colleagues to support the Animas-La Plata project. It is one of great need and one that they deserve and they are entitled to.

Mr. PETRI. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. DEFAZIO].

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

Let us try to explain the issue before us. Animas-La Plata. Sounds good. Satisfy Indian claims, Well, actually, it is a project that cannot be built without violating the environmental laws of our Nation, voiding the laws that require local cost for sharing for new Federal water projects.

It is a project that has been sold as an Indian water rights settlement, except that it will not deliver affordable or usable water to the Indian tribes in question. It is a project that will deliver a $5,000 an acre irrigation subsidy to non-Indian farmers in the high desert of southwestern Colorado so they can grow low-value crops. Two-thirds of the water will go to them if this project is ever completed, if we void the environmental laws, if we go ahead with a project that will produce 36 cents of benefits for every Federal dollar invested.

Thirty-six cents of benefits for every Federal dollar invested. How can that be in a time when we are striving to balance the Federal budget? We will hear a lot from the opposition. They think they have a strategy to get this through, 36 cents of benefits for every dollar that every American taxpayer will invest. And they are going to say that it is because it is satisfying Indian water claims. It is not.

What is before us today is called phase I stage A of the Animas-La Plata project. It barely passes muster under the Endangered Species Act. It fails the cost-benefit test. And it does not even come close to satisfying the Indian water rights.

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That is phase one.

Now, if the proponents are successful in pushing through this nearly $500 million project, despite the environmental problems, despite the negative cost/benefit ratio, it still will not satisfy the Indian water claims because it does not deliver the water to those tribes.

There is some thought that maybe they can sell the water or they can do something else with it. Colorado law will not allow them to sell it out of State. The water is going to be extraordinarily expensive. It is not going to be delivered in time to satisfy the Indian water claims. In fact, they can back out. The Bureau of Reclamation says we can finish the project by 2003. The tribe has the right, after the year 2000, to back out of this agreement.

I believe when they see that they are going to be delivered water at an extraordinary price that they cannot sell to anybody, that they are going to opt out. They are going to pursue their claims in court and a future Congress is going to be where we are today, except they will have spent nearly $500 million, if they void the environmental laws of the land, if they waive all cost share and if they build a project that delivers 36 cents on the dollar, if we pony up all that money. And they will then have to come up with some other proposal to meet the Indian water claims.

There is a better way to do it. The Inspector General of the Interior Department says, cut $170 million out of this particular project and you can just direct it to the Indian claims and you could better meet their claims. Local citizens are looking at other non-dam alternatives.

The amendment before us would cut $10 million that is going to irrevocably commit us to this poorly thought out project. It is also about the ultimate $481 million to be spent by the taxpayers to bring a return of 36 cents on the dollar to Federal taxpayers. The proponents cannot say it is economically justified. It is not, by the numbers of the Bureau of Reclamation, who always try to cook the numbers in favor of these projects, they cannot say it is environmentally justified. We will have to waive a whole host of laws to complete the project. So they are staking their hopes on convincing us that this will satisfy the Indian water rights settlement. As I explained earlier, it will not.

It is quite simple, in my opinion, Mr. Chairman. This half a billion dollar boondoggle should be stopped now before we waste any more of Federal taxpayers' dollars on this project.

Mr. MEYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. MCINNIS].

Mr. MCINNIS. Mr. Chairman, I would like to extend appreciation from the native American tribes and from the people of the State of Colorado to both the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS]. They realize the importance of this project. And what is beautiful about the work that they have given us, they understand the history. They know the history. They have seen the history. Year after year they have been with us on this project, because they understand the significance of what this government did in 1988 when we made an agreement with the native Americans.

Years ago, when I was a young man, I liked to trade baseball cards. I remember very distinctly one time when I made a trade on a baseball card. I did not give the card to the party with whom I traded. But I had this baseball card. After I made the agreement to trade the card, guess what? I found out that I could have got a lot more than I did. So I went to my father and my mother. They were both business people. I asked them, I said, I think I can get a lot better deal. I was kind of hoping they were going to reinforce my thought at the time and that was, go with the better deal. But my father and my mother said one thing to me. This is exactly what they had. Son, keep your word.

You can talk about all the statistics that you want and the preceding speakers have done that. The fact is, in 1988, the native Americans who had a lawsuit against us, the United States of America, were about to prevail on that lawsuit. I was in the State legislature. Our very best attorneys told us we were going to lose that lawsuit. You

need to settle with the native Americans. You need to make an agreement with them.

On behalf of the United States of America, on behalf of the State of Colorado, President Reagan in this country, the U.S. Congress, the State legislature in Colorado, all of the elected officials dealing with this, we made an agreement with the native Americans. We said, drop your lawsuit, because we know you are going to win; drop your lawsuit and we will build this project.

Now look what happens. Is history coming back to haunt us again? Are we once again going to walk away from the native Americans from the promises we made? Do not let these statistics lead you astray. Those are opinions. This is fact. This is fact. We have an agreement. We made an agreement with the native Americans. We have every obligation to fulfill that agreement.

You are going to hear some statistics, you have heard some earlier that the costs were 36 times or the cost/benefit ratio. The study that the gentleman from California uses, in fact, has in very clear language that they do not consider the cost if we do not do what we said we were going to do. And what is going to happen if we do not do what we said we were going to do, for the gentleman from California, we are going to have to build the project. They are going to sue us in Federal court. We will lose. They will get specific performance. We will have to do what we said we were going to do. We cannot build it for several years because of the litigation. That will add hundreds of millions of dollars in costs.

Then the court is going to assess the cost of the water, the value of the water to storage between when we built the project and when we said we were going to build it and when we finally did build it. On top of that, they are going to assess attorney fees. If you worry about the taxpayers today, you are going to vote no on this amendment, because the taxpayers today are much further ahead by going ahead with this project and just doing it.

In conclusion, let me just remind all of us, we made an agreement. The gentleman from California had Congressmen out of California who are signatories to this agreement. The Congress, this Congress made it. Our President signed it. Our State legislature did it. I was in the room when we sat down with the Indian chiefs and the native Americans councils. One of their questions to us was, are you going to keep the agreement? Fortunately, they did not trust us. They said, you are good people and everything, but we want it in writing.

We put it in writing. We have a written contract. They call it a treaty; we call it a contract. We have a written contract and it is about time the people of this country and I think the people of this country want to stand up and honor the obligations that we made to the native Americans.

What more do you have if you do not have your word? We need to keep our word.

Mr. PETRI. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of the Petri amendment. This amendment is just common sense. It applies the principles of fiscal responsibility and cost-benefit analysis that the project's supporters always claim to support. And it protects an environmentally precious area from needless degradation—another goal to which we all claim allegiance.

Let's look at the economic issues first. The project would return only 36 cents for every dollar invested. Who reached that conclusion? Not an opponent of the project, but its sponsor—the Bureau of Reclamation.

And not only does the project have a laughable cost-benefit ratio, it has already exceeded its indexed cost ceiling—and that's without factoring in the usual cost overruns. How can we balance the budget if we fail to pull the plug on projects that cannot justify their costs or live within a budget?

But this project would not only provide inadequate benefits, it would cause actual and irreparable harm. It would divert almost half the flow in one of the last free-flowing rivers in the West. It would destroy numerous wetlands. It would jeopardize the existence of endangered species. It would cause water quality violations in New Mexico.

It is no wonder that a broad coalition of taxpayer and environmental groups are calling for passage of this amendment. The arguments are compelling. Vote for the Petri amendment and pull the plug on wasteful and environmentally damaging Federal spending.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. FAZIO] who has been on this project for a good many years like the rest of us here.

Mr. FAZIO of California. Mr. Chairman, I do rise in opposition to this amendment because I really think it kills the Animas-La Plata project. This project is a peacefully negotiated settlement between parties that are normally at odds. By this action tonight, if we were to concur in the amendment, I think we would strike a real death blow at something that admittedly has not been perfected, has not been worked out as much as we hope it can be, but prematurely put the Ute and Mountain Ute tribes in a position of having in effect entrusted themselves to a process that totally let them down. There is not any question that their leadership has made a judgment and for 8 years that judgment has been to work with the environmental community to find compliance in this project. In patient, good faith efforts they have extended this project and, therefore, it will cost more. But those 8 years of delay for the sake of the environment should not now be used as a means of destroying their agreement, an agreement that we all have made with the tribes that have, I think, cooperatively worked with their Government to bring about the real acquisition of their water rights.

We have heard a lot about the cost of this project. But Members do not tell us that the second phase of the project is a non-Federal commitment. They do not tell us that the agreement with the Fish and Wildlife Service is going to limit the project's size. They do not tell us that municipal and industrial users are fully reimbursable under this and that power revenues from the Colorado River will pay for a large segment of this project's cost. They do not talk about the fact that water users must sign contracts to repay the Government. In fact for 2 years now, sitting at the Department of Interior, are the repayment contracts that would make sure that the taxpayers are not taking a hit in this program. There is no way that we should turn our back on these tribes or on the people of this part of Colorado.

I urge Members to join together with this committee and let this project continue to be negotiated, with a supportive Secretary of Interior, following Governor Romer and former Governor Lamm and Senator Hart and Congressman Wirth in supporting this proposal. We can remove many of the problems with further negotiation. Let us not once again renege on a deal we've made.

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

I would conclude by saying that in fact very few municipal contracts have been entered into for only a fraction of that part of the cost. The cost of the project for the land involved will be $7,467 per acre, several hundred dollars paid for by the landowners, the rest paid for by the taxpayers. So that is the rest of the story. I urge adoption of the amendment.

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

Mr. Chairman, the arguments used against this project have been used many times. They were used in litigation in at least two court cases that I am aware of. Mr. BEVILL and I and Mr. FAZIO have been on this committee for a good many years. The same arguments were used in court and it was settled several times, we thought, both legally and in litigation with the environmentalists, only to have the environmentalists find some new way to approach this.

Congress heard this same argument back in 1988, when Congress passed the Colorado Ute Indian Water Rights Settlement Act of 1988, agreeing that we would start on this phase. This is phase 1 that we are speaking about here.

It is absolutely true, the benefit-cost ratio only looked at one phase of it.

The next phase the Indians will provide. The State of Colorado has already appropriated $42,600,000 to complete this, realizing their legal responsibility.

It is not a matter of fact tonight whether we should consider this again. We have a number of times met the legal responsibility through court action, litigation, as well as through congressional action, the action of 1988, and agreement with the two Indian tribes, the Ute Indian Tribes.

We have a legal responsibility. You might try to renegotiate and back out on it, but it will not hold in court because we have agreed, both through congressional action as well as through court action and through litigation with the environmentalists, that we make this agreement helping the Indian tribes and agreeing to the water rights that they have.

They have given up a lot. We have a legal obligation. If you want to address all these other things, OK. But legally, this Congress, even though you may not have been here in 1988, or even prior to that, we have a responsibility, you are part of us today who made that responsibility. You have to go along or you destroy the whole system of government.

Support the Indian tribes with whom we have a legal responsibility. Reject this amendment.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. PETRI].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PETRI. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 483, further proceeding on the amendment offered by the gentleman from Wisconsin [Mr. PETRI] will be postponed.

AMENDMENT OFFERED BY MR. PICKETT

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. PICKETT: Page 6, line 5, strike ''and''.

Page 6, after line 5, insert the following:

Sandbridge Beach, Virginia Beach, Virginia, Beach Erosion Control and Hurricane Protection, $283,000; and

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

Before beginning my remarks on the amendment, I would like to join in with the others who made laudatory remarks about the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL] for the outstanding job that they have done here in their capacity on this committee. I think all Members recognize that stellar work they have accomplished.

The amendment that I have offered is one that would transfer funds in the bill for a project at Sandbridge Beach in the City of Virginia Beach, that I represent, from planning to construction. This is for an Erosion Control and Hurricane Protection act.

This project was authorized in the Water Resources Development Act of 1992, and pursuant to the authorization, the people in Virginia Beach in the area where the project is located entered upon a special tax district that they assessed themselves, the moneys required to meet the local match for this project.

In the justification for this project, the Army Corps of Engineers took into account only the property protection aspects of the project. Nothing else was considered. The project was fully justified based on the property that it would protect, and if this project is not built, there is going to be a substantial loss of property as a result of water action from the Atlantic Ocean.

I would like to tell the body that the U.S. Navy occupies the property immediately north of this project. The Navy has seen fit to commence and is now completing a $6 million project to protect Navy property in this area. If this project is not built, then the Navy project could very well be put at risk because of wave action that would take place in the project area.

The Army Corps of Engineers, in April 1996, completed its limited reevaluation report and reaffirmed the economic justification used in the project authorization.

The amount of money that is being set aside in the bill for planning is $283,000. This amendment would allocate those funds for construction purposes of the project. I am hopeful that by the time this bill is presented to the President for his signature that some additional moneys will be available for this project so that construction can go ahead.

If this project is not built, as I have said, there is going to be substantial property destruction. This property is largely insured under a flood control program, which means that, one way or the other, the company is going to end up paying the cost of this project.

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

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

Mr. MYERS of Indiana. Mr. Chairman, I share the gentleman's concern. He has touched on a point that this committee suffered this year, and I say ''suffered,'' and I mean just exactly that.

There are a great many projects such as the gentleman's very meritorious. If we had all the money in the world, we would have a lot more in here. But we have to prioritize, limit to only so many, and we tried to go about what we thought was most important. Maybe we made some mistakes; we hope not.

The gentleman has a very worthy project, but there are a number of them.

The gentleman from Virginia [Mr. SISISKY], the gentleman's State, had a very important project that we just could not fund. The gentleman from New York [Mr. BOEHLERT] was speaking about some in this district, and he is a member of the authorizing committee. We spoke earlier about Mr. Emerson of Missouri. These are all very fine projects, but we told over a hundred in the same category as our colleague from Virginia that we just could not deal with everything in the world.

The gentleman from Virginia is a gentleman; he has been very kind to us. Very succinctly and very appropriately, he asked for those funds when he appeared before our committee. We did put one of the programs in for the gentleman's beach that we thought was maybe higher priority than this, in our judgment—not the gentleman's, but our judgment—but we felt that we just could not do everything that we would have liked to do.

So we fully understand. I do not know what will happen when we go to conference, whether there will be more money over there. We cannot promise anybody anything, but these are some of the projects we will have in mind as we go to conference.

So all we can tell the gentleman is, we hope he will withdraw it, because we would love to have done it, but we just do not have the money in the House.

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

Mr. PICKETT. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I support the gentleman's position, and like our chairman, if the door is closed, there is not much we can do. But I just want to say it is a good project, and if during the appropriations process, there is an opportunity, I will be supporting the gentleman from Virginia.

Mr. PICKETT. Mr. Chairman, with those remarks, I ask unanimous consent to withdraw the amendment at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Mr. BOEHLERT. Mr. Chairman, I move to strike the last word for the purpose of engaging the chairman in a brief colloquy.

Mr. Chairman, I want to begin by recognizing the efforts to produce a water and energy appropriations bill that continues the Federal commitment to improving our Nation's water infrastructure. As the chairman of the House Water Resources and Environment Subcommittee, I share the gentleman's strong interest the quality of America's harbors, reservoirs, rivers, canals, locks, and dams. Water infrastructure, as we all know, is a critical component of this Nation's economic and environmental future and the bill before us today reflects this reality.

As my colleagues know, the House Transportation and Infrastructure Committee reported the 1996 Water Resources Development Act this week, and is likely to consider this legislation on the House floor next week. Included in WRDA 1996 is a measure that is critical to the public health of 9 million Americans. That is section 554, the New York City Watershed Program. WRDA 1996 authorizes $25 million for the Corps of Engineers to carry out critical water-related environmental infrastructure projects in the 2,000 square mile New York City Watershed. Through this and other targeted programs in the watershed we will be able to protect the drinking water supply for 9 million Americans while saving $8 billion in unnecessary filtration expenditures. This point bears repeating—we will be able to protect the drinking water supply for 9 million Americans and save taxpayers over $8 billion through the New York City Watershed Program.

It is my understanding that the chairman understands the critical nature of the New York City Watershed Program authorized in WRDA 1996 and that funding this program will be a priority in conference. Is my understanding correct?

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman is correct. We have worked very closely with the gentleman who is chairman of the subcommittee. This is a high priority, but as I expressed earlier to our colleague from Virginia, it is one of those things that we just simply run out of money. But it is very high priority and would be a model for other programs.

So it is a very high priority. If money can be found someplace between now and conference, it will be a very high priority. We cannot do everything for everyone. The chairman and I have both visited the tunnels in New York City; we understand the tremendous problem New York City is going to have in the future that supply municipal and industrial water for the population of New York City. So we fully understand and we will do our best. I assure the gentleman from New York, we will work with him.

Mr. BOEHLERT. Mr. Chairman, I want to thank the gentleman from Indiana for his support, and I want to thank the ranking minority member for the interest he has evidenced in this. Before I sit down, I want to say on behalf of all of my colleagues how much we appreciate the work of the gentleman from Indiana [Mr. MYERS] and all the great work the gentleman from Alabama [Mr. BEVILL] did over the years. It has been a pleasure for all of us to work with them, and I say, both of these gentlemen are going to be deeply missed.

AMENDMENT OFFERED BY MR. KLUG

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KLUG: Page 34, line 2, after the dollar amount, insert the following: ''(reduced by $16,000,000)''.

Page 34, line 9, strike the colon and all that follows through ''activities'' on line 12.

The CHAIRMAN. Pursuant to the order of the House to today, the gentleman from Wisconsin [Mr. KLUG] and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, as my colleagues know, much of the debate in this House and this Chamber over the last 2 years has really focused on what level of Government best organizes and administers program. In fact, we just had a vote in the Chamber last week on welfare reform, and we decided that States were capable of essentially running their own operations and administering their own programs.

Well, I think the second part of that dialogue that needs to go on and frankly needs to be amplified over the next several years is, are there programs involved that maybe we should not run or the States should not run, that we should just get out of, out of altogether. That is where we find ourselves, I think, today in this discussion about the Tennessee Valley Authority.

Now, my colleagues are going to hear in a couple of minutes about what an important economic tool the TVA has been for the southeastern region of the United States, and you get no arguments from me, but the TVA was first established in the 1930's, and here we are, 60 years later, making the same argument that the region served by the Tennessee Valley Authority needs additional help from the Federal Government to kind of kick-start its economy.

The money we have targeted in this amendment is merely $16 million in economic development money targeted to the TVA region.

Now, let me make it clear that the region served by the Tennessee Valley Authority already gets money under the Economic Development Administration, as does every other region of this country; and in addition, the TVA gets an additional pot of money because it is part of the region served by the Appalachian Regional Commission, which pours additional economic development money into the 13 States that stretch along the Appalachian River.

So the TVA gets money for 60 years, it gets additional money from the Appalachian Regional Commission, and it gets economic development money already poured into economic development projects across the rest of the country.

This is a very simple amendment. And let me make it clear that the TVA itself admits that economic development is not an essential part of its appropriated activity; it is not required in statute under Federal law, and in fact, the TVA itself proposes phasing out this function over the next 3 years. In this town, it is always the next 3 years; it is never today and it is never this year.

Let us make it very simple and begin to separate ourselves from the Tennessee Valley Authority and say, no more economic development money, strike this $16 million.

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

Mr. MYERS of Indiana. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana will control the 10 minutes in opposition.

Mr. MYERS of Indiana. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I rise in opposition to this unnecessary agreement and want to say to my colleagues here that the economic development activities of the Tennessee Valley Authority were created so that this section of the country could have the opportunity to have the kind of economic development that other sections of the country would have.

TVA has in fact taken steps, I say to my colleague, to phase this out. This would not be the time to pull the rug out from under them. They have shifted from a grant activity program to business services and investments. They have in fact cut staff by 45 percent. They have terminated 25 programs. So they are on line to do what we want them to do. It is just that they cannot have this rug pulled out from under them.

Currently, there are over $40 million in existing programs being managed by TVA. TVA must phase out those programs, but they have got to do that in an orderly way. We are holding their feet to the fire, but we are doing it in a responsible way.

Let us oppose this irresponsible amendment.

Mr. KLUG. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. FOLEY].

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Mr. FOLEY. Mr. Chairman, today I rise in strong support of the amendment to strike economic development funding from the Tennessee Valley Authority. I want to thank the gentleman from Wisconsin [Mr. KLUG], the chairman of the Privatization Task Force, for bringing this amendment to the attention of this body.

This taxpayer-friendly amendment would save $16 million in an unnecessary appropriation from this legislation. The gentleman from Wisconsin [Mr. KLUG] mentioned, and I read from page 130 of the bill, the economic development, ''In testimony before the Subcommittee on Energy and Water Development this year, TVA conceded that

economic development is not an essential appropriated activity of the Authority.'' They agree. They admit it. But they still want $16 million.

What my friend, the gentleman from Wisconsin, [Mr. KLUG], is getting at today is not merely the unnecessary $16 million appropriation for economic development, but the larger problem of the TVA, an authority that the former TVA Executive, Mr. William Malec, said should be sold, and called a ''New Deal Dinosaur'' in the Wall Street Journal this time last year.

I think the elimination of the economic development funding for the TVA is a prudent and fiscally responsible step, especially given the fact that the TVA itself admitted that the economic development is not an essential activity.

Let us look at a newspaper article. First of all, ''Power Agency to Form Joint Venture in India. The Tennessee Valley Authority intends to lend its agency and expertise to a profit-producing joint venture in India.''

OK, ''Limo Expenses Among TVA Expenditures.'' Knoxville News Journal: ''$86,000 spent on trips,'' $86,000 of ratepayers' money. Then, thousands on alcoholic beverages; nearly $40,000 for limousine services; and $48,000 for air travel to and from China. Mr. Chairman, when it is their own money, they go by cab or Metro. When it is the Government's money, let us call up a limousine, a Lincoln Town Car.

Now, they were asked: ''Please tell us why you use expensive chauffeur-driven Lincoln Town Cars rather than using rental cars, taxis, or the Washington's electric air-conditioned subway system?''

''I am writing down your question and I will get back to you.'' Mr. Francis from the Authority says, ''I am writing the question down, I will have to get back to you.'' He could not answer it. Now we are going to China, we are going to India. And this is supposed to be promoting economic development in the Southeast. Southeast Asia? I must have missed where we are doing business.

Mr. Chairman, this is taxpayers' dollars. Sixteen million dollars I know does not amount to a hill of beans around this place. Unless you talk billions and trillions, you do not get anybody's attention. Today Mr. KLUG's amendment will save $16 million. Mr. and Mrs. Average America could thank you for that kind of sacrifice.

Mr. MYERS of Indiana. Mr. Chairman, I yield 4 minutes to the gentleman from Alabama [Mr. BEVILL], the ranking member of the committee.

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

Mr. Chairman, I rise in opposition to this amendment. I do not know of any public works project in the history of this Congress that has been more successful than the Tennessee Valley Authority, which was created by the Roosevelt administration for the purpose of leading this Nation out of a Great Depression. It has been very successful. It is the only project that I know that sends the government a check every month, or every year, it is an annual payment, paying it back for all that the Federal Government deposited into it.

This particular part of the program, which has nothing to do with the power program, which is self-sustaining, is an economic development program. It has proven very successful, It has returned $16.00 for every federal dollar that has been invested. But the committee, the subcommittee, has approved and recommends to the Members that this program over the next 3 years, be phased out, so that there will be no rough edges. We cannot just use the chop block method that is being used now and just cut it all off. They have contracts. It will cost the government more money. As we say, it will be penny-wise and pound foolish just to try to cut the funds off of this project.

The subcommittee on the Committee on Appropriations has approved it, the full committee unanimously approved this plan, and for goodness sakes, do not take out after it with a hatchet here and try to pretend you are saving money, because you are not. You will be wasting money.

Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, I would say to the gentleman from Wisconsin, he would not get a Gold Medal in the South or the Tennessee Valley area for his misrepresentation of the facts, being a former member of the TVA and former chairman of the TVA Congressional Caucus.

We do have a lot to be proud of, just as the gentleman from Alabama [Mr. BEVILL] said.

Mr. Chairman, my colleague who is offering the amendment is not from the seven-State region which TVA services. Perhaps he does not realize the important role TVA plays as a regional development agency. TVA provides electricity to over 7 million citizens in seven States. This service is fully funded by TVA customers, charged by Congress to help develop the Tennessee Valley region, not by the taxpayers.

Let me repeat this, Mr. Chairman, because I think it goes to the heart of the debate today: TVA is a resource development agency, charged by Congress to help develop the Tennessee Valley region.

Wisconsin and other States do it in different ways. They receive Federal funds, but it goes through different departments and agencies. We decided in the South that we would designate TVA as that agency that appropriates those funds and provides those services.

Mr. Chairman, I would like to make a final point regarding some of the misconceptions and outright inaccuracies made by TVA's critics. They leave the impression that the Federal taxpayer is subsidizing TVA's power program. I repeat it again, nothing could be further from the truth. The truth is that TVA must charge sufficient electric rates to cover the cost of the power program. Not one single Federal cent goes into TVA's power programs, so when TVA critics state that TVA provides government-subsidized power, obviously they have been misinformed or ill-advised.

The Klug amendment is wrong in its assumptions and it is wrong for our people. I urge my colleagues to vote against the Klug amendment.

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

Mr. Chairman, I just want to make one brief point, which is to say that my colleague, the gentleman from Alabama, points out that every year the TVA writes a check to Washington. Of course they do, because they borrowed money from us. In fact, the Tennessee Valley Authority is $28 billion in debt. That is why they sent us checks, not because they are making money. If they were making money on the operation they would not have to get $16 million in appropriated funds.

Mr. Chairman, I yield 1 minute to my colleague, the gentleman from New Jersey [Mr. FRANKS].

Mr. FRANKS of New Jersey. Mr. Chairman, the previous speaker on the other side indicated that the TVA is an enormously valuable program. It may well be. But the problem is that it promotes an egregious regional inequity. The program is great, but only for that handful of States that benefit from its activities. The fact of the matter is the taxpayers from all around the country are paying for this subsidy for only one region. That regional inequity should not longer be able to prevail in a climate where we are struggling to balance the Federal budget.

We have also noted that TVA derives significant economic development activity funds from a variety of agencies, including the Appalachian Regional Commission and the Economic Development Administration. When the very leadership of the TVA says in testimony before the subcommittee that this is not a core mission and it ought to be phased out, that should give us the open opportunity to exploit that opportunity by ridding ourselves of this unnecessary program. It will help to eliminate this regional inequity and help us balance the Federal budget.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, I want to leave the time to close to the distinguished TVA Caucus chairman, the gentleman from Tennessee [Mr. QUILLEN].

Mr. Chairman, I just want to point out that the Academy Awards could be given out here tonight. TVA's budget is about $5.5 billion. One fifty-first of that budget comes from the Federal Government. The rest of it is ratepayer income. It is one of the biggest power companies in the country. We cannot

take the budget from the power side and compare it to the nonpower side. They are phasing out the economic development budget; not phasing it out, they are moving it over 3 years from the nonpower program, which we subsidize, over to the power program.

If we add up the ARC money, the EDA money, and the TVA money our region gets, we are still way behind the rest of the country. That is what we have to point out. The entire Appalachian region, gentlemen, has been impoverished since the Great Depression, and we are still behind the rest of the country. There is a legitimate reason for some of this funding. You cannot just wipe it all out at one time. We are downsizing TVA efficiently, effectively. We took a cut last year. We are taking another cut this year. But you cannot just wipe it all out.

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

Mr. Chairman, I simply want to make several key points to close. First of all, Mr. Chairman, my colleague, the gentleman from Florida, pointed out that if the TVA has the financial resources to do deals in India and China, and that is where their investments are, then what in God's name are we doing sending the taxpayers' money to Tennessee?

As the region already gets $170 million in economic development aid from the Economic Development Administration and from the Appalachian Regional Commission, so we are going to send them a third pot of money to go to the Tennessee Valley Authority region?

Finally, let me make the point from where we were last week in this Chamber. We have been talking about ending welfare as we know it in this country. We want to set time limits for individuals, to say no more aid for 2 years. We want to make welfare a ladder, not an escalator.

We are talking about 60 years of Federal aid. It did a valuable service back in the 1930s. I do not begrudge that. It has done a wonderful job servicing the Southeast corner of the United States, but the fundamental question is, when is enough enough? I know it is going to get done in 3 years. Everything around here always gets done in 3 years. My simple answer is, get it done this year: Sixteen million dollars zeroed out.

Mr. MYERS of Indiana. Mr. Chairman, with pleasure, I yield the balance of my time to the gentleman from Tennessee [Mr. QUILLEN], the Republican dean of the House of Representatives in the majority party, the chairman of the TVA Caucus, and a good friend for many years.

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

Mr. Chairman, here we go again: the gentleman from Wisconsin [Mr. KLUG], trying to destroy other parts of the country, when he does not try to destroy any part of his State. Mr. Chairman, when it comes to the Corps of Engineers, he supports it. He does everything except wanting to do violence to TVA and the ARC in other parts of the country.

TVA is a fine organization. It has tightened its belt and is doing a great job economically, in economic development, and has created over 300 new business, several hundred thousand jobs. It does a tremendously helping hand for all of the area.

Mr. Chairman, TVA covers seven States, 60 percent rural, when the dams were created to stop the flooding so farmers could exist. If all of the funds for TVA appropriated by the Government are cut out, then the Corps of Engineers would have to take over and do the things that TVA is doing now.

Mr. Chairman, I say to the gentleman from Wisconsin, he is off target, he is off base. Leave us alone. Sixteen million dollars for economic development brings up an area that is in poverty. We must not listen to the gentleman from Wisconsin. Vote to defeat his amendment, and let us look at something that he offers in the future for Wisconsin, and maybe we would give that more attention than he has given to the Tennessee Valley Authority.

Mr. Chairman, I urge the amendment be defeated. I urge that the people come to the cause of supporting TVA and the $16 million economic development funds. Over the 2-year period or longer, those funds have been reduced more than half, so let us do this tonight. Let us do it for the poor people of the Tennessee Valley area. Let us do it for America. I urge the defeat of the amendment.

Mr. CRAMER. Mr. Chairman, I rise in opposition to Representative KLUG's amendment which would eliminate funding for the Tennessee Valley Authority's [TVA] economic development activities.

The mission of TVA's Economic Development program is to increase the number of businesses and quality jobs in the Tennessee Valley with emphasis on rural communities. The Tennessee Valley is almost 60 percent rural. Rural per capita income in this area is 27 percent below the national average with over 18 percent living below the poverty level.

As part of its economic development program, TVA's business incubators are effective national models. Partnerships in nine Valley business incubators resulted in the creation of over 300 new businesses and over 2200 new jobs. In my own district, a TVA-Huntsville-Madison County alliance for Technology Transfer has proved invaluable. Local technical, academic, and business experts are aligned to help small and new high-tech firms solve problems in many areas including materials and manufacturing processes. A successful Shoals Entrepreneurial Center has required two expansions with over 150 jobs created—three businesses have graduated from incubators. A Managers Assistance and Training for Minority Business Entrepreneurs program aided five business startups and supported eight existing minority small business. TVA also manages an additional $12 million in projects for the Appalachian Regional Council [ARC] for a total of $52 million in existing programs.

Nevertheless, in order to be sensitive to Federal budget pressures and still allow for an orderly and business-like phaseout of existing programs and services, the TVA Board of Directors recommended the following fiscally responsible phaseout plan for economic development. In the past 3 years, TVA has shifted economic development programs from grants to business services and investments. In fiscal year 1995 and 1996, new investments returned $16 for each dollar TVA invested. Staff has been reduced by 45 percent in the past 3 years and 25 major programs have been terminated

Over 50 percent of economic development funds go direct into the communities for programs and services. There are currently over $40 million in existing programs being managed by TVA that must be phased out in a logical and orderly, business-like manner. Ignoring TVA's proposed phaseout plan would unnecessarily devastate these programs in hundreds of communities in 7 States. This action would be wrong and unjustified given the strength TVA has clearly demonstrated in economic development.

I urge my colleagues to vote against this mean-spirited, unnecessary amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. KLUG.].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. KLUG. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 483, further proceedings on the amendment offered by the gentleman from Wisconsin [Mr. KLUG] will be postponed.

AMENDMENT OFFERED BY MR. ROHRABACHER

Mr. ROHRABACHER. Mr. Chairman, I offer amendment No. 10.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. ROHRABACHER: Page 17, line 21, after the dollar amount, insert the following. ''(reduced by $1,000)''.

Page 17, line 23, after the dollar amount, insert the following: ''(reduced by $5,200,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from California [Mr. ROHRABACHER] and a Member opposed will each be recognized for 10 minutes.

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

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

Mr. Chairman, this amendment addresses the concerns of many Members, including some on my subcommittee, that we should continue to fund renewable energy research.

Unfortunately, the Department of Energy has confused the issue by constantly directing funds away from research and into the commericalization and marketing process.

□ 2045

I believe the result has been harmful to the future success of the renewable energies technologies that our country will depend upon in the future

My amendment would move the program in the right direction by restoring the photovoltaic research program to fiscal year 1996 levels. It would do so without taking money from other science research programs. Instead, it would add $9.2 million to the photovoltaic program as follows: $5.2 million from program direction, $2 million from the renewable energy production incentive, $2 million from the solar appliance R&D account. In the budget this is still listed by its old name, solar building technology research.

So first let us talk about bureaucracy. The Department of Energy's Office of Energy Efficiency and Renewable Energy is funded for two appropriations bills, both energy and water and interior. All together, program direction has $48 million of the total appropriations to run a $700 million program. By comparison, energy research operates a $1.4 billion program with only $30 million in program direction. This amendment would still leave the office with $43 million for this purpose.

Why is this number inflated, one might ask? Well, one reason is that this office has become the repository for the Clinton reelection team. Since 1994, the political appointees have nearly doubled from 8 to 15. By comparison, energy research, fossil energy and nuclear energy have 4 apiece, 4 political appointees apiece. Let us put these people back on the campaign payroll and use taxpayer funds for solar energy research.

The renewable energy production incentive is nothing more than a handout to utilities and, basically, we are trying to basically convince them to use alternative energy sources. But when it comes right down to it, what we are talking about is a handout to utilities. The solar building technologies program includes many small programs, but its primary purpose is to promote the use of solar hot water heaters.

This is a pet project of the solar industry lobbying group, and no wonder it is. The Department of Energy basically extends $1.7 million this year. Basically of that, $265,000 of it goes to the Solar Energy Industries Association.

Well, Mr. Chairman, every dime that is not spent on these promotion programs goes to research programs, and every dime that goes to promotion programs comes out of the hide of research. So when we are talking about the photovoltaic program, it is a success story. Since 1976 the cost per kilowatt hour has dropped from $5 to 16 cents. If solar energy is to become a real alternative, the cost must continue to go down. Spending scarce funds which should be going to research on promotional programs may be great for the lobbyists, but it does nothing to help renewable energy.

It is also wrong to use other science programs as a cash cow for basically renewable energy, as the Schaefer amendment does. My amendment is the only one that would not cut one research program to fund another. If my colleagues want to support true solar energy research without cutting other science programs, one should vote yes on this amendment.

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

The CHAIRMAN. Is there a Member in opposition to the amendment?

Mr. FAZIO of California. I am, Mr. Chairman.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. FAZIO of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. BEVILL].

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

Mr. Chairman, I just rise in opposition to the amendment and urge everyone to vote against it and support the subcommittee and the full Committee on Appropriations and support the House position.

Mr. FAZIO of California. Mr. Chairman, I yield myself such time as I may consume. I would be at this time inclined to use the remainder so that we can move on with this debate.

I rise in opposition to the Rohrabacher amendment and in support of the amendment adopted by the full Committee on Appropriations which was offered by myself and the gentleman from California [Mr. RIGGS], another member of the subcommittee.

I regret that I must say I begin by agreeing with the gentleman from California [Mr. ROHRABACHER]. There is a need for photovoltaic research, and the way to accomplish that is to support what may be the next amendment offered, an amendment offered by the gentleman from Colorado [Mr. SCHAEFER], that will add $7 million to the photovoltaic research program.

That is, I think, the best way to address the concern that Mr. ROHRABACHER indicated he hopes to relate to with his amendment. But I must oppose the source of the funds that he has outlined for that purpose.

First of all, the Subcommittee on Energy and Power and the full committee chose to add $10 million to three of the six programs that were zeroed out in the markup for fiscal year 1997. They are wind energy, solar buildings, and the renewable energy production incentive program. REPI, as it is called, is the equivalent for public utilities of a program that operates through the Tax Code for those in the stockholder-owned utility category.

There is no question that the program has worked. It permits the Department of Energy to pay consumer-owned utilities up to 1.5 cents per kilowatt for electricity generated by projects that use solar, winnd, geothermal or biomass technologies. These REPI funds have provided the margin of difference required to make a new project feasible. Across the country we have found that this is the key to bringing a number of renewal projects on line.

There are many, many, many kilowatt hours of fossil fuels saved as a result of this renewable investment. We ought not to eliminate, as the gentleman from California [Mr. ROHRABACHER] would, this very important program.

The solar buildings appliances R&D program is designed to conduct the research and development necessary to develop energy-producing technologies that are an integral part of advancing the science and technology base for solar renewable programs. This is not some sort of benefit to developers, as Mr. ROHRABACHER unfortunately indicates. It really has made a tremendous difference since the mid-1970's in bringing on many new solar technologies; yes, including solar water heating systems that have been installed nationwide generating some 25,000 job years of employment and creating tremendous savings to our utilities across the country.

So once again, this is not an appropriate place for the Congress or Mr. ROHRABACHER to zero out funding. These are modest sums. We are only asking for $2 million to be spent in this category. So I would hope that Members here on the floor will not only support the Schaefer amendment that is coming up soon that will address all of the needs in the renewable area that have been left, regrettably, in this very tight budget year, but certainly not undo any of the progress that we attempted to make in full committee. We understand that all of these programs need a modest amount of funding, and they cannot be traded off one for another.

That is why I hope that Mr. ROHRABACHER will not ask for a recorded vote and will allow the debate on the Schaefer amendment to really suffice as we deal with the need to move forward on our solar renewable account with very limited funds in this bill.

I am hopeful that all of us will appreciate the fact that we have made tremendous market penetration and that our collaborative approach here using some 100 utilities around the country will continue in a way that will allow us to have even further market penetration of up to perhaps 300 percent more during the next 3 to 5 years, both through the REPI Program and as a result of some of the research investments that we have made.

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

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

Mr. Chairman, let me just say I will be asking for a recorded vote on this. This goes right to the core of what we are spending our money on.

The fact is photovoltaic cells have shown a great deal of progress. We are

taking money right out of research and development to put into promotional programs to get people to put hot water heaters on their roofs, things that are outdated, programs that are just heavy with bureaucracy.

Let us keep money in research and development; let us make sure that we develop solar energy and do what we are supposed to do with our money rather than feed the bureaucracy. That is what this choice is all about. I would ask my colleagues to back up what the real purpose of our spending is supposed to be for, science and development, and that is spending it to improve better technology.

Mr. FAZIO of California. Mr. Chairman, let me conclude simply by saying that I think we are talking about research and development.

Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. SCHAEFER] to make that point. This is not a bail-out for developers, it is research and development in other areas of solar energy.

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

It has been mistaken many, many times that renewables are corporate welfare, and this is not the case. The Energy Policy Act that was passed in 1992 was with overwhelming support by 362 House Members, and signed by President Bush. I think this is an excellent piece of legislation as is. We should continue to support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROHRABACHER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ROHRABACHER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 483, further proceedings on the amendment offered by the gentleman from California [Mr. ROHRABACHER] will be postponed.

AMENDMENT OFFERED BY MR. BEREUTER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BEREUTER:

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

SEC. 506. None of the funds made available in this Act may be used to revise the Missouri River Master Water Control Manual when it is made known to the Federal entity or official to which the funds are made available that such revision provides for an increase in the springtime water release program during the spring heavy rainfall and snow melt period in States that have rivers draining into the Missouri River below the Gavins Point Dam.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Nebraska [Mr. BEREUTER] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

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

Mr. Chairman, this is a straightforward amendment which would simply prevent the Army Corps of Engineers from revising the Missouri River master water control manual in such a way that it would increase the likelihood of springtime flooding. This is the same amendment which was accepted on the House floor last year, exactly the same language, during consideration of the energy and water appropriation bill.

This common-sense amendment is needed to ensure that the Corps does not repeat its previous mistake, a proposal which would have devastated farms, businesses, landowners in countless communities along the Missouri River. In 1994 the Corps issued its proposed changes to the master manual and made a colossal blunder by proposing to drastically increase the flow and water level of the Missouri River during the months of April, May, and June. These obviously are the very months when States such as Nebraska, Iowa, Kansas, and Missouri are already most vulnerable to flooding due to snow melt and heavy rainfall. And again we saw that this year.

It is bad enough that farmers and other landowners along the river have to contend with natural disasters. They should not be forced to deal with the kind of manmade disasters which would have been caused by the Corps' proposal. The floods and heavy spring rains of recent years, again this year, offer clear and convincing proof that the proposal was seriously flawed.

Mr. Chairman, at a series of two dozen hearings throughout the Missouri River Basin region, hundreds and hundreds of citizens expressed their very strong, even vociferous and nearly unanimous opposition to a number of provisions in the Corps' preferred alternative. One of the most detested provisions was the increased spring rise. Following this massive opposition to the proposed changes, the Corps acknowledged the flaws in its original proposal and expressed a willingness to reevaluate the issue.

However, this Member believes this common-sense amendment is needed to make absolutely certain that the Corps does not move away from their commitment and repeat the mistake of the manual.

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

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

Mr. MYERS of Indiana. The committee has examined the gentleman's amendment. It is, I think, exactly the same language that was offered last year?

Mr. BEREUTER. Mr. Chairman, it is.

Mr. MYERS of Indiana. There was some question last year about the concern of downstream or other Members, but I understand that has been resolved, at least. Contingent upon that, we accept the amendment.

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

The CHAIRMAN. Is there a Member in opposition to the Bereuter amendment?

Mr. JOHNSON of South Dakota. Yes, Mr. Chairman, I am.

The CHAIRMAN. The gentleman from South Dakota [Mr. JOHNSON] is recognized for 5 minutes.

□ 2100

Mr. JOHNSON of South Dakota. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will not take the 5 minutes, and I will not ask for a recorded vote. I simply want to, however, express concern about legislative changes to the master manual, a process which already has been delayed some time here. There is great concern among Northern States, upstream States of the Missouri River about a long overdue change in the master manual, a concern about changes of priorities which have occurred since the Pick-Sloan plan was first established decades ago. While the gentleman from Nebraska's amendment, I do not believe, is by itself something to cause great concern in the State of South Dakota—it may in fact be neutral in many ways—I do want to express some concern about legislative efforts other places and here to address the master manual to head off the deliberation that is going on in the course of making long overdue modifications of that manual. Again while I do not have great resistance and I understand where the gentleman from Nebraska is coming from, I do want to express concern about short-circuits of that manual deliberation.

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

Mr. JOHNSON of South Dakota. I yield to the gentleman from Nebraska.

Mr. BEREUTER. I thank my colleague, my neighbor, my friend for yielding.

Mr. Chairman, I would say to the gentleman quite candidly and with full commitment, I am not interested in delaying the revision of the master manual. All I want to assure is what the citizens downstream from the gentleman have said. That is, that the spring rise only accentuates the normal kind of flooding we too often have from snow melt and from excessively heavy rains during that period of time. I want to see the revision myself. I believe it is true that my amendment should not have any impact upon the upstate Missouri—Montana, North Dakota, and South Dakota—States. I am committed to seeing the manual revised and something hopefully that can please all the States.

Mr. JOHNSON of South Dakota. I thank the gentleman for his comments. He has long played a constructive role relative to the Missouri River and development of the northern plains in

general. Again I have some concern about legislative strategy at this point, but I do recognize the concern that the gentleman from Nebraska has. We share a concern about downstream flooding, erosion on the river banks and so on. I certainly do recognize that as a legitimate concern that he has.

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

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

Mr. Chairman, I urge my colleagues to support this legislation. I think it does no damage to my upstream friends from the Dakotas. I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. BEREUTER].

The amendment was agreed to.

Mr. WELLER. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Illinois is recognized for 5 minutes.

There was no objection.

Mr. WELLER. Mr. Chairman, I rise to engage the gentleman from Indiana [Mr. MYERS], the chairman, in a colloquy.

Mr. Chairman, I appreciate this opportunity to discuss with the gentleman the importance of a provision in this particular bill.

First, I want to thank the chairman for his hard work in bringing this vital piece of legislation to the floor. This bill includes funding for many important energy and water initiatives throughout the country, and there is one particular project of particular concern to the people of the Chicago metropolitan area, particularly in the south suburbs which I represent. That is a project which I know the gentleman is personally familiar with because of his personal visit to the south suburbs earlier this June. That is particularly the tunnel and reservoir project, which many know as the deep tunnel, TARP, in the Chicago metropolitan area.

As you know, the Thornton Reservoir, in the south suburbs, is an important project which is designed to protect south suburban communities in the south suburbs and will provide about 5 billion gallons of floodwater storage when completed. The reservoir has a service area of 91 square miles and provides flood relief to 131,000 dwellings in 14 communities with a current population of over a half million.

Mr. Chairman, I flew back to Illinois just this past weekend, on Friday, because of excessive flooding that occurred in my district and throughout the Chicago area. Like my colleagues in the Chicago area, I saw firsthand the devastation to hundreds of homes and small businesses caused by these high waters. In fact, four counties in my district were declared a state of emergency by the Governor. The Governor has since requested Federal disaster relief. If the TARP were fully operational, most of this flooding would not have occurred.

It is my understanding, Mr. Chairman, and I would like to clarify this with the gentleman, that there is carryover construction funding for the Army Corps of Engineers which has been included in this particular bill. The energy and water report language directs the Corps of Engineers to use $6,650,000 of this funding to continue construction of the McCook and Thornton Reservoir projects.

Mr. Chairman, is that the intended use of this funding?

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

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

Mr. MYERS of Indiana. Mr. Chairman, I thank my colleague for his question. I am quite familiar with the problems on the Sout' Side, my wife coming from the Sout' Side. I taught her to speak English. She says ''South Side'' now. But, yes, I am very familiar with the project. For years I have watched the Thornton quarry being dug out, another useful use for this quarry.

I am very familiar with the floods the gentleman is having on the West Side and the south side. In fact, for a number of years we have been providing for some type of water plan that you have now for restoring this surface water, and we now have the McCook and the Thornton program. Last year we put in $6,655,000 for the design, of which $604,000 is still available for the Thornton Reservoir.

Of course, there are some problems about real estate as we visited the gentleman's area. As soon as that real estate gets worked out, we are directing the Corps to continue the project, the design and engineering. There is no reason why that would not be on schedule. I think maybe as early as early fall, this year, is our understanding with the Corps. But the Corps is understanding, and they are ready to start moving as soon as they get that real estate problem worked out, a trading of land as we have discussed.

The gentleman is right, it is on schedule. It has to be done. It is tragic that they had to have this flood. I am glad they had it after I was there. I hope I did not cause it.

Mr. WELLER. Mr. Chairman, I of course want to thank the gentleman for the support he has given the people of the south suburbs and the fact that we have allocated $6,650,000 to help continue construction of the Thornton and McCook Reservoirs will be a big help for flood relief. Of course I want to thank the gentleman for his personal time and investment in this project and also for his support, the fact that it was included in this important piece of legislation.

Mr. MYERS of Indiana. We clearly recognize the need and will continue to support your wishes.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 483, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 17 offered by the gentleman from Wisconsin [Mr. PETRI]; amendment No. 7 offered by the gentleman from Wisconsin [Mr. KLUG]; and amendment No. 10 offered by the gentleman from California [Mr. ROHRABACHER].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. PETRI

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. PETRI] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 221, noes 200, not voting 12, as follows:

[Roll No. 354]

AYES—221

| | | |
|---|---|---|
| Abercrombie | Duncan | Johnson (CT) |
| Ackerman | Durbin | Johnson (SD) |
| Andrews | Edwards | Johnson, E.B. |
| Baldacci | Ehlers | Johnston |
| Ballenger | Engel | Kanjorski |
| Barcia | English | Kaptur |
| Barrett (WI) | Eshoo | Kasich |
| Beilenson | Evans | Kelly |
| Bentsen | Everett | Kennedy (MA) |
| Berman | Ewing | Kennelly |
| Bilbray | Farr | King |
| Blumenauer | Fields (LA) | Kingston |
| Blute | Flake | Kleczka |
| Boehlert | Foglietta | Klug |
| Bonior | Foley | LaFalce |
| Borski | Forbes | LaHood |
| Brown (CA) | Fox | Lantos |
| Brown (FL) | Frank (MA) | LaTourette |
| Brown (OH) | Frisa | Lazio |
| Brownback | Furse | Leach |
| Bryant (TX) | Ganske | Levin |
| Bunning | Gejdenson | Lewis (GA) |
| Buyer | Gephardt | Lipinski |
| Camp | Geren | LoBiondo |
| Campbell | Gilchrest | Lofgren |
| Cardin | Gillmor | Longley |
| Castle | Gilman | Lowey |
| Chabot | Goodlatte | Luther |
| Christensen | Gordon | Maloney |
| Chrysler | Gutierrez | Manzullo |
| Clay | Hall (OH) | Markey |
| Clayton | Hall (TX) | Martini |
| Clement | Hamilton | Matsui |
| Clinger | Hancock | McCarthy |
| Clyburn | Harman | McDermott |
| Coble | Hastert | McHugh |
| Condit | Hastings (FL) | McKinney |
| Cooley | Hefner | McNulty |
| Costello | Heineman | Meehan |
| Coyne | Hinchey | Menendez |
| Cummings | Hobson | Metcalf |
| Cunningham | Holden | Mica |
| Danner | Horn | Miller (CA) |
| Davis | Houghton | Miller (FL) |
| Deal | Hyde | Minge |
| DeFazio | Inglis | Mink |
| DeLauro | Istook | Moakley |
| Dellums | Jackson (IL) | Moran |
| Deutsch | Jackson-Lee (TX) | Morella |
| Doggett | Jacobs | Nadler |
| Doyle | | Neal |

Neumann
Ney
Obey
Olver
Ortiz
Owens
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Porter
Poshard
Quinn
Rahall
Ramstad
Rangel
Reed
Rivers
Roemer
Rohrabacher
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Slaughter
Smith (MI)
Smith (NJ)
Souder
Spratt
Stark
Stokes
Studds
Stupak
Tanner
Taylor (NC)
Torkildsen
Torres
Torricelli
Towns
Upton
Velazquez
Vento
Waters
Watt (NC)
Waxman
Weldon (PA)
Weller
Whitfield
Wolf
Woolsey
Wynn
Zimmer

NOES—200

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bereuter
Bevill
Bilirakis
Bishop
Bliley
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Bryant (TN)
Bunn
Burr
Burton
Callahan
Calvert
Canady
Chambliss
Chapman
Chenoweth
Coburn
Collins (GA)
Collins (MI)
Combest
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
de la Garza
DeLay
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehrlich
Ensign
Fattah
Fawell
Fazio
Fields (TX)
Filner
Flanagan
Fowler
Franks (CT)
Franks (NJ)
Frelinghuysen
Frost
Funderburk
Gallegly
Gekas
Gonzalez
Goodling
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hansen
Hastings (WA)
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hoekstra
Hoke
Hostettler
Hoyer
Hunter
Hutchinson
Johnson, Sam
Jones
Kennedy (RI)
Kildee
Kim
Klink
Knollenberg
Kolbe
Largent
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lucas
Manton
Martinez
Mascara
McCollum
McCrery
McHale
McInnis
McIntosh
McKeon
Meek
Meyers
Millender-McDonald
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Norwood
Nussle
Oberstar
Orton
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Peterson (FL)
Pickett
Pombo
Pomeroy
Portman
Pryce
Quillen
Radanovich
Regula
Richardson
Riggs
Roberts
Rogers
Ros-Lehtinen
Sabo
Schaefer
Schiff
Shadegg
Sisisky
Skaggs
Skeen
Skelton
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Traficant
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Watts (OK)
Weldon (FL)
White
Wicker
Williams
Wilson
Wise
Young (AK)
Zeliff

NOT VOTING—12

Coleman
Collins (IL)
Conyers
Ford
Gibbons
Hayes
Jefferson
Lincoln
McDade
Rose
Yates
Young (FL)

□ 2132

Miss COLLINS of Michigan, Ms. MILLENDER-MCDONALD, Messrs. BURTON of Indiana, TIAHRT, LEWIS of Kentucky, MCCOLLUM, SOLOMON, FAWELL, MCKEON, MCCREARY, GREENWOOD, BACHUS, BROWDER, BECERRA, BONO, WARD, COX of California, and Mrs. CUBIN changed their vote from ''aye'' to ''no.''

Messrs. MATSUI, BLUMENAUER, COYNE, HASTERT, HALL of Texas, Mrs. ROUKEMA, Messrs. EWING, TANNER, EDWARDS, JOHNSON of South Dakota, MINGE, HEFNER, MCHUGH, TORKILDSEN, LAZIO of New York, and ORTIZ changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KLUG

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. KLUG] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 184, noes 236, answered ''present'' 1, not voting 12, as follows:

[Roll No. 355]

AYES—184

Allard
Andrews
Archer
Armey
Baker (CA)
Baker (LA)
Baldacci
Barcia
Barrett (WI)
Barton
Bass
Bereuter
Bilbray
Bilirakis
Blute
Boehner
Bono
Brown (OH)
Brownback
Burr
Burton
Camp
Campbell
Canady
Castle
Chabot
Chenoweth
Christensen
Chrysler
Coble
Coburn
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
DeLauro
DeLay
Deutsch
Doggett
Doolittle
Dornan
Dreier
Dunn
Ehlers
Ehrlich
Ensign
Ewing
Fields (TX)
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Ganske
Gejdenson
Gekas
Gillmor
Goodlatte
Goss
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hamilton
Hancock
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hinchey
Hobson
Hoekstra
Hoke
Holden
Hostettler
Hunter
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Johnston
Kasich
Kennedy (MA)
Kennedy (RI)
Kennelly
King
Kleczka
Klug
Kolbe
LaHood
Largent
LaTourette
Laughlin
Lazio
LoBiondo
Longley
Luther
Manzullo
Markey
Martini
McCarthy
McCollum
McHale
McInnis
McKeon
Meehan
Metcalf
Mica
Miller (FL)
Minge
Moorhead
Moran
Nethercutt
Neumann
Nussle
Orton
Oxley
Parker
Paxon
Peterson (MN)
Petri
Porter
Portman
Pryce
Ramstad
Reed
Regula
Riggs
Rivers
Roemer
Rohrabacher
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schumer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Sisisky
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Thomas
Thornberry
Tiahrt
Torkildsen
Torres
Upton
Walker
Weldon (FL)
Weldon (PA)
Weller
White
Wolf
Zeliff
Zimmer

NOES—236

Abercrombie
Ackerman
Bachus
Baesler
Ballenger
Barr
Barrett (NE)
Bartlett
Bateman
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Bliley
Blumenauer
Boehlert
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Buyer
Callahan
Calvert
Cardin
Chambliss
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Collins (GA)
Collins (MI)
Combest
Costello
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
Deal
DeFazio
Dellums
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doyle
Duncan
Durbin
Edwards
Engel
English
Eshoo
Evans
Everett
Farr
Fattah
Fawell
Fazio
Fields (LA)
Filner
Flake
Franks (CT)
Frost
Furse
Gallegly
Gephardt
Geren
Gilchrest
Gilman
Gonzalez
Goodling
Gordon
Graham
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Harman
Hastings (FL)
Hefner
Heineman
Hilleary
Hilliard
Horn
Houghton
Hoyer
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kelly
Kildee
Kim
Kingston
Klink
Knollenberg
LaFalce
Lantos
Latham
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Lofgren
Lowey
Lucas
Maloney
Manton
Martinez
Mascara
Matsui
McCrery
McDermott
McHugh
McIntosh
McKinney
McNulty
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Mink
Moakley
Molinari
Mollohan
Montgomery
Morella
Murtha
Myers
Myrick
Nadler
Neal
Ney
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pombo
Pomeroy
Poshard
Quillen
Quinn
Radanovich
Rahall
Rangel
Richardson
Roberts
Rogers
Ros-Lehtinen
Roth
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Scott
Serrano
Shuster
Skaggs
Skeen
Skelton
Slaughter
Spence
Spratt
Stark
Stokes
Studds
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thompson
Thornton
Thurman
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Wamp

Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Whitfield
Wicker
Williams
Wilson
Wise
Woolsey
Wynn
Young (AK)

ANSWERED ''PRESENT''—1

Kaptur

NOT VOTING—12

Coleman
Collins (IL)
Conyers
Ford
Gibbons
Hayes
Jefferson
Lincoln
McDade
Rose
Yates
Young (FL)

☐ 2140

Ms. SLAUGHTER, Ms. HARMAN, and Mr. FAWELL changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROHRABACHER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California [Mr. ROHRABACHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 90, noes 331, answered ''present'' 1, not voting 11, as follows:

[Roll No. 356]

AYES—90

Archer
Armey
Bartlett
Barton
Bilbray
Bono
Burton
Calvert
Campbell
Castle
Chabot
Chenoweth
Chrysler
Coble
Coburn
Cooley
Cox
Crane
Crapo
Cremeans
Diaz-Balart
Dornan
Dreier
Duncan
Ehlers
English
Ensign
Flanagan
Foley
Forbes
Fox
Funderburk
Ganske
Gekas
Gillmor
Goodling
Goss
Greene (UT)
Greenwood
Gutknecht
Hancock
Heineman
Herger
Hilleary
Hoke
Horn
Inglis
Jones
Kasich
Kelly
Kildee
Kim
Klug
Largent
Linder
McCollum
McIntosh
McKeon
Meehan
Metcalf
Mica
Myers
Myrick
Nadler
Neumann
Ney
Parker
Paxon
Petri
Pryce
Quillen
Radanovich
Rohrabacher
Royce
Sanford
Scarborough
Schiff
Seastrand
Sensenbrenner
Shadegg
Souder
Stearns
Stockman
Taylor (NC)
Thomas
Tiahrt
Walker
Wamp
Weldon (FL)
Weller

NOES—331

Abercrombie
Ackerman
Allard
Andrews
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Buyer
Callahan
Camp
Canady
Cardin
Chambliss
Chapman
Christensen
Clay
Clayton
Clement
Clinger
Clyburn
Collins (GA)
Collins (MI)
Combest
Condit
Costello
Coyne
Cramer
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dunn
Durbin
Edwards
Ehrlich
Engel
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Foglietta
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Gejdenson
Gephardt
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Gordon
Graham
Green (TX)
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCrery
McDermott
McHale
McHugh
McInnis
McKinney
McNulty
Meek
Menendez
Meyers
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Neal
Nethercutt
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Rogers
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stark
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Tejeda
Thompson
Thornberry
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Young (AK)
Zeliff
Zimmer

ANSWERED ''PRESENT''—1

Harman

NOT VOTING—11

Coleman
Collins (IL)
Conyers
Ford
Gibbons
Hayes
Lincoln
McDade
Rose
Yates
Young (FL)

☐ 2148

Mr. SHADEGG and Mr. CREMEANS changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. MYERS of Indiana. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MYERS of Indiana. Mr. Chairman, we have just had our last vote for the evening. What we plan to do at this point forward, after working with the leadership on the Democrat as well as on the Republican side, as well as the gentleman from Alabama [Mr. BEVILL], the gentleman from Wisconsin [Mr. OBEY], and the gentleman from Louisiana [Mr. LIVINGSTON], we have agreed that what we will do now, we will consider those amendments that were made in order under the unanimous consent agreement earlier, we will have no more recorded votes.

Any votes ordered will be put over until tomorrow morning sometime after 10 o'clock, so if my colleagues have an amendment that they are going to offer tonight under the rule, or if they have some comment they would like to make about the amendment, they had better stick around tonight because we will not honor any amendments tomorrow. We are going to finish all amendments tonight except the final passage on any amendments on any vote that is ordered.

If there is any question about that, my colleagues had better bring it up now, but that is the way it is going to be done.

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

Mr. MYERS of Indiana. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I think the gentleman from Indiana needs to clarify that we are going to finish all debate on all amendments.

Mr. MYERS of Indiana. We will finish all debate. We will have a vote if any votes are ordered. We will roll those over until tomorrow. All debate will be finished tonight on the bill, except final passage and any votes on amendments ordered tonight. But there will be no debate or amendments tomorrow.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me acknowledge the kindness of the gentleman from Indiana [Mr. MYERS], and the ranking member, the gentleman from Alabama [Mr. BEVILL], and the gentleman from Wisconsin [Mr. OBEY] for allowing me this time.

Certainly I know a lot of work has gone into the energy and water development appropriations subcommittee work, and I would like to inquire of the gentleman from Indiana if he would be willing to enter into a colloquy on the Army Corps of Engineers oversight role of existing local flood control projects.

Mr. MYERS of Indiana. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. We would be pleased to enter into a colloquy with the gentlewoman, yes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for his leadership.

He might not be aware, but we in Houston have a particularly unique set of circumstances in that we are 50 feet below sea level and very often have a tendency to flood. Having gone home and spoken to my constituents, I have been concerned about the quality of the Army Corps of Engineers' oversight role of the Sims Bayou flood control project in my congressional district in Houston.

We have already suffered several flooding situations in that area, in particular in 1993. The Crestmont Park neighborhood surrounding the Sims Bayou flood control project and other neighborhoods experienced severe flooding, as I said, in 1993 and 1994, and the response of the Corps has not been as quick and responsive as I believe it should have been. As constituents have noted, since the Corps gives a significant amount of funds for these projects, should they not be the senior partner in the partnerships with the local and county governments and be closely worked with to monitor the progress of these projects?

Mr. MYERS of Indiana. Well, certainly this committee and the Corps of Engineers are concerned about the cooperation of local communities. Local communities have to pay part of the expense of these projects, cost sharing, but the important part is the work must be worked by the Corps, with local communities. We encourage that cooperation, and I am disappointed to hear tonight we are not getting that kind of support.

We will urge the Corps to work with the local community. While the Corps has the responsibility of doing the job, we all recognize that, they should be working with the cooperation of those who are paying part of the expenses locally and who are vitally concerned about the job that is being done.

Ms. JACKSON-LEE of Texas. I appreciate that. I wanted to go on record to express my support for a strong Corps role, because the Corps needs to show a greater commitment to many low-income and urban areas that sometimes seem unlikely sites for flooding and seem to be left behind, and work more closely with the local governments.

Mr. MYERS of Indiana. That is exactly right. That is the attempt, and that is what we have encouraged the Corps to do. In most cases, the Corps does this, so we will urge the Corps to continue their cooperation. Regardless of income bracket, everyone is entitled to the efforts that the Corps can make to help prevent flooding and help relieve the pressure.

Ms. JACKSON-LEE of Texas. I thank the gentleman from Indiana, and I want to acknowledge the ranking member, the gentleman from Alabama [Mr. BEVILL] who has been very helpful and very forceful, if my colleagues will, in ensuring that the Army Corps of Engineers works with communities around this country.

Mr. BEVILL. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I am familiar with this project and support it completely.

Ms. JACKSON-LEE of Texas. Mr. Chairman, reclaiming my time, I thank the gentleman from Alabama [Mr. BEVILL] very much. I thank the gentleman from Indiana [Mr. MYERS], and I would say, with this, that I would expect that the Sims Bayou project would move along quickly with the involvement of Army Corps of Engineers.

Mrs. ROUKEMA. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I rise to support H.R. 3816, the Energy and Water Development Appropriations Act for fiscal year 1997.

This bill includes an appropriation that is vitally important for several hundred members of my district. The bill provides $250,000 for the Ramapo River at Oakland flood control project. This is a down payment toward the $11.3 million that has been authorized for the project. It will allow the Army Corps of Engineers to coordinate with the State of New Jersey to prepare for the beginning of construction.

Flooding along the Ramapo River has occurred 15 times in the past 24 years. The people who live along its banks cannot continue to endure the repeated economic hardship and personal tragedy this flooding brings.

The 1984 flood alone caused more than $9 million in damage and the Army Corps of Engineers has estimated that another major flood could cause $11 million in damage. Clearly, the funds we are seeking to protect homes and businesses would be well spent.

This flood control project would protect residents and businesses along the Ramapo River from Pompton Lake Dam in Wayne, NJ, to Pompton Lakes upstream through Oakland, NJ. This is about a 3-mile stretch of river that is home to more than 300 families.

I have worked closely with the Energy and Water Subcommittee and the Appropriations Committee for funding for this project, along with many State and local officials. I want to thank Chairman MYERS and Chairman LIVINGSTON for their support.

Ms. LOFGREN. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. LOFGREN. Mr. Chairman, I wanted first to thank the gentleman from Indiana [Mr. MYERS] and the gentleman from Alabama [Mr. BEVILL] for their extraordinary courtesy to me as a brand-new Member of the House and for helping to show me the way and being so courteous and helpful.

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I know many of us have had the experience of advocating for flood control projects and other things that we know about. However, today I wanted to mention and engage the chairman in a brief colloquy about something that is not in my district, but it is something we all care about. That is the fusion research program in this country.

I know that the chairman, as well as the gentleman from Alabama [Mr. BEVILL], are supporters of fusion, that we have very tight fiscal constraints. However, last year we had a 33 percent reduction below the requested amount. This year, once again, funding is a little bit on the slim side for what will be needed for the restructured program envisioned last year.

Mr. Chairman, I know that every effort has been made to support the program. I guess my question to the chairman is not an amendment or a suggestion to change the language or anything of that nature, but to ask whether he would be willing, if additional funds should become available within this bill in the conference committee, to do his best to see that especially university-based fusion research and basic research might be the beneficiary of any good news in conference.

Mr. MYERS of Indiana. Mr. Chairman, will the gentlewoman yield?

Ms. LOFGREN. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Of course, the committee is always willing to look at additional funds if we can find them, Mr. Chairman. Unfortunately, we were not able to find them before we came to the floor today. But when we do go to conference with the other body we will have to wait and see what they may have. We appreciate the interest the gentlewoman has. This committee has always supported fusion.

Ms. LOFGREN. I know the gentleman has, Mr. Chairman, and I know he will do his very best in conference should something occur that is happier than we now know.

I would note also that the gentleman from California [Mr. FAZIO] joins in this good wish, and thanks the chairman of the subcommittee also for his efforts.

Mr. FAZIO of California. Mr. Chairman, the Fusion Energy Program is one of the most exciting and important programs at the Department of Energy. It is also very important to my State.

California is host to the U.S. home team of the International Thermonuclear Experimental Reactor [ITER].

Several campuses of the University of California have fusion research programs.

Lawrence Livermore and Lawrence Berkeley Labs have programs and several California companies are heavily involved in fusion research and development.

Unfortunately, for both the Nation and my State, at the same time the fusion program is making tremendous progress, it has suffered heavy cuts at the hands of this Congress. Last year, as many of my colleagues are aware, the fusion program was cut $130 million—33 percent—and the bill before us now cuts another $19 million from the program. Accompanying the cuts in last year's Energy and Water bill were instructions for the Department of Energy and the Fusion Energy Advisory Committee to restructure the fusion program.

This Congressional guidance set off an extensive, time consuming, and, frankly, a painful redesign of the fusion program. It also put into place a thorough peer review process. Both the redesigned program and the ongoing peer review process have been widely praised.

It is regrettable that the lack of adequate funding in this bill pits one aspect of the fusion program against another. I will work in conference to see that all of the needs of the fusion program are met. I think it is important.

However, if that does not happen, I am concerned that the language currently in the bill which tries to set priorities for the program within the limited funding constraints may conflict with the direction the program is intended to take. It could also result in substantial damage to a number of California programs, facilities and high tech jobs and divide the fusion community.

If funding constraints force us to make difficult choices in how to fund the fusion program, we should leave that decision up to the Department of Energy with the guidance of the fusion Energy Sciences Advisory Committee.

I look forward to working in conference to fully fund the fusion program and to work toward language that is less prescriptive and more consistent with the peer review process for this important program.

Mr. DUNCAN. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DUNCAN. Mr. Chairman, I would like to engage in a colloquy with the distinguished gentleman from Indiana [Mr. MYERS], chairman of the Subcommittee on Energy and Water Development. I have a brief colloquy that has already been approved by the chairman.

Earlier in this Congress, I introduced legislation, H.R. 28, the Freedom From Government Competition Act. It has been brought to my attention by some of my constituents that at least one Federal agency under this bill is considering some competition with private industry. As the chairman knows, when the last White House conference on small business met here in Washington, the problem of unfair government competition and the failure of government to adequately utilize the private sector was ranked as one of the very top issues for small business.

Additionally, since the Eisenhower administration, it has been official U.S. government policy that ''the Federal Government will not start or carry on any commercial activity to provide a service or a product for its own use if such product or service can be procured from private enterprise through ordinary business channels.''

I would like to ask the chairman of the subcommittee if, as a general proposition, the subcommittee intended that money appropriated in this legislation be used by Federal agencies or quasi-governmental agencies for the purpose of competing with private business.

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

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

Mr. MYERS of Indiana. Mr. Chairman, I would say to the gentleman, no, not at all. Small businesses have difficult time enough staying in business in competition with the rest of the world. Being in competition with their own government is just unreasonable.

Mr. DUNCAN. That was the very point of this colloquy. I thank the gentleman form Indiana. I believe he and his colleagues on the subcommittee have done an excellent job on this legislation.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer amendment No. 4.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. OBEY: On page 17, line 21, after the dollar amount insert the following: ''(reduced by $17,000,000)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Wisconsin [Mr. OBEY] and a Member opposed will each control 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

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

Mr. Chairman, this amendment is very simple. It eliminates the $17 million in this bill for the advanced light water reactor. The arguments against this funding are many. They have been articulated on this floor in the past. Many Members have voted against it in the past. Last year we voted on this amendment. If failed by a 191 to 227 vote. This year we have a number of additional cosponsors, including the gentleman from Florida [Mr. FOLEY], the gentleman from Minnesota [Mr. MINGE], the gentleman from California [Mr. ROYCE], the gentleman from Massachusetts [Mr. MARKEY], and the gentleman from California [Mr. ROHRABACHER]. Obviously, with a crowd like that, there ought to be some additional attention paid to the amendment above that which was paid to it last year.

In 1992, the Energy Policy Act authorized the funding of efforts to design, engineer, and obtain regulatory approval for new evolutionary nuclear reactors. Since then, through fiscal 1996, DOE has given away $295 million to companies such as General Electric, Westinghouse, and a number of others.

The 1992 act specifically states that ''No entity shall receive assistance under this subsection for a period greater than 4 years.'' Mr. Chairman, both Westinghouse and General Electric will have already completed 4 years of funding in the fiscal 1996 budget. They should not get any further funding in this bill.

Let me make it clear, I have absolutely nothing against those companies. They are fine companies. That is the point. They are very healthy companies, with billions in annual revenues. They do not need the corporate welfare provided for them in this bill. They have already enjoyed 4 years of funding, as authorized. It is time to terminate the program. The authorization has expired. This is the 5 year of funding for what was supposed to be a 4-year program.

Mr. Chairman, we might wonder why there is no new authorization. I suspect it might be because no American utility has successfully ordered a nuclear power plant since 1973. Second, I suspect it might be because an overwhelming majority, 89 percent, in a recent poll of utility executives, said that their company would never consider ordering a nuclear power plant.

It also might be that the current reactors that are being funded through the program, the 600 megawatt size, are not commercially viable in this country. In fact, in February of this year GE, who received $50 million from DOE, announced they were abandoning further design work on the SBWR reactor because it was not commercially viable.

Why does DOE continue to fund the program? I suppose on reason is that the agency seems to be generically incapable of terminating any program.

The official reason seems to be that the designs could provide the basis for future commercial orders. The official reason seems to be that the agency thinks that there might some day, in the far distant future, be somebody who would change their mind and order one of these turkeys. Frankly, the likelihood is quite dim. The Secretary of Energy, in recent testimony, has said, ''For the foreseeable future, we do not expect new nuclear power plants to be ordered or built in the United States.''

I would point out that the Energy Policy Act stipulates that the recipient of these funds must certify that the reactors are designed for sale in the United States. The fact is, the most likely markets for these reactors are abroad; most likely Indonesia or China. There is a ban on the export of nuclear technology to China at the moment, and I do not see any circumstances under which that is going to change in the foreseeable future.

So I would simply make the point, this program was authorized under the premise of licensing nuclear power plants in the United States. That is no longer happening. No serious person expects it to happen. I would simply say that a Congress that is big enough to get tough on kids is a Congress that ought to be tough enough to say no to more corporate welfare to the nuclear power industry.

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

Mr. MYERS of Indiana. Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] is recognized for 20 minutes in opposition to the amendment.

Mr. MYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Louisiana [Mr. LIVINGSTON] the chairman of the Committee on Appropriations.

(Mr. LIVINGSTON asked and was given permission to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Chairman, I thank my friend and the distinguished chairman of the subcommittee for yielding time to me.

Mr. Chairman, I rise in opposition to the Obey amendment to strike the remaining funding from the light water reactor program. The fact is that the budget request from the President was $40 million for this program. This committee has only provided about $17 million. So we are achieving cost savings right there.

The only way the industry is going to get back into the nuclear energy business in this country is, in fact, if the Government participates in some way. In the case of this particular program, this is the last year of funding. Any funding that we provide this year completes the program. But in the case of the advanced light water reactor, total industry cost-sharing in this program is over 60 percent, which comes from the industry itself.

The industry has contributed some $444 million of their own money to this program. The government expenditures to date total, the gentleman from Wisconsin [Mr. OBEY] has used the sum $295 million, my own figure is $269 million; obviously considerable sums. But what are we going to do? Just cut, run, and stop the program? Because industry itself has relied on the commitment of Government and spent, of its own money, $444 million. The industry is committed to pay back most or all of the Federal costs if future sales are made.

This program is important because it represents a joint commitment by Government and industry to develop a new generation of standardized, advanced reactors, coupled with a one-step Nuclear Regulatory Commission licensing process.

Whether we like it or not, new nuclear energy sources will one day be needed in the United States. Nuclear energy is still safe. It does not produce greenhouse gas emissions that we hear so much about with fossil fuel usage. Nuclear energy as generated represents 20 percent of the power generation in this country, and substantially more than that, anywhere up to 50 to 70 percent, in other industrialized countries like Japan or France. We must finalize the development of a standard turn key safe design for marketing to plants overseas and for this country, if we decide to build them here.

Again, Mr. Chairman, this is the last year of funding. This project is authorized under the general authorization of the Atomic Energy Act of 1954. No Federal funds have been or will be used to subsidize any construction. That is left up to the industry. So I urge my colleagues to vote against this ill-considered amendment.

Mr. OBEY. Mr. Chairman, I yield 30 seconds.

Mr. Chairman, the gentleman from Louisiana said they have already cut the program because they have only provided $17 million out of the $40 million. The fact is the Senate has already funded the other two portions of the program. The game plan in conference is to fund all three pieces, and, smackaroo, you have $40 million bucks right back in the bill again. Do not kid yourself, this program is not going to be cut one dime without this amendment.

Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Florida [Mr. FOLEY].

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

Mr. Chairman, I want to rise in strong support of this amendment to strike the $17 million. The supporters of corporate welfare for the advanced light water reactor program are playing fast and loose with the facts. We hope Members will take the opportunity to separate real fact from the fiction they have been spreading.

Our amendment to strike the advanced light water reactor funding is not part of some anti-nuclear agenda. Moving past its authorized limits, this program has become a subsidy to a wealthy industry capable of supporting its own projects. Congress should abandon wasteful funding for this giveaway. Again, clearly, first-of-a-kind engineering, the Energy Policy Act strictly states, item B, ''No entity shall receive assistance under this subsection for a period greater than 4 years.''

Mr. Chairman, we talk about this nuclear reactor and suggest that some day, somehow, somewhere, we will recapture some of the dollars our great taxpayers have invested in this project. Why has Westinghouse canceled construction of its own reactors? They are not using the technology. The only places we are able to find any utilization of this technology is in China, is in areas that we are critically concerned about nuclear proliferation, and these reactors could in some way benefit a program of expanding those nuclear reactors.

Mr. Chairman, sure, $17 million is small if you are a corporation in an industry with annual revenues in excess of $100 billion. However, the last time we checked, it was an enormous amount to American taxpayers. The nuclear industry has dominated energy research and development over the last 50 years, receiving more than $47 million.

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Now they are clamoring for another 17 million for this reactor without a future. Just how many taxpayers does the Department of Energy want to work their entire lives to pay for this corporate giveaway?

They will tell you the termination costs are going to cost the government millions of dollars. Folks, clearly in the contract: Item number C, reimbursement for costs specified in termination above shall be subject to the availability of appropriated funds.

Much like every government contract that is written, the government protects itself and has a hold-harmless clause that, if you do not appropriate the moneys, it in fact will not be tendered as cancellation fees. I have heard it before when we cancelled gas turbine last year, we would have to pay all of these millions of dollars in termination fees. Clearly not the case.

What are broad groups like Citizens Against Government Waste, CATO Institute, Competitive Enterprise Institute, Friends of the Earth, Heritage Foundation, Progressive Policy Institute, Public Citizen, Safe Energy Communication Council, Taxpayers for Common Sense and U.S. Public Interest Research Group in one group together advancing against this project. It does not make any sense to spend the hard-earned tax dollars of the American public to support projects that do not work.

Mr. Chairman, I would like to read some editorials from newspapers around the country later in the debate.

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

Mr. DOYLE. Mr. Chairman, I rise in opposition to the amendment offered by my colleagues from Wisconsin and Florida. In the Energy Policy Act of 1992, Congress reaffirmed its commitment to the nuclear option by authorizing a program for research and development of standardized inherently safe reactor designs.

At that time, Congress recognized the artificially high cost of developing and certifying new reactor designs to meet the government's extremely stringent requirements. EPACT proceeded with this program precisely to ensure that new passively safe reactor designs would be readily available when U.S. utilities were prepared to order new baseload generating plants.

The authors of this amendment would like to say that this is funding for the sixth year of a 5-year program. They know this is not true. EPACT was authorizing legislation and was passed in 1992, but this program did not have funds appropriated for it until fiscal year 1993, which means that this will be the fifth year of a 5-year program. Thus, DOE is fully authorized to fund the advanced light water reactor program in fiscal year 1997

No taxpayers' dollars have been used to pay NRC fees. NRC's increased review and testing requirements forced the program to perform additional technical work. While most of the extra work was funded by industry, part of the added cost was supported by the DOE advanced light water reactor program. The additional technical work expanded the work scope for the program but was clearly authorized by EPACT.

Mr. Chairman, this would be a very entertaining debate if it were not for the fact that we are talking about a major component of U.S. energy security, as well as the certification of a technology that holds the potential for the creation of thousands of high-paying jobs here in the United States. The construction of one AP–600 employs 5,000 people for 5 years. Now let us look at how much money we are going to save if we terminate this program.

I have a letter here from the Department of Energy which I will submit for the RECORD that shows that terminating this program would cost the taxpayer more than it would to complete this program.

Mr. Chairman, this is an ill-advised amendment, and I urge that we defeat it.

Mr. Chairman, I submit the letter referred to earlier for the RECORD:

DEPARTMENT OF ENERGY,
*Washington, DC, July 24, 1996.*

Hon. MICHAEL DOYLE,
*House of Representatives,*
*Washington, DC.*

DEAR CONGRESSMAN DOYLE: The Department of Energy opposes the amendment to eliminate funding for the Department's Advanced Light Water Reactor (ALWR) program from the FY 1997 Energy and Water Development Appropriations Bill. We strongly urge the House of Representatives to reject this amendment and support FY 1997 funding for the ALWR program.

This program is nearing a successful conclusion. The First-of-a-Kind Engineering program, for example, was authorized by Congress in FY 1993 to be conducted for five years. FY 1997 is the last year that the Department plans to request funds for this effort, and one of the two plant designs in the program—the Advanced Boiling Water Reactor (ABWR)—is scheduled to be completed by the end of the year. In addition, we expect that Nuclear Regulatory Commission (NRC) design certification of the ABWR and the System 80+ will be granted in FY 1997. Design Certification for the AP600—an advanced, modular plant with passive safety features—is scheduled for completion in the following fiscal year.

Taxpayers have invested about $300 million in ALWR research and development since 1986 and U.S. industry, led by electric utilities from across the country, has contributed an additional $500 million. Much of this investment could be wasted if the goals of the program—Nuclear Regulatory Commission design certification and completion of First-of-a-Kind-Engineering were not met because of a decision to terminate funding in FY 1997 when the program is so close to conclusion.

LWR PROGRAM TERMINATION COSTS

The Department has requested $40 million to conduct its Advanced Light Water Reactor (ALWR) program in FY 1997. These funds would allow the Department to complete its First-of-a-Kind Engineering (FOAKE) program for the AP–600 and Advanced Boiling Water Reactor and accomplish Nuclear Regulatory Commission design certification of two of three ALWRs.

Since 1986, U.S. industry has contributed approximately $500 million to the federal ALWR program, with taxpayers contributing another $300 million. This program is nearly completed and must of the benefit of this $800 million public/private investment could be lost if it is terminated in its final stages. The Department believes that this effort should be allowed to conclude successfully, providing the United States with a viable, safe, and economic nuclear energy option that will be available before the end of the decade.

If these programs are terminated at the end of FY 1996, the federal government will have to plan for the following impacts:

Tens of millions of dollars in other termination costs would be sought from the Department by program contractors and other participants. Westinghouse, for example, estimates that the termination of their portion of the design certification program would cost about $28 million. Westinghouse also estimates that its FOAKE termination costs would be approximately $10 million. Other contractors would be expected to seek lesser amounts, as their participation in the program is nearly complete. The Advanced Reactor Corporation, which manages the FOAKE program, has indicated that its termination costs could be as much as $24 million if the program is terminated at this stage.

The Department would seek to negotiate these costs, but legal action on the part of program participants to recover termination costs can be expected.

A maximum of $125 million in lost potential cost-recovery from industry. Termination of the program at this late stage would mean that the federal government would lose the right to collect funds from industry based on future plant sales. Westinghouse, for example, has agreed to pay $25 million to the government with the sale of its first AP–600 to repay design certification funding and an additional $4 million for each reactor sold to repay federal FOAKE contributions. General Electric recently sold two reactors to Taiwan; the federal government expects to collect $3 million from this transaction. All of these cost recoupments would be forfeited if the ALWR program is terminated now.

Unless new work assignments are found for federal and national lab staffs working on the program, DOE will require about $1.5 million to terminate personnel at DOE headquarters in Germantown, MD; at the field offices in Oakland, CA and Chicago, IL; and at the Idaho National Engineering Laboratory and the Sandia National Laboratories.

The ALWR program is essential in order to maintain the nuclear energy option in the United States. Without FY 1997 funding, we will not achieve the design certifications that we have worked toward for years, and a huge public/private investment will have been largely wasted. We will also be forced to terminate our contracts with the program's industry participants, and risk a potentially expensive legal response.

Further, termination of the program at this late stage would mean that the federal government would lose the right to collect funds from industry based on future plant sales. Westinghouse, for example, has agreed to pay $25 million to the government with the sale of its first AP600 to repay design certification funding, and an additional $4 million for each reactor sold to repay the Department's contributions. Taiwan recently awarded General Electric a contract to build two new reactors, and the U.S. government expects to collect $3 million from this transaction. All of these cost recoupments would be forfeited if the ALWR program is terminated now.

For a modest sum in FY 1997, the program can be brought to a logical and successful conclusion, and the taxpayer and industry investments in these technologies will result in the form of detailed, certified designs of next-generation nuclear power plants.

Sincerely,

RAY A. HUNTER
(For Terry R. Lash, Director, Office of Nuclear Energy, Science and Technology).

Mr. OBEY. Mr. Chairman, I yield myself 30 seconds.

The gentleman is leaving a wrong impression with the House. First of a kind funding is limited to 4 years. The gentleman is talking about other pieces of the Energy Act. The first of a kind funding, which is the subject of this amendment, is limited to 4 years. If we do not pass this amendment, we are providing it for a fifth year without authorization.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Chairman, as to the statement just made, I have in my possession here a letter today from the Department of Energy saying the first of a kind engineering program, for example, is authorized by Congress in fiscal year 1993 to be conducted for 5 years. This 1997 fiscal year is the fifth year in 5 years, according to the Department of Energy.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BROWN], a very distinguished member of the Committee on Science and the former Chairman who is now ranking member.

Mr. BROWN of California. I thank the gentleman very much for yielding me this time.

Mr. Chairman, I am not at all sure that I have anything new to contribute. I used to believe that I knew as much about the nuclear energy program as anyone in Congress, but I see from the remarks of the gentleman from Pennsylvania [Mr. DOYLE] and the gentleman from Louisiana [Mr. LIVINGSTON] that they have been doing a lot of boning up on the subject. I think probably they know more than I do at this particular time.

I do want to just recite for historical purposes the fact that I have lived through and been actively involved in the development of the civilian power reactor program ever since it began 20-odd years ago. I have seen it grow with unrealistic hopes that it represented the solution to all of the world's energy problems and seen those hopes dashed as we found that there were problems with nuclear industry and with the development of nuclear power plants.

As a result of our failures to anticipate these problems, we placed a very large burden on the U.S. nuclear industry, and no new plants have been built in recent years and no new plants are on order.

What was the reason for that? The reason basically was that we overinvested in plants that had the diverse designs that were subject to different and changing safety regulations, and many energy companies went broke as a result of this. It became clear that we needed to remedy that situation. This Advanced Light Water Program was an effort to remedy that situation. It was to focus on a single design that could be precertified as to safety, that you could build repetitively and cut the costs as a result of that, and then you could become competitive again in terms of world markets, if that is what you were interested in, or in terms of competing with other forms of energy here in the United States.

That was our goal. It was a very realistic goal. This program was aimed at achieving it. It is about to complete it; it is very near to completion. If it is successfully completed, it will again put us in a position, if we are forced to do so, and I think we will be, to build more nuclear plants as a way of avoiding some of the environmental problems of fossil, for example, or as merely a way of competing in the world market where other countries which do not have the energy resources that we do, have to rely upon nuclear energy. We should be competing for that market.

Mr. Chairman, if we refuse to do this, I think we are putting our heads in the sand. I think that this is a program which, as has been pointed out already, is heavily cost-shared by industry. I fully believe that we are authorized to continue it. As has been argued here, even if it is not authorized, we have a waiver of points of order against authorization, so it really does not make that much difference.

So I would urge that this amendment be defeated and we spend the $17 million which will once again make us competitive in world markets.

Mr. OBEY. Mr. Chairman, I yield myself 30 seconds to again correct a statement made by the gentleman from Indiana.

It is true that there is a $100 million cap on this program for a 5-year period, but under the authorization no corporation is supposed to receive funding for a period longer than 4 years and under this bill without this amendment would have a 5-year provision to Westinghouse, which is in opposition to the authorization statute.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I say to my colleagues, Adam Smith is spinning in his grave as he listens to this debate tonight. This is the wealthiest industry in the United States. How in the world can we subsidize General Electric and Westinghouse to develop an incremental advancement on a 50-year-old technology? Either it works in the marketplace or it does not work in the marketplace. If we cannot cut this subsidy out of the budget, we cannot cut any subsidy out of the budget.

This is like conducting a French revolution and not attacking the Bastille. If there is going to be a revolution out here, we got to cut out unneeded programs. And if we cannot cut out a subsidy to an industry which has received $50 billion worth of subsidies over the last 40 years in this country, we are not cutting out subsidies for anyone.

By the way, the technology is not being built commercially because it does not work in the marketplace. It is 6 cents a kilowatt hour. Coal is cheaper, natural gas is cheaper, wind is cheaper. It is losing in the marketplace.

I say to my colleagues, we cannot stand out here on the floor of Congress and interject Federal taxpayers' dollars into industries that they are already paying too high rates in their electricity bills already because the electric utility executives in the areas invested in the wrong technologies.

If they in fact want these next generation of technologies, and by the way, not one new nuclear power plant has been ordered in the United States since 1973, and I will predict right now and guarantee you that there will not be a new nuclear power plant ordered as long as any person in this room is alive, how in the world can we justify this kind of investment?

As we move to wholesale and retail wheeling of electricity, the marketplace is going to ruthlessly demand the lowest priced energy. Nuclear power is not that energy. We must demand the Obey amendment be adopted here this evening.

Mr. MYERS of Indiana. Mr. Chairman, I yield myself 1 minute.

I think the gentleman from Massachusetts is in good health, and I thought I would live a little while.

But I might add that it is true that the United States is not building. What other major developing country in the world is not moving fast toward more nuclear power? Japan had the worst experience with nuclear of any country in the world, yet they are buying boiling water reactors, looking at advanced light water reactors. This committee was over there last August. They are looking.

We wonder where the jobs went; we have run them out. Every other country in the world subsidizes and helps their industry to be competitive in the world. And we talk about corporate welfare? Wait until we hear tomorrow or later tonight about solar. How many people are buying solar reactors today? Would we want more money spent on solar?

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

Mr. MYERS of Indiana. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, if the gentleman is willing to cut this subsidy out, I will vote to cut out all subsidies for solar. It is everyone gets a subsidy or no one gets a subsidy. But let us give the same subsidies to both technologies, not 10 times more.

Mr. MYERS of Indiana. Mr. Chairman, percentage-wise it is a bigger cut than we have on solar.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER], chairman of the subcommittee.

Mr. WALKER. Mr. Chairman, shouting about this amendment does not make it any smarter. It is too dumb to start with.

Just as we are going to get the payoff from this program, some are prepared to kiss off the program. Now, that makes no sense whatsoever. First of all, it makes no sense because what we are going to actually do is end up increasing spending here. I realize people cavalierly toss off the idea that there might have to be termination costs in all of this. Sure, it takes appropriations, but if the court orders us to make the payments, we are going to have to make the payments. It is about $40 million compared to what would otherwise be a $17 million expenditure.

Mr. Chairman, this is not about corporate subsidy as much as it is about nuclear safety. This is an advanced light water reactor program that is a government-mandated program to design a new passively safe reactor to replace existing ones. It is a safety program. If we are going to abandon the government's involvement in safety, it seems to me that what we are pursuing is rather ludicrous.

Now, the fact also remains that we have a legal commitment in the authorization, in Public Law 102–486 to pursue this program. We ought to meet that commitment.

It also does not make any business sense. The gentleman stood up here and talked to us about Adam Smith. General Electric just sold two nuclear reactors to Taiwan. The Federal Government plans to get about $3 million

from that transaction. One of the reasons why we are recovering money from these programs is because we have a provision of recoupment that is in the program.

If in fact tonight we decide to abandon this program, we do not get any recoupment. We lose the money. We lose the $3 million in the AP–600. We could lose $4 million for every reactor they sell. It makes no sense.

□ 2230

This is empty symbolism. It is dumb to do. It would be an act of extreme stupidity for the House to do this amendment tonight for the sake of some empty symbolism.

Mr. OBEY. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, this is further proof of the existence of God. OBEY and ROHRABACHER on the same side talking in disagreement with the gentleman from Pennsylvania, Mr. WALKER. Let me say that I want to commend the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Florida [Mr. FOLEY] for the great leadership they have taken on this issue.

They call this program the light water reactor, but it is mighty heavy on the taxpayers, basically to the tune so far of $200 million; $50 million of that went down the drain this year when General Electric decided to pull out of the program. Although this company makes $4 billion a year in after-tax profits, the Department of Energy could not tell us at our authorization hearing of how they expect to get back that $50 million that we gave to this giant company already.

Now Westinghouse, which makes $1 billion a year in after-tax profits, says this program will just disappear unless they get another $40 million. If Government subsidies serve any purpose, it should be to help small companies develop technology. It strains anyone's belief that Westinghouse, which has just purchased a TV network for $4 billion and makes millions of dollars off existing contracts with the Department of Energy, would not pay for its own certification if they believed that this was going to make them a profit, that this was a profitable operation and they could actually sell this product and make a profit from it.

Mr. Chairman, I believe that nuclear power is clean, safe, and is a positive alternative source of energy for the people of the United States of America. But supporting nuclear power does not mean that we should be supporting wasteful corporate welfare. If these products are as good as advertised, these big corporations will not need all of this money. They will not need a taxpayer subsidy to be successful.

Basically we are being told that we must give more money to a huge corporation that can afford to do it on their own or the project will disappear. That shows how much confidence this corporation has. We should not be putting more taxpayers' money down a rathole.

Again, Mr. Chairman, I would suggest to my colleagues to vote yes for fiscal responsibility, yes on the Obey-Foley amendment.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Chairman, I would first like to commend the distinguished chairman and ranking member of the subcommittee for their many years of dedicated work and bipartisan cooperation. I wish them both the very best in their future endeavors. They are a distinguished pair and a credit to this institution.

Mr. Chairman, I rise in strong support of the common sense amendment to terminate the funding of the advanced light water reactor. I join with my colleagues in cosponsoring this important effort to cut wasteful spending and to save the taxpayers $17 million.

There are many reasons why this egregious corporate handout should be stopped, but as co-chair of the Porkbusters Coalition, I am most interested in the fact that this $17 million appropriation for nuclear engineering is no longer authorized. As the Chair may know, there was funding authorized for the commercialization of advanced light water technology under the Energy Policy Act of 1992, but that authorization has expired and clearly does not apply to this appropriation.

To be sure, I brought with me the authorizing statute for the advanced light water reactor program so we can see why this appropriation is not authorized. First, note in the highlighted language here that it must be technology that would be used in the United States, commercialized and used in the United States. This is not the case with this particular program.

The intent of the advanced light water reactor program was to provide the taxpayers with new domestic sources of energy in return for their investment, not provide corporate giants with pork subsidies to finance profitable overseas business ventures.

Finally and most importantly, this statute established strict funding limitations for corporate participants. It clearly states that there is a life of 4 years, and here is the statutory language, a life of 4 years.

Mr. Chairman, in summary, this program ought to be stopped. This amendment ought to be adopted.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. KLINK].

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

Mr. Chairman, we have got a problem in this country with not making the kind of investment in industry that creates jobs. While Great Britain and France and Japan and Germany go with their industrial leaders around the world and see that they have an opportunity to create job markets, the United States just sits here, not doing anything.

Mr. Chairman, Energy Secretary Hazel O'Leary has made some mistakes. They have been well documented. But it was because she was trying to do something that was right. Industry has understood this. They have come before our Subcommittee on Oversight and Investigations and have said, ''We are getting business because of this.'' The Advanced Light Water Reactor Program is indeed an example of something right that this country is doing.

In the Energy Policy Act of 1992, Congress determined that in order to ensure that nuclear power was maintained as a viable energy option for our Nation as we approached the 21st century that there needed to be a partnership between private industry and the Federal Government. Because we had uncertainties and complexities that dealt with the risks of nuclear licensing processes, the importance of the program's future demanded, in fact, that the Government would play a role.

Congress authorized a two-phase program: Design certification to cover the NRC regulatory process, and first-of-a kind engineering. The Advanced Light Water Reactor Program is an effective program. It is recognized as a world-class development. Both General Electric and ABB Combustion Engineering presented reactor designs in the program that are going to be completed by the end of fiscal year 1996. The AP 600 design is 88 percent complete and there is a payback to the Federal Government. Westinghouse is competing with France, by the way, for every unit they sell, for every AP 600 they sell. Over in the Far East these developing countries where there is $1 trillion worth of energy development, these developing countries are going to be building their energy production while we have about built our limit. For every AP 600 that is built, there will be 5 years worth of work for 5,000 people. If those jobs are not created here, they will be created in France or somewhere else. The very first unit that is sold, $25 million goes right back to the Federal Government. With each additional unit, there will be $4 million more, for each unit, going back to the Federal Government.

I believe if the Obey amendment passes that we give up all chance for recoupment. We have gone this far. There is going to be a payoff. Someone is going to manufacture this. I want it to be American workers. I want those jobs to be created in this country. I think the Obey amendment will see that that work goes overseas and not here in this country.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. ROYCE].

Mr. ROYCE. Mr. Chairman, I rise to express my strong support for this amendment. Authorization for Federal subsidies to develop the advanced light water reactor was established by the Energy Policy Act of 1992, which was enacted into law on October 24 of that year, and I am just going to quote from

that law. It states that ''The Secretary'' of Energy ''shall conduct a 5-year program of technical and financial assistance to encourage the development of advanced light water reactor designs which'' shall be ''no later than the end of fiscal year 1996.'' That is the law that was passed.

Last year we went through this. On July 12, the distinguished chairman of the House Appropriations Subcommittee on Energy and Water defended continued Federal funding of this program, and he said at that time, ''* * * this is the fifth year of a 5-year program for the advanced light water reactor.'' That was a year ago. Now we have the Department of Energy concurring with the assessment in a March 28, 1996 memo.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. SALMON].

Mr. SALMON. Mr. Chairman, last year during floor consideration of an amendment to eliminate the advanced light water reactor program, I supported continued funding for the program. I did it because I was assured that fiscal 1996 would be the final year of the program. To my surprise, tonight is deja vu all over again.

I thought it was important to support the program throughout its completion in order to recoup some of the $340 million of taxpayer money we have invested in the program to date. But it is becoming increasingly apparent that this technology, once certified, may not even have a market.

General Electric canceled development of a similar reactor because they believe that the market for smaller advanced light water reactors is nonexistent. If this reactor is really worth the investment, can a corporate giant like Westinghouse not come up with the $17 million to complete the program? We can save $17 million for the taxpayers tonight if we vote for discontinuing this program, or we can be back here next year, same program, same debate, deja vu again.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, let me sum it up.

We have got $378 million invested. I just heard a minute ago we are going to get $3 million back on the sale of a reactor somewhere. With that kind of math we have almost 120 or 140 reactors yet to sell to break even. What a great investment.

San Francisco Chronicle:

If there's a lucrative export market, let them finance their own development programs.

The Oregonian:

Let's face it, nuclear power in the United States, no matter how you feel about it, is a dead issue.

The Charleston Gazette:

Why on earth is Congress giving taxpayers' money to billion-dollar companies?

The Courier-Journal of Kentucky:

Given the new competitive pressures in the utility industry, no manager with any concern for his company's financial stability would even think of going nuclear.

Kennebec Journal in Maine:

The project is a classic government boondoggle, all the more egregious since it squanders taxpayers' money.

The Morning Sentinel in Maine:

Funding continues despite the fact that no utility has built a nuclear plant in 23 years and that 89 percent of utility executives claim they will never order another nuclear plant.

Mr. Chairman, clearly the editorial boards from around the Nation are against this. Clearly CATO and all the other groups that have weighed in are against this. The gentleman from Wisconsin [Mr. OBEY] has led the fight for years. I give him credit. This year we are going to win it and win it for the taxpayers.

□ 2245

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

Mr. Chairman, I have just one comment for my friends on the majority side of the aisle: Two years ago, when you took over this House, you indicated that you wanted to see an end to business as usual. You indicated that you wanted to eliminate the Department of Energy.

I would point out that if you cannot tonight or tomorrow, when this vote takes place, at least vote to eliminate this tiny program, then indeed your revolutionary trumpet has turned into a piccolo. I urge Members to vote for the amendment. This is one of the wealthiest industries in the country. It does not need this subsidy.

This program was supposed to be helping develop nuclear reactors in this country, not in Taiwan. I urge Members to vote for the amendment in the interest of saving the taxpayer a dime. This investment is something that has outlived its usefulness a long time ago.

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

Mr. Chairman, I think all of us understand the issue here. The taxpayers of our country have invested about $300 million in the technology of the light water advanced reactor.

It is true that we are not building reactors for our own consumption in this country. I think that is a sad commentary on our industry. I do not think it is because our American industry would not like to, but we have built too many impediments, through the Nuclear Regulatory Commission and others, discouraging now a CEO from buying a nuclear reactor. But the rest of the world is willing to buy. They are buying and they are building.

They are advancing their light water reactors. They have a boiling water reactor in Japan. They are advancing. They are moving forward. We can be part of the sales or we can sit back and let everyone else in the world.

The gentleman from Pennsylvania, [Mr. KLINK] made a very, I think, compelling reason why if we have got $300 million already invested, the utilities and the heavy companies that are producing, like General Electric and Westinghouse, have more than $500 million invested, for another $17 million this year, to show not only that maybe the money is not near as significant but to indicate that America is standing behind its own industry.

We have a product that will do the job, that we are in the market to sell reactors to the rest of the world who are willing to buy and are expanding.

In closing, we do have a letter from the Department of Energy. All of us are not wanting to see the demise of the Department of Energy. Some of us would like to see it improved somewhat, be more realistic for today's needs, but some of us are not in favor of doing away with the Department of Energy.

I am quoting now. They say the program is nearing a successful conclusion; much of the investment could be wasted if the goals of the program, Nuclear Regulatory Commission design certification and completion of first-of-a-kind engineering, which is to complete the first-of-a-kind engineering, if that is not completed we will have lost the money we have invested.

I respect my colleagues from Wisconsin. He is very sincere and others, but it is the argument we have heard before. Stick with your committee. Vote to reject this amendment.

Mr. ROEMER. Mr. Chairman, the Advanced Light Water Reactor is the last nuclear option left in the federal budget. I rise today to give my support to this project and to oppose the Obey amendment to kill this project.

We must cut spending, but we must also invest. The ALWR program is an investment that will be repaid: it leverages public dollars to allow U.S. industry to move into a newer, more efficient and safer nuclear age. Pursuit of common interests is a valid use for federal investment in energy research and development. Eliminating the last commercial nuclear energy program is not in our best interest. Without this investment, we might well find ourselves again overly dependent on foreign energy sources and technology. We could lose, for many years, the ability to build affordable nuclear technology for our nation's energy needs.

This is the fifth year of a five-year program. It was born of competitive bidding, and is a partnership with our nation's utilities. We must not sit idly by, watching other nations develop advanced technologies which they will almost certainly use as an unfair competitive advantage against our nation in the world market.

Like fusion, this is a technology that most advanced nations are pursuing. And also like fusion, should our nation fail to invest in our own share of this important research, our ability to produce affordable energy and compete in an increasingly competitive global market could be seriously weakened.

I urge my colleagues to support the ALWR and oppose this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. OBEY. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 483, further proceedings on the amendment offered by gentleman from Wisconsin [Mr. OBEY] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. SCHAEFER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SCHAEFER: Page 17, line 21, strike ''; to'' and insert in lieu thereof ''(reduced by $11,930,200) (increased by $42,103,200), to''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Colorado [Mr. SCHAEFER] and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

(Mr. SCHAEFER asked and was given permission to revise and extend his remarks.)

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

Mr. Chairman, I am introducing an amendment which I feel is very, very important, not just for the current generations that we have in this country but for the future generations that we have in this country.

The aim of the amendment is really very simple: to ensure the future generations that they can enjoy energy security. This means that our children and our grandchildren and their children should be able to have stable, dependable and relatively inexpensive sources of power for their homes, cars, businesses and factories.

As chairman of the Committee on Commerce's Subcommittee on Energy and Power, I have seen first hand how vital it is to have a vibrant and diverse energy production base. Solar, wind, geothermal, biofuels, hydrogen, hydro power and other renewable sources are increasingly viable for energy production in this country. We must ensure continued research and development.

This is why I, along with Representatives KLUG and THURMAN and MINGE and SALMON and FAZIO would like to help keep funding at the renewable source and not reduce it. Over a period of time the funding has been cut in the last 3 years. Over a period of time, still renewables are getting cheaper, less expensive. And if we look to the future generations, we know darn well that this is going to happen and we are going to run out of fossil fuels one day. We are going to run out of coal one day, and it is very important to continue this funding for renewables.

What we have done is went across the board and now are cutting only 0.4 percent of the total budget of 26 billion, which is about $11 million out of that and taking money that now has been given back to us from the Central Arizona Project and the DOE field labs.

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

The CHAIRMAN. Is there a Member seeking time in opposition to the amendment?

Mr. MYERS of Indiana. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] is recognized for 15 minutes.

Mr. MYERS of Indiana. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. KNOLLENBERG] a very valuable member of our committee.

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman for yielding the time.

Mr. Chairman, I rise in opposition to this amendment. I recognize the time and the effort and extraordinary commitment that the gentleman from Colorado has, but I would just say to him that there is a lot of talk in this body about cuts for solar and renewable energy programs. I know that there are a lot of Members that are fascinated with the whole idea of renewables. I happen to be to some extent, too, in fact, to a great extent. But we also know during the next few years, next few decades that we expect the depletion of our supplies of fossil fuels. But that time has not come. And at some point we will have to be prepared for that, but it is not here yet.

I think it is critically important that my colleagues understand that all Federal programs designed to further the cause of solar and renewable energy are not created equal. We have basic research programs that are designed to remove the technological barriers to cheap plentiful sources of renewable energy.

It seems to me that the widespread use of solar and renewable technologies will not make economic sense, some say, for another 40 to 60 years. If that is the case, we should devote most of our research developing new technologies rather than pumping up current technologies that have not proven economically competitive.

This amendment moves in the opposite direction. In fact, I would say also that this amendment does nothing, absolutely nothing to change the law on its face. The amendment is dependent upon the legislative intent we expressed here in this debate.

I believe we should take the 9.6 million that was saved in the Roemer amendment to reduce the DOE's field management account and the 20.6 million that was saved with the Kolbe amendment to reduce the Central Arizona Project, I believe this money, both of these moneys should go to deficit reduction.

We can still do that. However, if we are so inclined to take this savings that the American taxpayers have enjoyed for less than an hour and a half, maybe, how long has it been, and just turn around, I think we ought to take the savings and put it somewhere into research and development and energy supply.

I will just tell Members that the solar and renewable accounts are already overflowing with cash. Listen to this, these are unspent balances and the proponents of the Schaefer amendment want to increase funding for programs that have huge unspent balances: solar building technology research, 3.3 million; that is 163 percent of last year's appropriation. Electric energy systems, 42.8 million; that is 141 percent of last year's appropriation. Here is one, wind energy systems, 55.6 million; that is 171 percent of last year's appropriation, and solar technology transfer, 24.3 million; that is 566 percent of last year's appropriation.

What does this all mean? It means that some of these accounts could go on for five years at the current level of funding and longer without needing another dime.

I think it is time that we look at precisely the situation that we are doing here. We are trying to subsidize a program that frankly has not reached viability commercially. It truly has not. I have got a project in my home state of Michigan where they have subsidized, the individual subsidies make it work, but that comes out of their pocket. It does not cost DOE a penny.

I am suggesting that in this time of limited fiscal resources, basic research, not corporate welfare, is what we need now. I urge Members to vote ''no'' on the Schaefer amendment.

Mr. SCHAEFER. I yield 2½ minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I thank the gentleman for his leadership on this issue.

I rise in strong support of the gentleman's amendment to keep the solar renewable industry viable. We are talking about a renewable energy technology account which amounts to our only domestic contribution to an industry which is growing by leaps and bounds, projected to grow by 70 percent in 5 years. Renewable energy technologies, when you look back, have made up 10 percent of our domestic energy production, more than doubling their contribution since 1973.

Wind energy is now a $4 billion industry in the United States. Biomass has increased fivefold over the past two decades. The solar industry boasts over a half billion dollars in annual sales.

What has merely been a downpayment on what is needed has begun to be eroded in drastic terms. The renewable account took a 29-percent cut last year. Another 20 percent was going to be cut this year with a number of program terminations.

The enactment of this amendment, I think, will reverse what is an ominous

trend. It is shortsighted to perpetuate our dependence on foreign oil, when we have the potential here at home to promote technologies we can depend on. Whether you cite the bombing in Saudi Arabia or simply the price at the pump that we experience early this year, Americans continue to understand just how vulnerable we are to the reality of an increasing amount of imported energy.

We need to acknowledge that this is not the time to be scaling back our commitment to renewable energy. We are moving beyond research to achieve numerous technological breakthroughs from which commercial applications are currently being realized.

What are we facing around the world as we look at our competition? Denmark is spending more for wind research and development than the United States. Japan is spending twice what the United States is on photovoltaic research and development and an additional 150 million on PV procurement. Germany is spending 50 percent more than the United States on photovoltaic R&D and a tremendous amount of money at the local level, $100 million, for their program through local governments. Spain is investing in an equal amount on solar thermal power as the United States of America.

They see this market growing. If we turn our back on it, we will regret it in the loss of jobs and a cleaner environment.

Mr. Chairman, I rise in support of this effort to keep the solar and renewable industry viable.

I have long been an advocate for this industry for many reasons. Renewable energy technologies account for about 10 percent of the Nation's domestic energy production and have more than doubled their contribution since 1973.

Combined, they now provide almost seven quadrillion BTU (quads) of energy annually. Biomass and hydropower account for over 45 percent each, with the balance of the mix of geothermal, wind and solar resources.

Wind energy is now a $4 billion industry in the United States. Geothermal is America's second largest renewable energy source creating energy through electric transmission.

Biomass has increased fivefold over the past two decades. An innovative example is a plant in my district which will turn rice straw into ethanol.

The solar industry boasts over a half billion dollars in annual sales.

The Renewable Energy Production Incentive Program, which I helped initiate under the Energy Policy Act, has helped public power agencies develop a wide array of renewable energy technology and move toward greater competition.

The validity of these programs is why I offered an amendment in committee to provide $10 million for 3 programs which were zeroed out—wind, solar buildings, and REPI.

That was merely a downpayment on what is needed. This account took a 29 percent cut last year. Another 20 percent was going to be cut this year with a number of program terminations.

It is shortsighted to perpetuate our dependence on foreign oil when we have the potential here at home to promote technologies that we can depend on.

This amendment increases the solar and renewable account close to 1996 levels.

It calls for offsets across-the-board in the Energy Supply, Research and Development account, including solar and renewables.

I regret that an offset is required at all because this increase should not take away from other programs within the Department of Energy of equal importance.

The difficulty stems from the insufficient amount allocated to energy and water in this appropriations cycle. I hope that the House will recede to the higher Senate numbers thereby giving us the needed flexibility to restore energy supply, R&D to their original levels. This should be a priority in conference.

For now, we need to acknowledge that this is not the time to be scaling back our commitment to renewable energy.

We are moving beyond research to achieve numerous technological breakthroughs from which commercial applications are currently being realized.

There is great industry interest and financial support for taking these applications into the marketplace.

Budget tightening forces us to make choices. Investing in solar and renewables is an investment in the future—this should be our priority if we intend to become less oil dependent and more self-reliant on our energy resources.

I urge my colleagues to support this amendment.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. WALKER], chairman of the Committee on Science.

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

First of all, I would just like to figure out on the amendment, Mr. Chairman, as I understand it, this amendment which purports to be one that is for wind energy, photovoltaic energy, solar thermal energy, solar international, so on, he way the amendment is drafted, you could actually spend it on hydrogen, on light water reactors, on superconductivity, on basic energy sciences, and a number of those kinds of things; is that not true?

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

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

Mr. MYERS of Indiana. Mr. Chairman, that is right. Biomass, which is probably a better way to spend it.

Mr. WALKER. In other words, the way in which the amendment is drafted, the other thing we ought to know about the amendment is that the way in which the amendment is drafted also increases spending now by $30 million. Because the House earlier this evening cut money back, and so now we are going to respend the money. This is actually, in the way in which this amendment is drafted at the present time, an amendment that can spend money in all kinds of areas other than what is being purported out here. But it also increases spending by about $30 million.

I think it is important to understand where this money has gone before, because you might say that, well, wind energy and all these things are good things to do.

We ought to examine where we have been spending this money. Has it really gone for solar energy and wind energy? Let me give Members a couple of examples of where this money goes.

Back in 1993, the money from these accounts went to pay the Solar Energy Industries Association of Washington, DC, for the Soltech Conference and Earth Day. Lobbyists loved it. The lobbyists got good money out of this and so on. That is what it went to pay for.

We have got a couple of dandies here. In fiscal 1995 just passed, in a noncompetitive award to the American Wind Energy Association of Washington, DC, what did we get out of this, we got a grant to study avian activities associated with wind power. In case my colleagues do not know, what that means is what they studied and found was that if birds fly into windmills, it kills them.

□ 2300

Now, as my colleagues know, I am not so certain that we are getting a lot of wind energy out of that kind of thing. Then, in 1995, we also gave $864,000 in a noncompetitive award to Castles and Associates, Incorporated, noncompetitive, of Arlington, VA, for a communications plan for the Olympics. In addition, in fiscal year 1995, we awarded a $234,000 noncompetitive award to Wal-Mart. To do what? To implement PVs in environmental demo stores to power electric powered shopping carts.

Now, I am suggesting to my colleagues that this is not doing what the people here are telling us it is doing. This is not money being spent to get us the kind of basic research that this country needs in order to fund the future energy of this country. In fact what is happening in this amendment, whatever money is being taken out is being taken out of basic research in favor of giving money to people to study whether or not birds that fly into windmills get killed. They do, and we do not need to study it anymore.

Mr. SCHAEFER. Mr. Chairman, I yield 2 minutes and 40 seconds to the gentleman from Wisconsin [Mr. KLUG].

Mr. KLUG. Mr. Chairman, when I, years ago now unfortunately, it seems, went through my MBA program in school, one of the first principles I learned in investment is the idea of diversifying one's portfolio. If someone puts all their eggs in one basket, they have the high potential to lose them.

I suggest to my colleagues tonight that that is what this amendment in many ways is all about.

Today, several years after the end of the gulf war, we import more than 50 percent of our energy needs in the form of oil from the Middle East. In fact, crude oil and petroleum imports are responsible for $51 billion or nearly one-

third of the Nation's trade deficit in 1994.

What this amendment really reflects is to look at this Nation's energy portfolio and to make an intelligent decision about where we think those scarce dollars should go.

Now, let us make it very clear that under the appropriations bill the last several years the renewable accounts have taken a hit. That is fine with me. I mean, I think every program that this Congress evaluates and spends money on should be capable of taking a hit. But we have got to be awfully careful in terms of limiting our ability to balance that energy portfolio if we do this much too aggressively and not particularly intelligently.

Under the amendment tonight sponsored by the gentleman from Colorado [Mr. SCHAEFER] on a bipartisan coalition, renewables will still sustain a 2-percent cut, and we are asking other energy programs to take a cut by only 1½ percent. So even under our plan to restore funding to renewables, to slow down this decline in the trend line we still take a 2-percent decrease. So let us make that very clear.

Now, the one major reason that I think we need to continue this funding is because it is just finally beginning to pay off. In the next several years, nations across this world will spend $1 trillion to meet their new energy needs. In fact, at this point, the global market for energy efficiency technologies and services, including renewables, is $84 billion a year. And look at what the investment by the Federal Government is beginning to do, which is to show the cost of solar, the cost of wind, the cost of biomass, and the cost of geothermal are beginning to decline precipitously, so we have a competitive advantage in this country to take advantage of a market that is approaching $100 billion a year.

And what is the bottom line that we get for all of this? Not only do we begin to decline, reduce America's dependence on foreign oil imports, we begin to keep many of those resources right here at home.

I urge my colleagues to support this amendment and to continue our investment in renewables to diversify this Nation's energy portfolio. That is what this amendment is all about.

Mr. SCHAEFER. Mr. Chairman, I yield 2½ minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Chairman, I have a prepared statement, but I would like to depart from that prepared statement to join in the debate that we have had this evening here on the floor about this very important amendment, and there are three points that I would like to make.

First, it is interesting to note that this amendment is juxtaposed with an amendment that was previously considered regarding nuclear energy. Now, many of us are interested, if not fascinated, with nuclear energy. In fact we have invested hundreds of millions of dollars in this country in this technology. But it is also very clear to us that this country is no longer interested in developing nuclear plants. We cannot dispose of the fuel that has been generated, and as a consequence, we have an industry that is almost a white elephant domestically. Yet we continue to invest in this industry.

By comparison, we have tremendous interest in renewable energy, biomass production. It is an emerging industry, and we ought to invest in this new technology.

Second, there has been some discussion about unallocated balances and whether or not the Department of Energy is sitting on funds that it has not been able to use, and is it not foolhardy to allocate yet more money in an appropriations bill?

I think it is important to recognize, and the Members of this body ought to realize that the Department of Energy has, in fact, used and allocated over 90 percent of the balances. They have been obligated to multiyear contracts so that these funds indeed have been used; they are not languishing in the Department of Energy.

Third, there has been some reference to silly expenditures, and I will take at face value the comments by the distinguished gentleman from Pennsylvania that indeed the Department of Energy has made some foolish expenditures. But I would like to remind this body that we have an oversight obligation, and I trust that the Committee on Science will faithfully fulfill that obligation and that we will prevent this type of silly expenditure in the future.

We have an obligation not to let the anecdotal evidence of a handful of expenditures deter us from doing our job, forthrightly moving ahead and supporting this important emerging industry.

Mr. Chairman, I rise in strong support of the SAFE, or Securing America's Future Energy amendment that I have introduced with Representatives SCHAEFER, KLUG, THURMAN, SALMON, and FAZIO. Our amendment will increase Department of Energy renewable energy research and development funding by $42 million. This amount will partially restore funding for wind, biomass, solar, and geothermal to their fiscal year 1996 levels. The amendment is budget neutral and is paid for by a .47 percent across-the-board cut to all energy supply, research and development programs. Even with our amendment, renewables will still be cut by $6 million from fiscal year 1996. This represents a 20-percent cut for renewables, which is larger than the .47-percent we are asking the other programs to sustain. The purpose is to establish a viable funding level for renewables.

Unfortunately, renewable R&D funding in this bill sustained a $44 million cut from a fiscal year 1996, a 16-percent cut. This is a substantially larger cut than any other civilian DOE program. If we add this to last year's cut of 29 percent, we get a total of 40 percent reduction in renewables over the last 2 years.

We need only look to the Middle East to see how our energy security and national security are intimately related. We fought the Persian Gulf war, in large part, over the threat to our oil supply. I would remind the body that earlier this month 19 American soldiers tragically lost their lives in Saudi Arabia defending our access to Middle East oil. We simply cannot afford to rely on such an unstable supply. The Department of Energy is forecasting that we will become even more dependent on this volatile source of energy during the next 20 years.

Our best insurance policy against future energy security problems, more gas price hikes, further pollution and degradation in the environment is renewable energy research and development.

The majority must believe that the American public will not notice that Congress is cutting solar and renewable R&D. Perhaps they think that the American public will not care. However, poll after poll shows that the American people not only know about these programs but overwhelmingly support them. According to a recent poll done by Republican pollster Vincent Breglio, 59 percent of Americans said that a congressional candidate's support for energy funding will affect how they vote.

With each new breakthrough in renewable fuels, this country moves closer to the day when we can significantly reduce our dependence on imported oil and become more self-sufficient in all forms of energy. It will also ease our chronic trade deficit problem. Roughly 50 percent of our trade deficit is caused by imports of foreign oil. It also augers well for our national security, enabling us to become less vulnerable to interruptions in supply from foreign oil sources and less necessary to send our troops to defend these supplies.

Expanding the development of renewable energy is also beneficial to our national economy. Exports of these new energy technologies on the world market are a significant opportunity. American entrepreneurs and national labs in our country represent the cutting edge of this industry. We must not pull the plug on these small businesses and lose out on this untapped potential. Already, our European and Japanese competitors are capitalizing on these technologies and investing far more than we in this area. Do we really want another technology giveaway like we had with VCR's?

Renewable energy technologies provide a boost in economic benefits to our rural communities. Farmer-owned ethanol plants have already brought new jobs to many declining rural communities who depend on corn production, not to mention the benefit of displacing imported oil. Biomass R&D will further improve the efficiency of ethanol production from biomass sources. Biomass R&D will also develop electricity generation. Wind energy is another cutting edge energy technology that holds promise throughout the windy Plains States. Yet wind R&D takes the biggest hit in the committee's budget—a cut of 82 percent from last year. This does not make any sense when the industry is on the verge of production cost competitiveness.

We must not overlook the environmental benefits that renewable energy technologies provide. As clean technologies like wind, biomass, solar, geothermal, and hydro continue to displace coal and oil, and the air we breathe will improve.

The American public understands that we have too much at stake in energy security, in curbing pollution, and creating and capturing

high-technology markets. Let's show the American people that Congress has gotten the message. I urge my colleagues to support the Schaefer-Klug-Thurman-Minge amendment to restore renewable energy R&D.

Mr. SCHAEFER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Chairman, the amendment we offer today is about what America wants. Americans want bipartisan answers to our Nation's problems, and I am pleased that I have had the opportunity to work with Members from both sides of the aisle to try to provide some of those solutions.

But, Mr. Chairman, our amendment is also about what Americans do not want. Americans do not want to continue to send their sons and daughters to war because of our addiction to foreign oil. The one sure way to reduce that possibility is to increase our commitment to alternative energy sources.

But this is not what the bill before us today does. The committee measure cuts renewable energy programs 16 percent below fiscal year 1996 funding.

I worked very closely with researchers at the University of Florida solar energy labs. While the U.S. commitment to renewables is eroding, the researchers at U.F. watch their colleagues around the world capitalizing on the growing market for renewable technologies.

Of course, people will argue that renewable funding is somehow corporate welfare, or pork. These folks think that we should only spend money on basic research and forget about applying this work to marketable technology. In fact there was a Dear Colleague that crossed my desk yesterday that said solar energy would not be economically competitive for 40 to 60 years.

The truth is that just last month the Financial Times reported that solar power is increasingly being seen as a viable energy option with vast commercial potential.

As we ignore the potential market for renewables, the British Department of Trade and Industry just helped finance the UK's first solar powered office building block. They know that photovoltaics allow for power generation at the point of use. When we add the savings to be gained by avoiding transition and distribution costs to the benefit of not being dependent on foreign oil, we can begin to see the many advantages solar development has in the United States.

Finally, there is a tremendous world market for these products. At any rate, American know-how should mean American jobs and American profits.

Mr. SCHAEFER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the gentleman very much for yielding this time to me.

Mr. Chairman, I again have found it extremely interesting to listen to the debate on this subject because of my long involvement in the efforts to develop these alternative energy sources. We are on hard times today with regard to developing the promise of alternative energy, and in part it stems from opposition from a variety of sources. Of course, the opposition that stems from a desire to cut the budget the kind of opposition reflected by the gentleman from Pennsylvania [Mr. WALKER] in his remarks who feel that it is not appropriate and wise from a policy standpoint to fund what he would describe as applied research, which is what a great deal of his alternative energy is.

I do not happen to agree with this point of view. I have seen our investments in alternative energy over the last 20 years produce a continuing decline in the cost of the energy coming from these and a continuing increase in the market and particularly in the overseas market which is going to do so much for us in terms of creating jobs for American workers.

I would say that the indication of this last 20 years of history is that we have an extremely good thing which we developed in this country, alternative energy, and this is not the time to give it up by making these drastic cuts that we have in the program.

Now, I know the problems of the subcommittee in terms of finding money for all these programs. I respect those problems very much. I was worried about supporting this amendment initially because I feared that the offsets might require cuts in other programs of equally high priority.

I think the situation is somewhat better now, and I urge very strongly a ''yes'' vote on this amendment.

Mr. SCHAEFER. Mr. Chairman I yield 1 minute to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, the reason that we should support the Schaefer amendment here this evening is that we will be helping to distort favorably the marketplace to compensate for the huge financial distortion which has been created by the Federal Government in giving huge subsidies to the nuclear industry over the last 40 and 50 years. Even since 1973, the last year nuclear power plant was in our country, $27 billion has been voted on this floor to subsidize nuclear energy. If we were going to list, as the gentleman from Pennsylvania did, all of the investments in nuclear energy that has been wasted in the last 20 years, it would be every single dollar. We have not seen a single benefit from it in new nuclear power generation in our country.

A solar energy investment is the investment in the technology of the 21st century. That is what a ''yes'' vote on Schaefer represents here this evening.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. KNOLLENBERG].

Mr. KNOLLENBERG. Mr. Chairman, I just happened to hear some things I thought I should respond to because some folks have the impression that nothing is really happening here; we just slide these numbers around, everything is cool, everything is kind of like nice.

Let me just tell my colleagues a little bit about what is happening here. Some think we are not taking away; we are just squeezing out of nowhere. We are not.

Let me tell my colleagues the Schaefer-Klug amendment adds wind energy, $22½ million; photovoltaic energy, $7 million; solar energy, $2 million; solar international, $2 million; resources assessment, $2 million; energy storage systems, $2 million; solar building technology, $1 million; the wrecking program which, by the way, was blown out by last year's committee entirely. And what does it take away? These are the things it takes away: nuclear safety, domestic environmental waste cleanup, the fusion program, environmental and biological research, including the human genome project, lab safety and improvement program, medical isotopes program which provide isotopes for hospitals, environment, safety, health and improvement activities which help ensure worker and public safety, environmental restoration, and it goes on.

□ 2315

Those are the things that are being taken away. So do not think this is just something we are slipping out of the air.

I would also remind Members, maybe they did not know that this committee provided $10 million more than last year, this year. The President's request, by the way, was $64 million higher than DOE's own request to OMB. The committee provided 18 percent more than fiscal year 1991.

Mr. Chairman, this is the kicker. I think it is important. Mr. Chairman, this committee this year provided $231 million for solar and renewable technology R&D, plus out of the basic energy services, $18 million for solar and renewable related basic research, for a grand total of $419 million; not small potatoes.

Mr. SCHAEFER. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. OLVER].

(Mr. OLVER asked and was given permission to revise and extend his remarks.)

Mr. OLVER. Mr. Chairman, I rise in strong support of this S.A.F.E. amendment offered by the gentleman from Colorado [Mr. SCHAEFER].

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

Mr. Chairman, in closing my part of this, we are talking about a total budget here of $2.6 billion. We are talking about a .04 percent overall cut, $11 million out of $2.6 billion. I think for the future of our grandchildren, as has been stated, that sooner or later we are

going to run out of fossils, we are going to run out of coal, we are going to run out of everything else, and this is good, clean energy that is being developed now at less and less a cost every year.

This is not corporate welfare. Private industry is not going to go out and develop this when there is not a profit to be made. That is why we have to put the dollars in to find these good, clean, renewable sources. I would urge Members to support the Schaefer-Klug-Minge-Fazio, et al. amendment.

Mr. MYERS of Indiana. Mr. Chairman, I yield myself such time as I may consume in opposition to the amendment.

Mr. Chairman, I think everyone understands the issue here. We are readjusting dollars away from other priority items that this committee in its judgment felt were a higher priority and better spending of the taxpayers' money than more money on solar.

The gentleman from Michigan [Mr. KNOLLENBERG] has identified some of the very high priorities, such as the isotopes used not only in diagnostic work but also in treatment that would be denied. This is restoring some programs that we eliminated last year, some eliminated by the President, and others that were not even in the President's budget this year. So these new adds are denying other funds for other programs.

It is a matter of judgment whether we want to go along with this. But let us take a look. We have not cut to the bare bone. We started in 1991, and from 1991 to 1995 we increased solar research by 98 percent, almost doubling funding. Last year, we realized that we were not getting a bang for the buck from our investment, so we started cutting back.

Photovoltaics was mentioned. There are 100 industries today producing photovoltaics; hardly a destitute industry needing help.

We talked about helping the utility industry a while ago. We have more than 300 companies now that are selling solar-related products. So, Mr. Chairman, the technology is here today. Does it need more funding?

Mr. Chairman, we have put money in this year and there is money from prior years. Last year, we asked the department for an analysis of remaining funds that are unspent. Solar building technology from last year, and this was taken as of May 31, two-thirds of the way through the year, they had an unspent balance of $3.3 million. They still had 163 percent of what we appropriated last year for solar building technology.

Wind energy systems. My gosh, what is new about that? I am 70 years old and as a kid we had a wind energy system. The wind program has $56.5 million unspent, 174 percent of the amount we appropriated last year for wind energy.

Solar technology transfer. Do we need that? We are selling solar. They always tell us how valuable it is; $23.3 million unspent—566 percent, 5 times more money than we appropriated last year was left unspent.

International solar energy systems, $7.8 million unspent, 194 percent still left on May 31. For all the solar renewable programs, including those, there was an unspent balance of $336 million. Do they need more money?

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

Mr. MYERS of Indiana. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, rise in opposition to the amendment, and in support of the committee and the chairman.

Mr. MYERS of Indiana. I thank the gentleman. I yield myself such time as I may consume, Mr. Chairman.

In closing, Mr. Chairman, we have a letter from SURA, the Southeastern University Research Association, from its president, Mr. Barnes. At the proper time I will ask that it be included in the RECORD. I urge us not to go along with this. We are denying some very important research programs. He represents 41 southeastern universities. He says, do not do this; you are hurting some valuable programs in research and you are putting money in some places, I am paraphrasing here, that will not get the bang from the buck.

So go along with your committee. They have not been able to spend the money we have put in for prior years. We just are not getting the benefit of the dollars for this investment. We are continuing to have research on other renewable, but wind and solar just have not produced for the dollars we have spent.

Mr. Chairman, I include for the RECORD the letter from Mr. Dennis Barnes.

The letter referred to is as follows:

SOUTHEASTERN UNIVERSITIES
RESEARCH ASSOCIATION, INC.,
*Washington, DC, July 24, 1996.*

Hon. JOHN T. MYERS,
*Chairman, House Appropriations Subcommittee for Energy and Water, Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN MYERS: The purpose of this letter is to express the opposition of the Southern Universities Research Association (SURA) to the amendment to be offered by Mr. Schaefer to the Energy and Water appropriations bill, H.R. 3816. It is my understanding that the amendment would add $42.1 million to renewable energy research—which the Committee has already increased by $10 million—while cutting an identical amount from energy supply, research and development programs.

SURA—which represents 41 universities in the Southeast—fully supports the Committee bill and is particularly pleased with the recognition the Committee gives to the importance of the General Science programs of the Department of Energy which funds nuclear and high energy physics. However, SURA strongly opposes the amendment's offset which would cut basic energy science research.

As you know, the basic science programs funded by the Office of Energy Research over the past several decades have led to a wealth of technological advances that have dramatically improved the energy security of our country and the welfare of its citizens. For more than a half century, every Congress and every President has recognized the unique role of basic science in sustaining the nation's world power status.

Sincerely,

DENNIS W. BARNES,
*President.*

I urge a no vote, and I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. SCHAEFER].

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

Mr. MYERS of Indiana. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 483, further proceedings on the amendment offered by the gentleman from Colorado [Mr. SCHAEFER] will be postponed.

AMENDMENTS EN BLOC OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. MARKEY: Page 17, line 21, insert ''(reduced by $5,000,000)'' after ''$2,648,000,000''.

Page 22, line 22, insert ''(reduced by $15,000,000)'' after ''$5,409,310,000''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 10 minutes, and a Member opposed will be recognized for 10 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

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

Mr. Chairman, I am pleased that the gentleman from Ohio [Mr. KASICH], the gentleman from Wisconsin [Mr. OBEY], and the gentleman from Massachusetts [Mr. TORKILDSEN] have joined me today in offering two bipartisan amendments, dealt with en bloc, dealing with pyroprocessing, a program that has important budget, nonproliferation, and environmental consequences for our country.

Friends, colleagues, countrymen, lend me your ears. We come to bury pyroprocessing, not to praise it. The evil that dead government programs do lives after them, while the good is oft interred with their bones.

So it is with pyroprocessing. Pyroprocessing is the last living remnant of one of the biggest budget-busting boondoggles in congressional history, the failed breeder reactor program. Pyroprocessing is not exactly a household name instantly recognized by citizens across the country. In fact, if you are not a nuclear physicist, like the gentleman from Michigan [Mr. EHLERS], then you probably never heard of pyroprocessing, which is a chemical procedure used to separate plutonium and uranium, the building blocks of a nuclear bomb from radioactive waste. Its secondary definition in the dictionary is, it is also a fancy

name for burning money, taxpayers' money, at very rapid rates, getting almost nothing in return.

Mr. Chairman, nonetheless, you do not have to be a Ph.D. to understand that pyroprocessing is a budget-busting boondoggle that is bad for the environment and bad for American efforts to stop the spread of nuclear weapons.

Mr. Chairman, before any pyroprocessing pyrotechnics erupt on the floor over whether pyroprocessing at the Argonne National Lab is the same thing as a procedure called reprocessing, let me start by simply saying that a radioactive rose by any other name is a radioactive rose, nonetheless.

According to James Warf, a group leader for the Manhattan project and a holder of several patents on reprocessing, he says, ''There is no question that the projects proposed to be conducted at the Argonne National Lab West is reprocessing.''

Prof. Albert Wohlstetter, who over the last 45 years has served as a science and security adviser at the White House, National Security Council, and Departments of Defense, State, and Energy, for every Democrat and Republican President for the last 40 years, stated in a recent court case: ''Whatever the name, what DOE proposes is clearly reprocessing.''

The top three reasons why the Markey-Kasich-Obey-Torkildsen amendments should be adopted. First, our amendment is good budget policy. Pyroprocessing is a radioactive relic from a bygone era when specialized nuclear reactors called breeders were touted as the answer to our energy needs.

After pouring billions of dollars into the breeder program, Congress killed the breeders by terminating the infamous Clinch River reactor in 1983, and the advanced liquid metal reactor in 1994. Costs of a breeder program are astronomical. Former chairman of the Nuclear Regulatory Commission, Ivan Selin, estimated that it would cost $82 billion to build and operate a full-scale breeder program.

But like a vampire that just refuses to die, a money-sucking program, the pyroprocessing part of the breeder program continues to haunt us, sucking money from taxpayers by draining millions of dollars for a program that should have been buried along with the breeder program.

Taxpayers for Common Sense and Citizens for a Sound Economy support the Markey-Kasich amendment to cut funding for pyroprocessing as a way of putting an end to the wasteful breeder program once and for all.

Pyroprocessing also raises serious nuclear proliferation issues. According to national security experts like former assistant director of national security policy in the White House, Frank von Hippel, pyroprocessing could undermine the long-standing U.S. policy of discouraging reprocessing in other countries. This policy began in the Ford administration and has been in place ever since.

Changing course now would be a radical departure from our 20-year position and would send a contradictory and potentially dangerous message abroad. Pyroprocessing would make it easier for rogue states to use a civilian nuclear program as a cover for a nuclear weapons program, like India did and like North Korea did.

Peter Johnson, the project director of the 1994 Office of Technology Assessment study on the advanced liquid metal reactor, has stated that the pyroprocessing project should not be encouraged in other countries, and it should be protected from use by countries that may wish to protect weapons materials.

Our amendments are supported by major arms control groups, including Physicians for Social Responsibility, the Union of Concerned Scientists, the Nuclear Control Institute, and Greenpeace.

Finally, pyroprocessing is bad for the environment. Everyone agrees that we must find a way to handle our nuclear waste safely and efficiently. However, while the backers of pyroprocessing promote it as an environmentally friendly method of handling nuclear waste, the reality is quite different. Pyroprocessing actually creates a variety of new waste materials. This waste has not been evaluated to determine its stability over the long term.

As the National Academy of Sciences points out, rather than solving the waste problem, pyroprocessing only makes it worse by generating more waste, including wastes that have not been analyzed to ensure they are stable enough for long-term storage.

□ 2330

This amendment is endorsed by the Friends of the Earth and the League of Conservation Voters. I urge my colleagues to support the Markey-Kasich-Obey amendment. It cuts out $20 million not needed. The amendments are supported by budget watchdog groups, Citizens for a Sound Economy and Taxpayers for Common Sense. Our amendments are supported by arms control groups, Physicians for Social Responsibility, the Union of Concerned Scientists and Nuclear Control Institute. Our amendments are supported by environmental groups, the Friends of the Earth and the League of Conservation Voters. Bad budget policy. Bad energy policy, bad environmental policy, bad nonproliferation policy.

A ''yes'' vote tonight helps to preserve this Congress investing in each one of those dangerous avenues for the American people.

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

Mr. MEYERS of Indiana. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] is recognized for 10 minutes.

Mr. MYERS of Indiana. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I have heard a lot of noise there and an awful lot of misinformation beginning with the fact that I do not think it is the Kasich amendment at all. He signed a ''Dear Colleague,'' but I think he has some afterthoughts about having even done that.

Mr. Chairman, I certainly rise in opposition to this Markey amendment. The amendment would zero out an appropriation of $20 million for what I believe is an extremely important ongoing environmental nuclear waste reduction research program being conducted by the Department of Energy in Illinois and in Idaho.

The program is known as the electrometallurgic treatment program. It shows, I believe, promise as a method to greatly reduce, reduce, not increase, the volume and toxicity of over 2,700 metric tons or more than 150 different types of spent nuclear fuel which is supported at various DOE sites throughout this Nation.

It is a new and exciting treatment of spent fuel which also locks up and makes inaccessible plutonium that spent fuel contains. There is no proliferation here of plutonium. And that is what, when we talk about reprocessing, I think the gentleman must know; when we talk about reprocessing of nuclear waste, we are talking about the creation of pure plutonium. That alone is weapons grade plutonium. When we take that plutonium and we bind it with the actinides and the transuranic wastes, then you have no problem in that regard. And that is what this new process does. It is not reprocessing.

This technology can also potentially be applied to commercial spent fuel as well. This process also is not an enrichment technology, as has been erroneously contended, and it cannot become such. If, however, the fuel that is treated contains highly enriched uranium, it is blended down with a depleted uranium to make low enriched uranium. And it is not a breeder reactor, it is not the IFR, it is not the old breeder reactor. It is a research program designed to take spent nuclear fuel and make it less threatening to the environment.

It is obviously environmentally sound, and it is endorsed by the administration. It is endorsed by the Department of Energy. It is endorsed by the National Academy of Sciences, the National Academy of Engineering, the Institute of Medicine, who have looked into this and evaluated them very closely.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the chairman of the subcommittee for yielding me this 2 minutes. I am not an expert on this process, but I have been led to examine it at some length, and particularly to looking at the National Academy of Sciences review of the program. I have become convinced that the program is

technically viable and desirable as giving us another option for the control of high-level nuclear waste.

I was vastly entertained by the description of the program by the gentleman from Massachusetts [Mr. MARKEY]. The gentleman could follow another career with great profit as an entertainer based upon his performance here. I am particularly interested in his trying to relate this to the breeder reactor program or the development of a plutonium society. I actually led the fight at the time that he mentioned to end the Ventura breeder reactor at the request of President Carter, and I am not a fan of breeders.

I do not want to see an economy based upon breeders, an energy economy or any other kind. From everything that I can see about this technology, it has no real relationship to the development of a breeder program. It is intended instead to be a safe way of disposing of the waste from what is known as the EBR–2, the experimental breeder reactor 2, which we are building at the present time, merely as a small experimental breeder.

It is intended to be a technology for disposing of a major part of the waste stream from that reactor. I therefore urge defeat of the Markey amendment.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 minute to the gentleman from Idaho [Mr. CRAPO] who has been a very valuable member of this committee.

Mr. CRAPO. Mr. Chairman, I too rise in opposition to the amendment. I think that several things need to be restated. First, this is not a debate over the breeder reactor. Those who oppose this technology have consistently tried to make that connection and falsely so.

The argument has been made that this is a budget issue. The fact is that the D.C. Superior Court recently ruled that by 1998 the Department of Energy must take possession of and manage the spent fuel in this country. This is a technology that will help us reduce the volume of the spent fuel and reduce the toxicity of the spent fuel and better manage it.

The argument has been made that it is a nonproliferation risk. I do not know whether we are talking about the same technology here, because this does not increase the plutonium, it binds the plutonium so that it cannot be used for weapons grade material, and it makes it ready for storage in safe manners.

In fact, as I listened to the debate of the gentleman from Massachusetts, I was convinced that we were literally talking about different technologies. As has been indicated, there are major different scientific groups that support this. I encourage my colleagues to look to those scientists and oppose this amendment.

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

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

What we are talking about here is electrometallurgical treatment. It seems to me that maybe Shakespearean scholars do not want to listen to what scientists have to say about this, but it is, it seems to me, somewhat relevant that the National Academy of Sciences supports this kind of research. Shakespearean scholars may not care about what scientists think, but it does seem to me that the fact that the National Research Council supports this process makes some sense.

Shakespearean scholars may not care what scientists think, but it is true that the National Academy of Engineering supports this kind of process. It is also true that scientists at the Institute of Medicine in looking at this think that it is worthwhile to do.

Now, we can quote a whole bunch of people who have an agenda who are opposed to this kind of research, but let us understand what that agenda is. That agenda is to try to kill nuclear power. And so when they are given the kind of research that is critical to the solution of the Nation's spent nuclear fuel problem, obviously they are opposed to continuing that research. When they are given research that reduces the volume and the toxicity of the spent fuel and better prepares it for safe storage, they are opposed to that because their agenda is to kill nuclear energy. It is not to do good science.

Good science is supported by the National Academy of Science, by the National Research Council, by the National Academy of Engineering and by the Institute of Medicine. They all say we ought to go forward with this. I think we should too. Stop the Markey amendment. Defeat it tomorrow.

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

Let me say quite clearly that the gentleman who was just in the well unfortunately has such a commitment to these corporate welfare programs that is is impossible to break the addiction. This amendment is opposed by Citizens for a Sound Economy and Taxpayers for Common Sense. Those of us who are committed to balancing the Federal budget by the year 2002 have to be informed by these taxpayer groups that are looking, scouring the Federal budget, looking for the pork barrel projects that cannot be justified any longer. And under the guise of the red herrings, making this sound like some kind of antinuclear amendment, when the primary reason we should be opposing it is that the Citizens for a Sound Economy, Taxpayers for Common Sense, oppose it.

I am feeling right now that we should put an aquarium down in the well to contain all of the red herrings that the gentleman from Pennsylvania and others have injected into this debate. In fact, the reality here is that without question not only does this not solve the problems that have been pointed out by the opponents of this amendment, but it creates new ones.

The scientists, well, I have scientists. And my scientists, Albert Walstetler, perhaps the most respected, by the way, of any in the United States, he says quite clearly, whatever the name, what DOE proposes is clearly reprocessing. It is the separation of fissile, of fertile material from nuclear waste in the special case of EBR–2 spent fuel reprocessing may or may not make it easier to dispose of the waste, but it does not alter proliferation dangers. Vote ''yes'' on the Markey amendment.

Mr. MYERS of Indiana. Mr. Chairman, I will present a letter from the PIRG opposing this amendment. Mr. Chairman, I yield the remainder of my time to the gentleman from Michigan [Mr. EHLERS], the only scientist, I think, in Congress who knows what he is talking about.

Mr. EHLERS. Mr. Chairman, I thank the gentleman for yielding me this time. After that introduction, I am almost afraid to hear what I am going to say. It reminds me of a little medal which a friend presented to me a few days ago which I do not have the courage to wear on the floor. But it says, why, yes, I am a rocket scientist, which might be appropriate at this point.

I would note that the gentleman from Massachusetts referred to red herrings, which reminded me that you need boats in order to catch red herrings or other-colored herrings. And I come from Michigan where we have a great many boats, and we define a boat as a hole in the water into which you pour money. And that is unfortunately true.

But in our nuclear waste program in this Nation, nuclear waste repository is a hole in the ground into which you pour money. If we are serious about budget problems, we should worry about how we can reduce the costs of burying nuclear waste. We have spent billions and billions of dollars on the nuclear waste repository in Nevada. Frankly, anything we can do to reduce the volume of nuclear waste is going to be a moneysaver, not an expenditure out the Federal budget. I support anything that is likely to reduce the amount of waste.

It seems to me the supporter of the amendment makes a comment that it is reprocessing, and therefore it is bad. Of course it is reprocessing. That does not necessarily make it bad. If in fact it is able to reduce the problem, increase the safety of disposal of the waste, I think it is a good project.

The National Research Council has evaluated it and has come up with a statement that this is the methodology that should be pursued. Is it in fact going to be a positive response to our nuclear waste problems? We cannot guarantee that, but it certainly looks promising to the Research Council and National Academy of Sciences and others. Based on that, I think we should pursue the research further and determine whether or not it is going to be

effective. Based on that, I urge the defeat of the Markey amendment.

(Mr. TORKILDSEN asked and was given permission to revise and extend his remarks.)

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Mr. TORKILDSEN. Mr. Chairman, I rise in strong opposition of this amendment to cut funding for pyroprocessing in the fiscal year 1997 energy and water appropriations bill.

Pyroprocessing is a chemical procedure used to separate plutonium and uranium from fuel that has been run through a nuclear reactor. The Department of Energy planned to use pyroprocessing as part of its program to develop the breeder reactor, similar, though not identical to the advanced liquid metal reactor which Congress killed in 1994.

This process is extremely hazardous to our environment because it creates additional radioactive wastes so toxic they may not be suitable for geologic storage. Pyroprocessing just doesn't make sense, especially when it is funded out of the DOE's waste management account which seeks to clean up hazardous material.

Furthermore, the funds this amendment seeks to eliminate were not authorized by the National Security Committee and will cut programs that will do more to clean up Department of Energy sites.

This amendment is endorsed by Citizens for a Sound Economy, the League of Conservation Voters, Taxpayers for Common Sense, and other environmental and public interest groups. It's not every day that the distinguished chairman of the Budget Committee, and the ranking minority member on Appropriations agree, but when they do we should listen.

Congress already had a similar debate when we voted to kill the advanced liquid metal reactor in 1994. Although the original program for which pyroprocessing was intended is long gone, the Department of Energy still receives funding for this program. Somehow this technology has taken on a life of its own and here we are again fighting for the environment and to eliminate this wasteful spending once and for all.

I urge my colleagues to protect the environment, balance the budget, and support the Markey-Kasich-Obey-Torkildsen amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MARKEY. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 483, further proceedings on the amendment offered by the gentleman from Massachusetts [Mr. MARKEY] will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MR. GUTKNECHT

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. GUTKNECHT: Page 36, after line 10, insert the following new section:

SEC. 506. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Minnesota [Mr. GUTKNECHT] and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

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

Mr. Chairman, the hour is late and we have had plenty of debate. This is the ninth time that I have offered this same amendment. This is a 1.9 percent across-the-board reduction.

Again, just for the benefit of those who may be keeping score at home, what we are really trying to do is recover the $4.1 billion which we increased in spending above and beyond what this House said we were going to spend, causing a spike in the proposed deficit for next year.

Mr. Chairman, I am again offering this amendment in good faith. Even though I know that the chairman, the gentleman from Indiana [Mr. MYERS] and his subcommittee have done an excellent job in controlling spending, I really believe if we are serious about balancing the budget we have got to find a way to recover that $4.1 billion. Otherwise, I am afraid we cannot face our kids in good conscience and say that in 3 years we will be able to save $47 billion.

Mr. Chairman, I do not have that much to say about this amendment other than that it would ultimately reduce total expenditures in this bill by about $376 million. We would still be spending $19.4 billion.

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

The CHAIRMAN. Is the gentleman from Indiana in opposition to the amendment?

Mr. MYERS of Indiana. Mr. Chairman, I do rise in opposition.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] will be recognized for 10 minutes.

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

Mr. Chairman, I think everyone who has been here this evening has heard the desperation some Members have wanting more money added in the bill. We have cut this bill just about every category right down to the bare bone. I am in sympathy with what the gentleman from Minnesota [Mr. GUTKNECHT] is trying to do. Through the years I think I have certainly supported my share of across-the-board cuts. Back years ago, Frank Bow, former ranking member of this Committee on Appropriations, used to offer a 10-percent amendment. I often supported that. We used to have Clarence Miller of Ohio offer a 5-percent amendment. We have had various deviations from this. But this bill has already been cut right down to the bare bones. As an example, we now are just barely meeting the maintenance requirements for the Corps of Engineers to operate 50-year-old locks and dams. There is a safety factor. We have a danger. We had one dam in California collapse because we were not properly maintaining it. We can not just start cutting things that we just simply cannot afford to cut any further.

I am concerned about balancing the budget by 2002. In fact, I would like to make it by the year 2000. But these are all investments in our future. Much of the funding has already been cut. I ask a ''no'' vote on this amendment.

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

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

Mr. Chairman, essentially we are talking about two pennies, two pennies out of every dollar allocated to Federal spending that can keep us from increasing this deficit. Is it too much to expect Washington to live within its means? Is it extreme to expect Washington to balance the people's budget?

Millions of hard-working American families are forced to balance their budgets every month. We are talking about balancing the budget in 7 years. We are talking about cutting domestic discretionary spending by 1.9 percent, simply 1.9 percent, so that we can get back on that path that we said we would stay on. We promised that we would go on a diet but now we are saying, well, we are going to have one more milkshake.

I do respect what the committees have done, as the chairman says, and I believe he is speaking in good faith that we have cut this budget down to the bone, but frankly, Mr. Chairman, we are going to have to cut even further as we go along toward that 2002 goal. So if we are down to the bone now, how will we ever possibly balance the people's books?

This is not about a mean-spirited accounting exercise. I am not trying to demagogue this issue. What I am really saying on behalf of the children of America is that we have got to make the tough choices, we have got to eliminate more of the waste in the Federal Government, we have got to cut Federal spending. Otherwise, we will ensure that our kids are going to enjoy a lower standard of living than we enjoyed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The amendment was rejected.

Mr. RIGGS. Mr. Chairman, I ask unanimous consent to strike the last word for the purposes of engaging in a colloquy with the subcommittee chairman.

The CHAIRMAN. Without objection, the gentleman from CA is recognized for 5 minutes.

There was no objection.

Mr. RIGGS. Mr. Chairman, as the subcommittee chairman well knows, vernal pools are seasonal wetlands which form in poorly drained swales or depressions in the earth. A number of plant species are indigenous to these pools and they sometimes serve as temporary waterfowl habitat. Because they are defined as jurisdictional wetlands of the United States, vernal pools are regulated by the Army Corps of Engineers under existing Federal law.

These vernal pools can be found in various parts of northern California, including my congressional district. In the 102d Congress, I convened a so-called vernal pools task force for the purpose of trying to streamline the regulatory process dealing with vernal pools.

As our committee's report points out, the goal of the vernal pools task force, which has been in existence and continued their work since the 102d Congress, is to develop a general permit application that will identify a finite area of high grade vernal pools suitable for protection.

Funding for the vernal pools task force has been provided through the annual energy and Water Development appropriations. As a member of this subcommittee and as a convenor and initiator of the task force, I am pleased to have a role in overseeing the task force funding.

However, as we proceed to consider funding for the vernal pools task force in the future, I am concerned that the task force is diverting from its original objectives. If this effort is to receive further support from the Congress, then the Santa Rosa plain vernal pool ecosystem plan and the general permit issued by the Corps of Engineers to implement this plan should be designed to further the following principles:

First, the regulatory burden on landowners should be reduced wherever and whenever feasible.

Second, the regulatory process should be streamlined by simplifying the rules, eliminating unnecessary or duplicative rules and processes and reducing the number of agencies reviewing and approving the activities of landowners.

Third, local control of land use should be promoted by confirming that the primary responsibility for such matters resides with local government.

Fourth, the plan and the implementing general permit from the Army Corps of Engineers should recognize the interest of landowners and society in the uses of land for a variety of purposes, such as housing, transportation, agriculture and business as well as conservation of natural resources.

Fifth, the plan and the implementing general permit should be based on accurate information and sound science.

Sixth, the plan and the implementing general permit should be developed in a manner that encourages public participation and affords an opportunity to achieve as much consensus as possible.

Seventh, individual landowners should be directly notified by the Corps of Engineers of actions that might impact on their properties.

In summary, Mr. Chairman, the vernal pools plan and the implementing permit should mirror nationwide permit 26. There should be sites where activities are authorized without an individualized review or approval by any Federal agency provided that such sites do not contain habitat for any threatened or endangered species. Such sites should include: any parcel of land less than 1 acre in size; any parcel of land where 90 percent or more of the land has been improved with structures, infrastructure, landscaping or related facilities; and any parcel of land containing less than 1 acre of these wetlands.

I ask the chairman to respond to my comments and acknowledge my concerns regarding the ongoing work of this vernal pools task force.

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

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

Mr. MYERS of Indiana. I thank the gentleman for his observations here. This committee has heard about vernal pools and has been concerned, but no one knew what to do about them. We congratulate him for establishing this task force to conduct an investigation and hopefully come up with some good recommendations.

I am sure the committee will continue to be concerned about the issue that the gentleman has identified here. It is a real problem, I know, for the gentleman and for Californians. We will continue to support and watch the accomplishments the gentleman makes with his task force.

Mr. RIGGS. Mr. Chairman, I appreciate that very much. I know the gentleman is moving on and will not have to worry or concern himself with matters such as the vernal pools, but I do appreciate his support for the concerns that I have expressed in this colloquy and again wish him best wishes.

Mr. MYERS of Indiana. Maybe I will come out and fish in those pools sometime.

Mr. RIGGS. The gentleman would be most welcome.

AMENDMENT OFFERED BY MR. FILNER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FILNER: Page 2, after line 23, insert the following: ''Tijuana River Basin, California, $600,000;''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from California [Mr. FILNER] and a Member opposed each will control 5 minutes.

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

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

Mr. Chairman, I rise to offer an amendment that would allow the Army Corps of Engineers to conduct critically needed studies to begin addressing and remedying serious flooding in the Tijuana River Valley in San Diego.

Back in 1979 the Army Corps built a flood control project in the river valley but conditions have changed and it no longer works. It needs to be reevaluated, and this study can be fit entirely within the General Investigations account of the Army Corps.

The International Boundary and Water Commission which has the responsibility to maintain this project recently informed me that the situation within the Tijuana River Valley requires an immediate reevaluation of the hydraulic conditions.

As they said, the area downstream of the project has changed considerably within the last 25 years and has changed the hydraulic characteristics. Because of this change the project can no longer function as originally designed.

In fact, serious flooding has occurred in the valley in 1983, 1985 and again in 1993. Furthermore, a couple of months ago there was a bomb scare at the Rodriguez Dam in Mexico. If this dam were to break, it would devastate the areas downstream of the reservoir, in this case the whole southern portion of San Diego County. It literally would imperil hundreds of thousands of American citizens. During this apparent terrorist episode the city of San Diego and the county water district discovered that there was no emergency response plan to deal with the failure of this dam.

My amendment would appropriate $600,000 and direct the Army Corps, in consultation with the International Boundary and Water Commission, to conduct a study to provide an update of the hydrology in the Tijuana River Valley and prepare an emergency dam break response plan.

Mr. Chairman, the Tijuana River Valley deserves protection from floods and from terrorists. I urge my colleagues to approve this request.

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman has discussed this problem, which is an international problem now, with the committee and the committee is very much aware of the situation. But, unfortunately, as we have discussed, we do not have the funds to do everything. But we are very much aware of it and we have worked very closely with the gentleman from California.

Mr. FILNER. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. BILBRAY]. I thank him profusely for staying with us late in the evening and for his support.

The CHAIRMAN. The gentleman from California is recognized for 3 minutes.

Mr. BILBRAY. Mr. Chairman, it has been an interesting evening.

Mr. Chairman, I stand in support of the amendment. It is actually not in my district but it is adjoining my district. To be really blunt about it, the people in my district along the coast are really kind of tired of seeing the damage and the carnage occurring in Mr. FILNER's district through floods caused by an international agreement and actually the damage flushing down into my district.

Frankly, I will say this, though it is not my district, I personally rescued drowning livestock and drowning illegal aliens who have been stranded in this situation that has been cruel and with a great loss of life because of this situation.

Mr. Chairman, this is not a local problem and it is not a natural problem that Mr. FILNER is speaking about here. This is a problem that has been created through the actions of the United States Government in conjunction with the Mexican Government. Both the treaty of Guadalupe Hidalgo which created the International Boundary and Water Commission and the cooperative efforts on projects that have related to that treaty are directly related to this flooding.

The flooding that has occurred has been a direct product of the channelization on the Mexican side with the support and the subsidy of the United States Government. The dam at Rodriguez is a dam that was built in the 1930's and the 1940's with the subsidies and the treaty of the U.S. Government.

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The problem that Mr. FILNER's district is incurring at this time is a direct responsibility of the U.S. Government. It is one that we can not walk away from. It is one that is not just a responsibility to Mr. FILNER's district but it is also a responsibility that we bear signing treaties with a foreign government, the Republic of Mexico, that we would address the flooding problems that occurred because of their channelization and the improvements on their side of the border.

I would just ask both sides of the aisle to recognize that this is not a situation of nature flooding Mr. FILNER's district. This is an issue of a breakdown along international boundaries, of Federal intervention without completing a project.

There has been problems that have occurred in this area, Mr. Chairman, that were unforeseen. We all accept that. But I just ask you that, because they were unforeseen, you do not treat them as if they are nonexistent.

I ask this body to address this problem. It does not relay only on Mr. FILNER's people to address this problem. They did not have the authority to make the decision for these treaties or to build these projects. That responsibility and that right rests with us in the Federal Government. Thus, the problems that have occurred because of those problems rest with us today. I ask for support of the amendment.

Mr. MYERS of Indiana. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. MYERS] is recognized for 5 minutes.

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

As I previously stated, we just do not have the money to do this project. We understand the problem.

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

Mr. MYERS of Indiana. I yield to the gentleman from California.

Mr. FILNER. Mr. Chairman, I appreciate the understanding of the chairman and the understanding of the ranking member. I understand that because of the international nature of this request and the urgency of it, that they will be working with us to try to deal with it in the future.

Mr. FILNER. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MR. HILLEARY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HILLEARY: At the appropriate place in the bill, insert the following:

SEC. . None of the funds made available to the Tennessee Valley Authority by this Act may be appropriated when it is made known to the Federal official having authority to obligate or expend such funds that the Tennessee Valley Authority is imposing a performance deposit on persons constructing docks or making other residential shoreline alterations.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Tennessee [Mr. HILLEARY] and a Member opposed, each will control 5 minutes.

The Chair recognizes the gentleman from Tennessee [Mr. HILLEARY].

(Mr. HILLEARY asked and was given permission to revise and extend his remarks.)

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

Mr. Chairman, I urge my colleagues to support this amendment to protect the private property rights of thousands of dock owners on lakes in the Tennessee Valley.

TVA is currently developing new regulations known as the Shoreline Management Initiative. The proposed regulations call for imposing a $1,000 deposit on all persons who own docks on TVA lakes. Under the proposal, the deposit would be returned to the owner, with interest, upon the sale of the property. Therefore, my amendment will have no impact on the budget.

My objection is that this new charge will have a significant impact on the property values of the lakeshore residents.

TVA has 11,000 miles of shoreline along its lakes. More than 47,000 permits have been issued for structures on the lakes. This new deposit will affect every one of those property owners when they attempt to sell their property. New owners will have to bring an additional $1,000 to the table at closing. That's an awful lot of extra money needed at closing.

This means that either the owner will have to reduce his selling price or agree to pay the deposit for the buyer. Either way, the homeowner has lost value in his property.

Mr. Chairman, there have been many problems in the development of these new regulations as well.

I, like my constituents, just learned of the impact of these new draft regulations about 2 weeks ago when TVA began holding public hearings to explain the new 300-page document which contains the draft regulations. Further, many of my constituents have been outraged that they only learned about the meetings after they occurred.

Many of my constituents have contacted me complaining that they were not informed of the development of the Shoreline Management Initiative or the public hearings in their area. Only 6,500 people received an invitation in the mail to these hearings out of millions who live in the Tennessee Valley.

Clearly, the citizens impacted by the Shoreline Management Initiative were not well informed of the process.

In a recent letter I sent to the Chairman of TVA, I encouraged TVA to schedule additional meetings and to extend the public comment period beyond August 31.

I am pleased to announce that late this afternoon TVA agreed to my request and extended the comment period through the end of September.

There is an urgent need for us to adopt this amendment because if we do nothing, TVA could implement these new regulations as soon as December of this year. My constituents need the opportunity to be clearly heard on the proposed regulations which will have such a major impact on the property rights and property values of lakeside residents.

Mr. Chairman. I urge my colleagues to support this amendment.

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

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

Mr. MYERS of Indiana. Mr. Chairman, the gentleman has discussed this amendment with the committee. We understand the problem, and we are willing to accept the amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. HILLEARY].

The amendment was agreed to.

Mr. MYERS of Indiana. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MYERS of Indiana. Mr. Chairman, the committee has completed its work this evening on the bill. All amendments have been taken care of. We will have three votes tomorrow ordered on amendments and the possibility of any votes on any amendments that might have been passed when they come back in the full House. Then we will have a vote on final passage.

Mr. Chairman, we thank everybody for their patience and understanding.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. RIGGS) having assumed the chair, Mr. OXLEY, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3816) making appropriations for energy and water development of the fiscal year ending September 30, 1997, and for other purposes, had come to no resolution thereon.

## REPORT OF ACTIVITIES OF UNITED STATES GOVERNMENT IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations:

*To the Congress of the United States:*

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during calendar year 1995. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 24, 1996.*

## APPOINTMENT AS MEMBER OF BOARD OF VISITORS TO U.S. NAVAL ACADEMY

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of section 6968(a) of title 10, United States Code, the Chair announces the Speaker's appointment of the following Member of the House as a member of the Board of Visitors to the U.S. Naval Academy to fill the existing vacancy thereon: Mr. MCHALE of Pennsylvania.

There was no objection.

## SUPPORT H.R. 3849, LEGISLATION AMENDING THE CLEAN AIR ACT AMENDMENTS OF 1990

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

Mr. BURR. Mr. Speaker, sometimes the Federal Government makes a mistake. The test of truly effective government is how quickly an institution can correct those errors. Today I stand here on the House floor to remedy such a mistake.

In 1990 the EPA listed a chemical called ethylene glycol monobutyl ether, or EGBE, on its hazardous air pollutants list under the Clean Air Act amendments. This chemical is considered not harmful to the stratosphere and according to scientific studies does not harm the environment. This is in fact a case of mistaken identity.

Although the listing of chemicals seems like an insignificant blunder, the incorrect listing of this material has far-reaching effects. The mislabeling of this chemical has the potential to cost the can manufacturing industry hundreds of millions of dollars and threatens jobs across the country. In my district alone over 450 citizens hold jobs in the can industry.

Last week I and 22 of my colleagues introduced a commonsense piece of legislation that will remedy this situation. I urge my colleagues to support H.R. 3849.

Mr. Speaker, I have introduced legislation, with 22 bipartisan colleagues, that would remedy a regulatory situation that I believe mistakenly identifies and regulates a chemical used in the can manufacturing process as hazardous. The mislabeling of this chemical seems technical on its face, but this technicality has the potential to cost the can manufacturing industry hundreds of millions of dollars and threatens the job of can workers. It is up to Congress to take corrective action.

The chemical (ethylene glycol monobutyl ether—EGBE) is listed on the EPA's list of Hazardous Air Pollutants[HAP's] as established under the Clean Air Act amendments of 1990. While most chemicals are listed separately, Congress created a situation in which whole families of some chemicals are listed as pollutants under a ''unique chemical substances'' category, even when certain members of the families are not hazardous when used in a specific manufacturing process. This is the case with EGBE when used as a can coating.

I am not arguing that we should back away from our regulation of known hazardous air pollutants. Those elements are, and should continue to be, regulated under HAP's. EGBE, however, is not a hazardous air pollutant. It was included on the HAP's list because it belongs to a large family of widely-varying ''unique chemical substances'' known as glycol ethers. This legislation simply stipulates that the glycol ether category does not include EGBE when used as part of the can manufacturing process.

As you are aware, Mr. Speaker, inclusion on the EPA's list of HAPs triggers a series of regulations often requiring the installation of expensive emissions control equipment. That is the case with the listing of EGBE as a hazardous air pollutant. Unless corrected, this listing will force the installation of emissions control equipment at each can manufacturing facility, at a cost of compliance estimated to be about $4 million per plant. Nationally, the cost may reach a quarter of billion dollars for all plants to comply. That financial burden will likely mean an increase in the cost of cans, lower productivity, an international trade disadvantage, and most importantly, potential job losses for the thousands of workers in these plants.

I am proud to represent the 467 employees at the American National Can Co. beverage can plant in Winston-Salem and the Reynolds Metals Co. beverage can plant in Reidsville. That may not sound like a large number of workers to many of you, but they are important to me and to the economic vitality of my district. And I am not alone in this body. There are can manufacturing facilities in 34 States and in more than 180 districts across the Nation. These are some 45,000 highly paid, skilled workers in these plants. They should not be placed at risk of job loss because of what I believe is a technical error Congress helped to create and Congress must correct.

We need to protect the environment. We will continue to do so. Substances that are legitimately classified as hazardous air pollutants will continue to be regulated by their listing as a Hazardous Air Pollutant under the Clean Air Act amendments of 1990. When we find, however, that broad policy decisions result in specific regulatory mistakes, then we should fix what we broke. That is precisely what this legislation does.

There is overwhelming scientific evidence that EGBE should not be considered a hazardous air pollutant when used in the can manufacturing process. The Evironmental Protection Agency itself has consistently told the industry that they believe the can industry's use of EGBE is not harmful to the stratosphere and does not harm the environment. The EPA, however, does not have a process for delisting a single circumstance like this under the Clean Air Act amendments. They have worked with the industry, but may not be able to remedy this situation administratively. Delisting must, therefore, be achieved through the legislative process.

By approving this legislation, we can help maintain the vitality of the industry and save jobs without jeopardizing the integrity of our environmental laws. I urge my colleagues to join me in making this correction to the clean air amendments of 1990.

## TRIBUTE TO DAVID J. TOSCANO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PAYNE] is recognized for 5 minutes.

Mr. PAYNE of Virginia. Mr. Speaker, I rise today to recognize a citizen whose passion for public service has benefited his community for over a decade.

On July 1, 1996 David J. Toscano stepped down as mayor of Charlottesville, VA after presiding in that office for 2 years. During his tenure as mayor, as well as his previous political career, David has squarely focused his efforts on making sustainability a reality for the city of Charlottesville.

He has worked with developers and other community leaders to rebuild the city's tax base and placed new emphasis on creating and improving affordable housing and social programs in priority neighborhoods. He works tirelessly to raise education standards and has shown unfaltering commitment to improving race relations.

In 1984, after only 3 years in Charlottesville, David was appointed to the city's Social Development Commission. Four years later he became the Chair of that commission. Since being elected to city council in 1990 he has served as Chair of the Charlottesville Redevelopment and Housing Authority, co-chair of the West Main Street Task Force, and as a member of the Regional Housing Task Force. He has also chaired the Charlottesville Social Development Commission and the Charlottesville Committee on Race Relations and Public Sector.

As a member of the city council, David devotes himself to serving the best interest of the city and its residents. He has used everything from the Internet to open houses and has attended hundreds of public events to remain accessible and keep in touch with the wants and needs of his constituents.

A firm believer in empowering government at the local level, David confronts each issue with an enlightened blend of prudence and vigor. He delves to the heart of every matter, often taking the job home with him. And, he has never been afraid to weather controversy and opposition in doing what he felt was best for Charlottesville.

As Charlottesville enters the 21st century, its citizens are fortunate to have a public servant with such uncommon devotion to his calling. And, with David remaining on city council, they can rest assured that he will continue to work tirelessly with their general welfare and Charlottesville's future in mind.

Mr. Speaker, I consider myself privileged to have worked with David Toscano and I am proud to take this milestone in the man's career as an opportunity to honor his outstanding service and continued dedication.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YATES (at the request of Mr. GEPHARDT) for today after 7 p.m., on account of personal business.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(Mr. FRANK of Massachusetts, and to include extraneous material on the Frank of Massachusetts amendment No. 6 on H.R. 3814 in the Committee of the Whole today.)

(The following Members (at the request of Mr. BEVILL) and to include extraneous matter:)

Mr. STOKES.
Mr. HINCHEY.
Mr. MANTON.
Mr. CARDIN.
Mr. DURBIN.
Mr. FAZIO.
Mr. MCNULTY.
Mr. ACKERMAN.
Mr. HAMILTON.
Mr. ENGEL.

(The following Members (at the request of Mr. HILLEARY) and to include extraneous matter:)

Mr. YOUNG of Alaska.
Mr. HOKE.
Mr. SOLOMON.
Mr. LATOURETTE.
Mr. GINGRICH, in three instances.
Mr. OXLEY.
Mr. FIELDS of Texas.
Mr. SCHIFF
Mr. FOX of Pennsylvania.
Mr. THOMAS.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BEVILL) to revise and extend their remarks and include extraneous material:)

Mr. PAYNE of Virginia, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

(The following Members (at the request of Mr. HILLEARY) to revise and extend their remarks and include extraneous material:)

Mr. JONES, for 5 minutes, on July 25.

Mr. COBURN, for 5 minutes, on July 25.

Mr. STOCKMAN, for 5 minutes, on July 25.

## BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On July 23, 1996:

H.R. 497. An act to create the National Gambling Impact and Policy Commission.

H.R. 3161. An act to authorize the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of Romania.

## ADJOURNMENT

Mr. MYERS of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly at 12 o'clock and 8 minutes 1 a.m.), the House adjourned until today, Thursday, July 25, 1996, at 10 a.m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4293. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Tobacco Inspection; Growers' Referendum Results [Docket No. TB–95–18] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4294. A letter from the Secretary of Transportation, transmitting a report of a violation of the Anti-Deficiency Act—Aviation Insurance Program, Federal Aviation Administration [FAA], appropriation symbol 69X4120, for fiscal year 1994, pursuant to 31 U.S.C. 1517(b); to the Committee on Appropriations.

4295. A letter from the Assistant Chief Counsel, Office of Thrift Supervision, transmitting the Office's final rule—Management Official Interlocks [Docket No. 96–62] received July 24, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4296. A letter from the Administrator, Energy Information Administration, transmitting the Administration's report entitled ''Voluntary Reporting of Greenhouse Gases 1995,'' the first in a series of annual reports, pursuant to Public Law 102–486, section 1605(b) (106 Stat. 3002; to the Committee on Commerce.

4297. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Final Authorization of State Hazardous Waste Management Program: Kansas [FRL–5542–7] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4298. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation to State Implementation Plan; Michigan [FRL–5541–1] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4299. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Final Interim Approval of Operating Permits Program; State of Tennessee and Memphis-Shelby County, Tennessee [FRL–5542–4] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4300. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutant Emission: Group I Polymers and Resins [FRL–5543–1] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4301. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Interconnection and Resale Obligations Pertaining to Commercial Mobile Radio Services, First Report and Order [FCC 96–263] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4302. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations (Green River, Wyoming) [MM Docket No. 96–63] received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4303. A communication from the President of the United States, transmitting the bimonthly report on progress toward a negotiated settlement of the Cyprus question, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

4304. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—Removal of Chapter 201, Federal Information Resources Management Regulation, from Title 41—Public Contracts and Property Management (RIN: 3090–AGO4) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4305. A letter from the Commissioner, Bureau of Reclamation, Department of the Interior, transmitting a report on the necessity to construct modifications to Bradbury Dam, Cachuma project, CA, in order to preserve its structural safety, pursuant to 43 U.S.C. 509; to the Committee on Resources.

4306. A letter from the Assistant Secretary for Policy, Management and Budget, Department of the Interior transmitting the Department's final rule—Administrative and Audit Requirements and Cost Principles for Assistance Programs (RIN: 1090–AA58) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4307. A letter from the Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Atlantic Swordfish Fishery; Drift Gillnet Closure Postponement (50 CFR Part 630) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4308. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of Alaska; Pacific Ocean Perch in the Central Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 071596A] received July 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4309. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Sablefish in the Central Regulatory Area [Docket No. 960129018–6018–01; I.D. 071596B] received July 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4310. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Release Preparation Program [BOP–1055–F] (RIN: 1120–AA51) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4311. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Hostage Situation Management [BOP–1061–F] (RIN: 1120–AA55) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4312. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Manufacturers Excise Taxes-Firearms and Ammunition (Notice No. 831) (RIN: 1512–AB42) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4313. A letter from the Chief of Staff, Social Security Administration, transmitting the Administration's final rule—Miscellaneous Coverage Provisions of the Social Security Independence and Program Improvements Act of 1994; Coverage Provisions of the Social Security Domestic Employment Reform Act of 1994 (RIN: 0960–AE00) received July 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4314. A letter from the Chief of Staff, Social Security Administration, transmitting the Administration's final rule—When You Are A Full-Time Elementary Or Secondary School Student (RIN: 0960–AE21) received July 22, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4315. A letter from the Administrator, Health Care Financing Administration, transmitting the Administration's final rule—Medicare Program; Reporting of Interest From Zero Coupon Bonds [BDP–647–F] (RIN: 0938–AH11) received July 23, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); jointly, to the Committees on Ways and Means and Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 3680. A bill to amend title 18, United States Code, to carry out the international obligations of the United States under the Geneva Conventions to provide criminal penalties for certain war crimes (Rept. 104–698). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANADY: Committee on the Judiciary. H.R. 3435. A bill to make technical amendments to the Lobbying Disclosure Act of 1995; with an amendment (Rept. 104–699). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3287. A bill to direct the Secretary of the Interior to convey the Crawford National Fish Hatchery to the city of Crawford, NE; with an amendment (Rept. 104–700). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3546. A bill to direct the Secretary of the Interior to convey the Walhalla National Fish Hatchery to the State of South Carolina; with an amendment (Rept. 104–701). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3557. A bill to direct the Secretary of the Interior to convey the Marion National Fish Hatchery to the State of Alabama; with an amendment (Rept. 104–702). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3660. A bill to make amendments to the Reclamation Wastewater and Groundwater Study and Facilities Act, and for other purposes; with amendments (Rept. 104–703). Referred to the Committee of the Whole House on the State of the Union.

Ms. GREENE of Utah: Committee on Rules. House Resolution 488. Resolution providing for consideration of the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees (Rept. 104–704). Referred to the House Calendar.

Mr. GEKAS: Committee on the Judiciary. House Joint Resolution 166. Resolution granting the consent of Congress to the Mutual Aid Agreement between the city of Bristol, VA, and the city of Bristol, TN (Rept. 104–705). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEKAS: Committee on the Judiciary. House Joint Resolution 113. Resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, MD, and Mineral County, WV, entered into between the States of West Virginia and Maryland (Rept. 104–706). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOX (for himself, Mr. CLINGER, and Mr. MICA):

H.R. 3884. A bill to amend title 39, United States Code, to require that traditional equitable principles be applied by the U.S. Postal Service in determining whether or not to exercise its temporary detention authority with respect to mail alleged to be deceptive or misleading; to the Committee on Government Reform and Oversight.

By Mrs. MALONEY (for herself, Mr. HORN, and Mr. TATE):

H.R. 3885. A bill to amend section 552 of title 5, United States Code, commonly known as the Freedom of Information Act, to provide for greater efficiency in providing public access to information and to provide for public access to information in an electronic format; to the Committee on Government Reform and Oversight.

By Mr. DOOLITTLE:

H.R. 3886. A bill to clarify the intent of the Congress in Public Law 93–362 to require the Secretary of Agriculture to continue to provide for the maintenance of 18 concrete dams and weirs that were located in the Emigrant Wilderness at the time the wilderness area was designated as wilderness in that Public Law; to the Committee on Resources.

By Mr. GEJDENSON:

H.R. 3887. A bill to repeal the provision of chapter 83 of title 5, United States Code, under which certain Members of Congress are eligible for immediate retirement after serving in nine Congresses; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RICHARDSON:

H.R. 3888. A bill to amend the Housing and Community Development Act of 1974 to allow small communities to use limited space in public facilities acquired, constructed, or rehabilitated using community development block grant funds for local government offices; to the Committee on Banking and Financial Services.

By Mr. RIGGS:

H.R. 3889. A bill to amend the Internal Revenue Code of 1986 to reduce the taxes on wine to their pre-1991 rates; to the Committee on Ways and Means

By Mr. SCARBOROUGH (for himself, Mr. SOLOMON, Mr. PORTER, Ms PELOSI, Mr. CUNNINGHAM, and Mr. LIPINSKI:

H.R. 3890. A bill to provide for the withdrawal of most forward nation status from Iran, Iraq, Libya, and Syria, and to provide for the restoration of such status with respect to Syria if the President determines that Syria is participating in the Middle East peace process in good faith; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 3891. A bill to amend the Commodity Exchange Act to provide for the regulation of contracts for the purchase or sale of a commodity for future delivery, which are made on or subject to the rules of a board of trade, exchange, or market located outside the United States, when the commodity is deliverable in the United States; to the Committee on Agriculture.

By Mr. TORKILDSEN:

H.R. 3892. A bill to clarify treatment of certain claims and defenses against an insured depository institution under receivership by the Federal Deposit Insurance Corporation, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. TOWNS:

H.R. 3893. A bill to amend the Solid Waste Disposal Act to prohibit the international export and import of certain solid waste; to the Committee on Commerce.

By Mr. SANDERS (for himself and Mrs. MORELLA)

H. Con. Res. 199. Concurrent resolution expressing the sense of the Congress that a national summit of sports, political, and community leaders should be promptly convened to develop a multifaceted action plan to promote citizenship through sports, emphasizing the aspects of sports culture that promote self-respect and respect for others, and that deter acts of violence, including domestic violence and sexual assault; to the Committee on Economic and Educational Opportunities.

By Mr. SCARBOROUGH:

H. Con. Res. 200. Concurrent resolution expressing the sense of the Congress regarding the bombing in Dhahran, Saudi Arabia; to the Committee on National Security.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BILIRAKIS introduced a bill (H.R. 3894) for the relief of Margarito Domantay; which was referred to the Committee on the Judiciary.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Mr. SPENCE.

H.R. 1462: Mr. CHAMBLISS, Mr. MCKEON, Mr. DE LA GARZA, Mr. GREEN of Texas, Mr. ROSE, Mr. SKAGGS, and Mr. JEFFERSON.

H.R. 1797: Mr. ACKERMAN and Mr. WATT of North Carolina.

H.R. 1846: Mr. HORN and Mr. SANDERS.

H.R. 2019: Mr. MONTGOMERY.

H.R. 2152: Mr. CHRYSLER.

H.R. 2320: Mr. BUYER.

H.R. 2416: Mr. JACKSON.

H.R. 2462: Mrs. KELLY.

H.R. 2470: Mr. BARTLETT of Maryland, Mr. HAYES, and Mr. WAMP.

H.R. 2625: Mr. PALLONE.

H.R. 2716: Mr. GUTIERREZ.

H.R. 2976: Mr. GEJDENSON, Mr. LANTOS, Mr. STOCKMAN, Mr. THORNBERRY, and Mr. VISCLOSKY.

H.R. 3006: Ms. ROYBAL-ALLARD.

H.R. 3102: Mr. LAFALCE.

H.R. 3142: Mr. COSTELLO, Ms. RIVERS, and Mr. COLEMAN.

H.R. 3192: Mr. SANDERS.

H.R. 3202: Mr. BLUMENAUER and Mr. WATT of North Carolina.

H.R. 3207: Mr. OLVER.

H.R. 3340: Mr. EVANS, Mrs. THURMAN, Mr. SKEEN, Mr. DOOLEY, and Mr. BAKER of Louisiana.

H.R. 3447: Mr. SANFORD.

H.R. 3514: Mr. PACKARD, Mr. CALVERT, Mr. STEARNS, Mr. HAYWORTH, Mr. BUNNING of Kentucky, and Mr. THORNBERRY.

H.R. 3621: Ms. SLAUGHTER, Mr. SCHUMER, and Mr. FATTAH.

H.R. 3647: Mr. DEUTSCH.

H.R. 3677: Mrs. KENNELLY.

H.R. 3700: Mr. ZIMMER and Ms. WOOLSEY.

H.R. 3710: Mr. BEVILL, Mr. ARCHER, Mr. PICKETT, Mr. WATT of North Carolina, and Mr. PASTOR.

H.R. 3729: Mr. BROWDER and Mr. TORRES.

H.R. 3733: Mr. BALDACCI.

H.R. 3735: Mr. EHLERS.

H.R. 3738: Mr. EHLERS.

H.R. 3745: Mr. HAYWORTH, Mr. HAMILTON, and Mr. CRANE.

H.R. 3748: Mr. EVANS.

H.R. 3779: Mr. GREEN of Texas.

H.R. 3783: Mr. EHLERS, Mr. BROWN of California, Mr. CRAPO, Mr. BURTON of Indiana, and Mr. METCALF.

H.R. 3797: Mr. BALLENGER.

H.R. 3807: Mr. FILNER, Mr. FRANK of Massachusetts, and Mr. EVANS.

H.R. 3831: Mr. BORSKI.

H.R. 3849: Mrs. KELLY.

H.R. 3862: Mr. LARGENT, Mr. KOLBE, Mr. BONILLA, Mr. HAYES, and Mr. BONO.

H.R. 3867: Mr. KLUG, Mr. MARKEY, Mr. GORDON, and Ms. FURSE.

H. Con. Res. 63: Mr. EHRLICH and Mr. HUTCHINSON.

H. Con. Res. 175: Mr. LATOURETTE.

H. Con. Res. 179: Mr. BROWN of California and Mr. ROHRABACHER.

H. Con. Res. 190: Ms. SLAUGHTER, Ms. DELAURO, Mr. GENE GREEN of Texas, and Mr. MENENDEZ.

H. Res. 452: Mr. HALL of Texas.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2823

OFFERED BY: MR. YOUNG OF ALASKA

*(Amendment in the Nature of a Substitute)*

AMENDMENT NO. 1: Strike all after the enacting clause and insert:

**SECTION 1. SHORT TITLE; REFERENCES.**

(a) SHORT TITLE.—This Act may be cited as the ''International Dolphin Conservation Program Act''.

(b) REFERENCES TO MARINE MAMMAL PROTECTION ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361 et seq.).

**SEC. 2. PURPOSE AND FINDINGS.**

(a) PURPOSE.—The purposes of this Act are—

(1) to give effect to the Declaration of Panama, signed October 4, 1995, by the Governments of Belize, Colombia, Costa Rica, Ecuador, France, Honduras, Mexico, Panama, Spain, the United States of America, Vanuatu, and Venezuela, including the establishment of the International Dolphin Conservation Program, relating to the protection of dolphins and other species, and the conservation and management of tuna in the eastern tropical Pacific Ocean;

(2) to recognize that nations fishing for tuna in the eastern tropical Pacific Ocean have achieved significant reductions in dolphin mortality associated with that fishery; and

(3) to eliminate the ban on imports of tuna from those nations that are in compliance with the International Dolphin Conservation Program.

(b) FINDINGS.—The Congress finds the following:

(1) The nations that fish for tuna in the eastern tropical Pacific Ocean have achieved significant reductions in dolphin mortalities associated with the purse seine fishery from hundreds of thousands annually to fewer than 5,000 annually.

(2) The provisions of the Marine Mammal Protection Act of 1972 that impose a ban on imports from nations that fish for tuna in the eastern tropical Pacific Ocean have served as an incentive to reduce dolphin mortalities.

(3) Tuna canners and processors of the United States have led the canning and processing industry in promoting a dolphin-safe tuna market.

(4) 12 signatory nations to the Declaration of Panama, including the United States, agreed under that Declaration to require that the total annual dolphin mortality in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean not exceed 5,000, with a commitment and objective to progressively reduce dolphin mortality to a level approaching zero through the setting of annual limits.

**SEC. 3. DEFINITIONS.**

Section 3 (16 U.S.C. 1362) is amended by adding at the end the following new paragraphs:

''(28) The term 'International Dolphin Conservation Program' means the international program established by the agreement signed in La Jolla, California, in June 1992, as formalized, modified, and enhanced in accordance with the Declaration of Panama, that requires—

''(A) that the total annual dolphin mortality in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean not exceed 5,000, with the commitment and objective to progressively reduce dolphin mortality to levels approaching zero through the setting of annual limits;

''(B) the establishment of a per-stock per-year mortality limit for dolphins, for each year through the year 2000, of between 0.2 percent and 0.1 percent of the minimum population estimate;

''(C) beginning with the year 2001, that the per-stock per-year mortality of dolphin not exceed 0.1 percent of the minimum population estimate;

''(D) that if the mortality limit set forth in subparagraph (A) is exceeded, all sets on dolphins shall cease for the fishing year concerned;

''(E) that if the mortality limit set forth in subparagraph (B) or (C) is exceeded sets on such stock and any mixed schools containing members of such stock shall cease for that fishing year;

''(F) in the case of subparagraph (B), to conduct a scientific review and assessment in 1998 of progress toward the year 2000 objective and consider recommendations as appropriate; and

''(G) in the case of subparagraph (C), to conduct a scientific review and assessment regarding that stock or those stocks and consider further recommendations;

''(H) the establishment of a per-vessel maximum annual dolphin mortality limit consistent with the established per-year mortality caps; and

''(I) the provision of a system of incentives to vessel captains to continue to reduce dolphin mortality, with the goal of eliminating dolphin mortality.

''(29) The term 'Declaration of Panama' means the declaration signed in Panama City, Republic of Panama, on October 4, 1995.''.

**SEC. 4. AMENDMENTS TO TITLE I.**

(a) AUTHORIZATION FOR INCIDENTAL TAKING.—Section 101(a)(2) (16 U.S.C. 1371(a)(2)) is amended as follows:

(1) By inserting after the first sentence ''Such authorizations may also be granted under title III with respect to the yellowfin tuna fishery of the eastern tropical Pacific Ocean, subject to regulations prescribed under that title by the Secretary without regard to section 103.''.

(2) By striking the semicolon in the second sentence and all that follows through ''practicable''.

(b) DOCUMENTARY EVIDENCE.—Section 101(a) (16 U.S.C. 1371(a)) is amended by striking so much of paragraph (2) as follows subparagraph (A) and as precedes subparagraph (C) and inserting:

''(B) in the case of yellowfin tuna harvested with purse seine nets in the eastern tropical Pacific Ocean, and products therefrom, to be exported to the United States,

shall require that the government of the exporting nation provide documentary evidence that—

''(i) the tuna or products therefrom were not banned from importation under this paragraph before the effective date of the International Dolphin Conservation Program Act;

''(ii) the tuna or products therefrom were harvested after the effective date of the International Dolphin Conservation Program Act by vessels of a nation which participates in the International Dolphin Conservation Program, such harvesting nation is either a member of the Inter-American Tropical Tuna Commission or has initiated (and within 6 months thereafter completed) all steps (in accordance with article V, paragraph 3 of the Convention establishing the Inter-American Tropical Tuna Commission) necessary to become a member of that organization;

''(iii) such nation is meeting the obligations of the International Dolphin Conservation Program and the obligations of membership in the Inter-American Tropical Tuna Commission, including all financial obligations;

''(iv) the total dolphin mortality permitted under the International Dolphin Conservation Program will not exceed 5,000 in 1996, or in any year thereafter, consistent with the commitment and objective of progressively reducing dolphin mortality to levels approaching zero through the setting of annual limits and the goal of eliminating dolphin mortality; and

''(v) the tuna or products therefrom were harvested after the effective date of the International Dolphin Conservation Program Act by vessels of a nation which participates in the International Dolphin Conservation Program, and such harvesting nation has not vetoed the participation by any other nation in such Program.''.

(c) ACCEPTANCE OF EVIDENCE COVERAGE.—Section 101 (16 U.S.C. 1371) is amended by adding at the end the following new subsections:

''(d) ACCEPTANCE OF DOCUMENTARY EVIDENCE.—The Secretary shall not accept documentary evidence referred to in section 101(a)(2)(B) as satisfactory proof for purposes of section 101(a)(2) if—

''(1) the government of the harvesting nation does not provide directly or authorize the Inter-American Tropical Tuna Commission to release complete and accurate information to the Secretary to allow a determination of compliance with the International Dolphin Conservation Program;

''(2) the government of the harvesting nation does not provide directly or authorize the Inter-American Tropical Tuna Commission to release complete and accurate information to the Secretary in a timely manner for the purposes of tracking and verifying compliance with the minimum requirements established by the Secretary in regulations promulgated under subsection (f) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(f)); or

''(3) after taking into consideration this information, findings of the Inter-American Tropical Tuna Commission, and any other relevant information, including information that a nation is consistently failing to take enforcement actions on violations which diminish the effectiveness of the International Dolphin Conservation Program, the Secretary, in consultation with the Secretary of State, finds that the harvesting nation is not in compliance with the International Dolphin Conservation Program.

''(e) EXEMPTION.—The provisions of this Act shall not apply to a citizen of the United States who incidentally takes any marine mammal during fishing operations outside the United States exclusive economic zone (as defined in section 3(6) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(6))) when employed on a foreign fishing vessel of a harvesting nation which is in compliance with the International Dolphin Conservation Program.''.

(d) ANNUAL PERMITS.—Section 104(h) is amended to read as follows:

''(h) ANNUAL PERMITS.—(1) Consistent with the regulations prescribed pursuant to section 103 and the requirements of section 101, the Secretary may issue an annual permit to a United States vessel for the taking of such marine mammals, and shall issue regulations to cover the use of any such annual permits.

''(2) Annual permits described in paragraph (1) for the incidental taking of marine mammals in the course of commercial purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean shall be governed by section 304, subject to the regulations issued pursuant to section 302.''.

(e) REVISIONS AND FUNDING SOURCES.—Section 108(a)(2) (16 U.S.C. 1378(a)(2)) is amended as follows:

(1) By striking ''and'' at the end of subparagraph (A).

(2) By adding at the end the following:

''(C) discussions to expeditiously negotiate revisions to the Convention for the Establishment of an Inter-American Tropical Tuna Commission (1 UST 230, TIAS 2044) which will incorporate conservation and management provisions agreed to by the nations which have signed the Declaration of Panama;

''(D) a revised schedule of annual contributions to the expenses of the Inter-American Tropical Tuna Commission that is equitable to participating nations; and

''(E) discussions with those countries participating or likely to participate in the International Dolphin Conservation Program, to identify alternative sources of funds to ensure that needed research and other measures benefiting effective protection of dolphins, other marine species, and the marine ecosystem;''.

(f) REPEAL OF NAS REVIEW.—Section 110 (16 U.S.C. 1380) is amended as follows:

(1) By redesignating subsection (a)(1) as subsection (a).

(2) By striking subsection (a)(2).

(g) LABELING OF TUNA PRODUCTS.—Paragraph (1) of section 901(d) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(d)(1)) is amended to read as follows:

''(1) It is a violation of section 5 of the Federal Trade Commission Act for any producer, importer, exporter, distributor, or seller of any tuna product that is exported from or offered for sale in the United States to include on the label of that product the term 'Dolphin Safe' or any other term or symbol that falsely claims or suggests that the tuna contained in the product was harvested using a method of fishing that is not harmful to dolphins if the product contains any of the following:

''(A) Tuna harvested on the high seas by a vessel engaged in driftnet fishing.

''(B) Tuna harvested in the eastern tropical Pacific Ocean by a vessel using purse seine nets unless the tuna is considered dolphin safe under paragraph (2).

''(C) Tuna harvested outside the eastern tropical Pacific Ocean by a vessel using purse seine nets unless the tuna is considered dolphin safe under paragraph (3).

''(D) Tuna harvested by a vessel engaged in any fishery identified by the Secretary pursuant to paragraph (4) as having a regular and significant incidental mortality of marine mammals.''.

(h) DOLPHIN SAFE TUNA.—(1) Paragraph (2) of section 901(d) of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(d)(2)) is amended to read as follows:

''(2)(A) For purposes of paragraph (1)(B), a tuna product that contains tuna harvested in the eastern tropical Pacific Ocean by a vessel using purse seine nets is dolphin safe if the vessel is of a type and size that the Secretary has determined, consistent with the International Dolphin Conservation Program, is not capable of deploying its purse seine nets on or to encircle dolphins, or if the product meets the requirements of subparagraph (B).

''(B) For purposes of paragraph (1)(B), a tuna product that contains tuna harvested in the eastern tropical Pacific Ocean by a vessel using purse seine nets is dolphin safe if the product is accompanied by a written statement executed by the captain of the vessel which harvested the tuna certifying that no dolphins were killed during the sets in which the tuna were caught and the product is accompanied by a written statement executed by—

''(i) the Secretary or the Secretary's designee;

''(ii) a representative of the Inter-American Tropical Tuna Commission; or

''(iii) an authorized representative of a participating nation whose national program meets the requirements of the International Dolphin Conservation Program,

which states that there was an observer approved by the International Dolphin Conservation Program on board the vessel during the entire trip and documents that no dolphins were killed during the sets in which the tuna concerned were caught.

''(C) The statements referred to in clauses (i), (ii), and (iii) of subparagraph (B) shall be valid only if they are endorsed in writing by each exporter, importer, and processor of the product, and if such statements and endorsements comply with regulations promulgated by the Secretary which would provide for the verification of tuna products as dolphin safe.''.

(2) Subsection (d) of section 901 of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(d)) is amended by adding the following new paragraphs at the end thereof:

''(3) For purposes of paragraph (1)(C), tuna or a tuna product that contains tuna harvested outside the eastern tropical Pacific Ocean by a vessel using purse seine nets is dolphin safe if—

''(A) it is accompanied by a written statement executed by the captain of the vessel certifying that no purse seine net was intentionally deployed on or to encircle dolphins during the particular voyage on which the tuna was harvested; or

''(B) in any fishery in which the Secretary has determined that a regular and significant association occurs between marine mammals and tuna, it is accompanied by a written statement executed by the captain of the vessel and an observer, certifying that no purse seine net was intentionally deployed on or to encircle marine mammals during the particular voyage on which the tuna was harvested.

''(4) For purposes of paragraph (1)(D), tuna or a tuna product that contains tuna harvested in a fishery identified by the Secretary as having a regular and significant incidental mortality or serious injury of marine mammals is dolphin safe if it is accompanied by a written statement executed by the captain of the vessel and, where determined to be practicable by the Secretary, an observer participating in a national or international program acceptable to the Secretary certifying that no marine mammals were killed in the course of the fishing operation or operations in which the tuna were caught.

''(5) No tuna product may be labeled with any reference to dolphins, porpoises, or marine mammals, unless such product is labeled as dolphin safe in accordance with this subsection.''.

(i) TRACKING AND VERIFICATION.—Subsection (f) of section 901 of the Dolphin Protection Consumer Information Act (16 U.S.C. 1385(f)) is amended to read as follows:

''(f) TRACKING AND VERIFICATION.—The Secretary, in consultation with the Secretary of the Treasury, shall issue regulations to implement subsection (d) not later than 3 months after the date of enactment of the International Dolphin Conservation Program Act. In the development of these regulations, the Secretary shall establish appropriate procedures for ensuring the confidentiality of proprietary information the submission of which is voluntary or mandatory. Such regulations shall, consistent with international efforts and in coordination with the Inter-American Tropical Tuna Commission, establish a domestic and international tracking and verification program that provides for the effective tracking of tuna labeled under subsection (d), including but not limited to each of the following:

''(1) Specific regulations and provisions addressing the use of weight calculation for purposes of tracking tuna caught, landed, processed, and exported.

''(2) Additional measures to enhance observer coverage if necessary.

''(3) Well location and procedures for monitoring, certifying, and sealing holds above and below deck or other equally effective methods of tracking and verifying tuna labeled under subsection (d).

''(4) Reporting receipt of and database storage of radio and facsimile transmittals from fishing vessels containing information related to the tracking and verification of tuna, and the definition of sets.

''(5) Shore-based verification and tracking throughout the transshipment and canning process by means of Inter-American Tropical Tuna Commission trip records or otherwise.

''(6) Provisions for annual audits and spot checks for caught, landed, and processed tuna products labeled in accordance with subsection (d).

''(7) The provision of timely access to data required under this subsection by the Secretary from harvesting nations to undertake the actions required in paragraph (6) of this subsection.''.

**SEC. 5. AMENDMENTS TO TITLE III.**

(a) HEADING.—The heading of title III is amended to read as follows:

**''TITLE III—INTERNATIONAL DOLPHIN CONSERVATION PROGRAM''.**

(b) FINDINGS.—Section 301 (16 U.S.C. 1411) is amended as follows:

(1) In subsection (a), by amending paragraph (4) to read as follows:

''(4) Nations harvesting yellowfin tuna in the eastern tropical Pacific Ocean have demonstrated their willingness to participate in appropriate multilateral agreements to reduce, with the goal of eliminating, dolphin mortality in that fishery. Recognition of the International Dolphin Conservation Program will assure that the existing trend of reduced dolphin mortality continues; that individual stocks of dolphins are adequately protected; and that the goal of eliminating all dolphin mortality continues to be a priority.''.

(2) In subsection (b), by amending paragraphs (2) and (3) to read as follows:

''(2) support the International Dolphin Conservation Program and efforts within the Program to reduce, with the goal of eliminating, the mortality referred to in paragraph (1);

''(3) ensure that the market of the United States does not act as an incentive to the harvest of tuna caught with driftnets or caught by purse seine vessels in the eastern tropical Pacific Ocean that are not operating in compliance with the International Dolphin Conservation Program;''.

(c) INTERNATIONAL DOLPHIN CONSERVATION PROGRAM.—Section 302 (16 U.S.C. 1412) is amended to read as follows:

**''SEC. 302. AUTHORITY OF THE SECRETARY.**

''(a) REGULATIONS TO IMPLEMENT PROGRAM REGULATIONS.—(1) The Secretary shall issue regulations to implement the International Dolphin Conservation Program.

''(2)(A) Not later than 3 months after the date of enactment of this section, the Secretary shall issue regulations to authorize and govern the incidental taking of marine mammals in the eastern tropical Pacific Ocean, including any species of marine mammal designated as depleted under this Act but not listed as endangered or threatened under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), by vessels of the United States participating in the International Dolphin Conservation Program.

''(B) Regulations issued under this section shall include provisions—

''(i) requiring observers on each vessel;

''(ii) requiring use of the backdown procedure or other procedures equally or more effective in avoiding mortality of marine mammals in fishing operations;

''(iii) prohibiting intentional deployment of nets on, or encirclement of, dolphins in violation of the International Dolphin Conservation Program;

''(iv) requiring the use of special equipment, including dolphin safety panels in nets, monitoring devices as identified by the International Dolphin Conservation Program, as practicable, to detect unsafe fishing conditions before nets are deployed by a tuna vessel, operable rafts, speedboats with towing bridles, floodlights in operable condition, and diving masks and snorkels;

''(v) ensuring that the backdown procedure during the deployment of nets on, or encirclement of, dolphins is completed and rolling of the net to sack up has begun no later than 30 minutes after sundown;

''(vi) banning the use of explosive devices in all purse seine operations;

''(vii) establishing per vessel maximum annual dolphin mortality limits, total dolphin mortality limits and per-stock per-year mortality limits, in accordance with the International Dolphin Conservation Program;

''(viii) preventing the intentional deployment of nets on, or encirclement of, dolphins after reaching either the vessel maximum annual dolphin mortality limits, total dolphin mortality limits, or per-stock per-year mortality limits;

''(ix) preventing the fishing on dolphins by a vessel without an assigned vessel dolphin mortality limit;

''(x) allowing for the authorization and conduct of experimental fishing operations, under such terms and conditions as the Secretary may prescribe, for the purpose of testing proposed improvements in fishing techniques and equipment (including new technology for detecting unsafe fishing conditions before nets are deployed by a tuna vessel) that may reduce or eliminate dolphin mortality or do not require the encirclement of dolphins in the course of commercial yellowfin tuna fishing;

''(xi) authorizing fishing within the area covered by the International Dolphin Conservation Program by vessels of the United States without the use of special equipment or nets if the vessel takes an observer and does not intentionally deploy nets on, or encircle, dolphins, under such terms and conditions as the Secretary may prescribe; and

''(xii) containing such other restrictions and requirements as the Secretary determines are necessary to implement the International Dolphin Conservation Program with respect to vessels of the United States.

''(C) The Secretary may make such adjustments as may be appropriate to the requirements of subparagraph (B) that pertain to fishing gear, vessel equipment, and fishing practices to the extent the adjustments are consistent with the International Dolphin Conservation Program.

''(b) CONSULTATION.—In developing regulations under this section, the Secretary shall consult with the Secretary of State, the Marine Mammal Commission and the United States Commissioners to the Inter-American Tropical Tuna Commission appointed under section 3 of the Tuna Conventions Act of 1950 (16 U.S.C. 952).

''(c) EMERGENCY REGULATIONS.—(1) If the Secretary determines, on the basis of the best scientific information available (including that obtained under the International Dolphin Conservation Program) that the incidental mortality and serious injury of marine mammals authorized under this title is having, or is likely to have, a significant adverse effect on a marine mammal stock or species, the Secretary shall take actions as follows—

''(A) notify the Inter-American Tropical Tuna Commission of the Secretary's findings, along with recommendations to the Commission as to actions necessary to reduce incidental mortality and serious injury and mitigate such adverse impact; and

''(B) prescribe emergency regulations to reduce incidental mortality and serious injury and mitigate such adverse impact.

''(2) Prior to taking action under paragraph (1) (A) or (B), the Secretary shall consult with the Secretary of State, the Marine Mammal Commission, and the United States Commissioners to the Inter-American Tropical Tuna Commission.

''(3) Emergency regulations prescribed under this subsection—

''(A) shall be published in the Federal Register, together with an explanation thereof; and

''(B) shall remain in effect for the duration of the applicable fishing year; and

The Secretary may terminate such emergency regulations at a date earlier than that required by subparagraph (B) by publication in the Federal Register of a notice of termination, if the Secretary determines that the reasons for the emergency action no longer exist.

''(4) If the Secretary finds that the incidental mortality and serious injury of marine mammals in the yellowfin tuna fishery in the eastern tropical Pacific Ocean is continuing to have a significant adverse impact on a stock or species, the Secretary may extend the emergency regulations for such additional periods as may be necessary.

''(d) RESEARCH.—The Secretary shall, in cooperation with the nations participating in the International Dolphin Conservation Program and with the Inter-American Tropical Tuna Commission, undertake or support appropriate scientific research to further the goals of the International Dolphin Conservation Program. Such research may include but shall not be limited to any of the following:

''(1) Devising cost-effective fishing methods and gear so as to reduce, with the goal of eliminating, the incidental mortality and serious injury of marine mammals in connection with commercial purse seine fishing in the eastern tropical Pacific Ocean.

''(2) Developing cost-effective methods of fishing for mature yellowfin tuna without deployment of nets on, or encirclement of, dolphins or other marine mammals.

''(3) Carrying out stock assessments for those marine mammal species and marine

mammal stocks taken in the purse seine fishery for yellowfin tuna in the eastern tropical Pacific Ocean, including species or stocks not within waters under the jurisdiction of the United States.

''(4) Studying the effects of chase and encirclement on the health and biology of dolphin and individual dolphin populations incidentally taken in the course of purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean. There are authorized to be appropriated to the Department of Commerce $1,000,000 to be used by the Secretary, acting through the National Marine Fisheries Service, to carry out this paragraph. Upon completion of the study, the Secretary shall submit a report containing the results of the study, together with recommendations, to the Congress and to the Inter-American Tropical Tuna Commission.

''(5) Determining the extent to which the incidental take of nontarget species, including juvenile tuna, occurs in the course of purse seine fishing for yellowfin tuna in the eastern tropical Pacific Ocean, the geographic location of the incidental take, and the impact of that incidental take on tuna stocks, and nontarget species.

The Secretary shall include a description of the annual results of research carried out under this subsection in the report required under section 303.''.

(d) REPORTS.—Section 303 (16 U.S.C. 1414) is amended to read as follows:

**''SEC. 303. REPORTS BY THE SECRETARY.**

''Notwithstanding section 103(f), the Secretary shall submit an annual report to the Congress which includes each of the following:

''(1) The results of research conducted pursuant to section 302.

''(2) A description of the status and trends of stocks of tuna.

''(3) A description of the efforts to assess, avoid, reduce, and minimize the bycatch of juvenile yellowfin tuna and other nontarget species.

''(4) A description of the activities of the International Dolphin Conservation Program and of the efforts of the United States in support of the Program's goals and objectives, including the protection of dolphin populations in the eastern tropical Pacific Ocean, and an assessment of the effectiveness of the Program.

''(5) Actions taken by the Secretary under subsections (a)(2)(B) and (d) of section 101.

''(6) Copies of any relevant resolutions and decisions of the Inter-American Tropical Tuna Commission, and any regulations promulgated by the Secretary under this title.

''(7) Any other information deemed relevant by the Secretary.''.

(e) PERMITS.—Section 304 (16 U.S.C. 1416) is amended to read as follows:

**''SEC. 304. PERMITS.**

''(a) IN GENERAL.—(1) Consistent with section 302, the Secretary is authorized to issue a permit to a vessel of the United States authorizing participation in the International Dolphin Conservation Program and may require a permit for the person actually in charge of and controlling the fishing operation of the vessel. The Secretary shall prescribe such procedures as are necessary to carry out this subsection, including, but not limited to, requiring the submission of—

''(A) the name and official number or other identification of each fishing vessel for which a permit is sought, together with the name and address of the owner thereof; and

''(B) the tonnage, hold capacity, speed, processing equipment, and type and quantity of gear, including an inventory of special equipment required under section 302, with respect to each vessel.

''(2) The Secretary is authorized to charge a fee for issuing a permit under this section. The level of fees charged under this paragraph may not exceed the administrative cost incurred in granting an authorization and issuing a permit. Fees collected under this paragraph shall be available, subject to appropriations, to the Under Secretary of Commerce for Oceans and Atmosphere for expenses incurred in issuing permits under this section.

''(3) After the effective date of the International Dolphin Conservation Program Act, no vessel of the United States shall operate in the yellowfin tuna fishery in the eastern tropical Pacific Ocean without a valid permit issued under this section.

''(b) PERMIT SANCTIONS.—(1) In any case in which—

''(A) a vessel for which a permit has been issued under this section has been used in the commission of an act prohibited under section 305;

''(B) the owner or operator of any such vessel or any other person who has applied for or been issued a permit under this section has acted in violation of section 305; or

''(C) any civil penalty or criminal fine imposed on a vessel, owner or operator of a vessel, or other person who has applied for or been issued a permit under this section has not been paid or is overdue, the Secretary may—

''(i) revoke any permit with respect to such vessel, with or without prejudice to the issuance of subsequent permits;

''(ii) suspend such permit for a period of time considered by the Secretary to be appropriate;

''(iii) deny such permit; or

''(iv) impose additional conditions or restrictions on any permit issued to, or applied for by, any such vessel or person under this section.

''(2) In imposing a sanction under this subsection, the Secretary shall take into account—

''(A) the nature, circumstances, extent, and gravity of the prohibited acts for which the sanction is imposed; and

''(B) with respect to the violator, the degree of culpability, any history of prior offenses, and other such matters as justice requires.

''(3) Transfer of ownership of a vessel, by sale or otherwise, shall not extinguish any permit sanction that is in effect or is pending at the time of transfer of ownership. Before executing the transfer of ownership of a vessel, by sale or otherwise, the owner shall disclose in writing to the prospective transferee the existence of any permit sanction that will be in effect or pending with respect to the vessel at the time of transfer.

''(4) In the case of any permit that is suspended for the failure to pay a civil penalty or criminal fine, the Secretary shall reinstate the permit upon payment of the penalty or fine and interest thereon at the prevailing rate.

''(5) No sanctions shall be imposed under this section unless there has been a prior opportunity for a hearing on the facts underlying the violation for which the sanction is imposed, either in conjunction with a civil penalty proceeding under this title or otherwise.''.

(f) PROHIBITIONS.—Section 305 is repealed and section 307 (16 U.S.C. 1417) is redesignated as section 305, and amended as follows:

(1) In subsection (a):

(A) By amending paragraph (1) to read as follows:

''(1) for any person to sell, purchase, offer for sale, transport, or ship, in the United States, any tuna or tuna product unless the tuna or tuna product is either dolphin safe or has been harvested in compliance with the International Dolphin Conservation Program by a country that is a member of the Inter-American Tropical Tuna Commission or has initiated steps, in accordance with Article V, paragraph 3 of the Convention establishing the Inter-American Tropical Tuna Commission, to become a member of that organization;''.

(B) By amending paragraph (2) to read as follows:

''(2) except in accordance with this title and regulations issued pursuant to this title as provided for in subsection 101(e), for any person or vessel subject to the jurisdiction of the United States intentionally to set a purse seine net on or to encircle any marine mammal in the course of tuna fishing operations in the eastern tropical Pacific Ocean; or''.

(C) By amending paragraph (3) to read as follows:

''(3) for any person to import any yellowfin tuna or yellowfin tuna product or any other fish or fish product in violation of a ban on importation imposed under section 101(a)(2);''.

(2) In subsection (b)(2), by inserting ''(a)(5) and'' before ''(a)(6)''.

(3) By striking subsection (d).

(g) REPEAL.—Section 306 is repealed and section 308 (16 U.S.C. 1418) is redesignated as section 306, and amended by striking ''303'' and inserting in lieu thereof ''302(d)''.

(h) CLERICAL AMENDMENTS.—The table of contents in the first section of the Marine Mammal Protection Act of 1972 is amended by striking the items relating to title III and inserting in lieu thereof the following:

''TITLE III—INTERNATIONAL DOLPHIN CONSERVATION PROGRAM

''Sec. 301. Findings and policy.
''Sec. 302. Authority of the Secretary.
''Sec. 303. Reports by the Secretary.
''Sec. 304. Permits.
''Sec. 305. Prohibitions.
''Sec. 306. Authorization of appropriations.''.

**SEC. 6. AMENDMENTS TO THE TUNA CONVENTIONS ACT.**

(a) MEMBERSHIP.—Section 3(c) of the Tuna Conventions Act of 1950 (16 U.S.C. 952(c)) is amended to read as follows:

''(c) at least one shall be either the Director, or an appropriate regional director, of the National Marine Fisheries Service; and''.

(b) ADVISORY COMMITTEE AND SCIENTIFIC ADVISORY SUBCOMMITTEE.—Section 4 of the Tuna Conventions Act of 1950 (16 U.S.C. 953) is amended to read as follows:

**''SEC. 4. GENERAL ADVISORY COMMITTEE AND SCIENTIFIC ADVISORY SUBCOMMITTEE.**

''The Secretary, in consultation with the United States Commissioners, shall:

''(1) Appoint a General Advisory Committee which shall be composed of not less than 5 nor more than 15 persons with balanced representation from the various groups participating in the fisheries included under the conventions, and from nongovernmental conservation organizations. The General Advisory Committee shall be invited to have representatives attend all nonexecutive meetings of the United States sections and shall be given full opportunity to examine and to be heard on all proposed programs of investigations, reports, recommendations, and regulations of the commission. The General Advisory Committee may attend all meetings of the international commissions to which they are invited by such commissions.

''(2) Appoint a Scientific Advisory Subcommittee which shall be composed of not less than 5 nor more than 15 qualified scientists with balanced representation from the public and private sectors, including nongovernmental conservation organizations. The Scientific Advisory Subcommittee

shall advise the General Advisory Committee and the Commissioners on matters including the conservation of ecosystems; the sustainable uses of living marine resources related to the tuna fishery in the eastern Pacific Ocean; and the long-term conservation and management of stocks of living marine resources in the eastern tropical Pacific Ocean. In addition, the Scientific Advisory Subcommittee shall, as requested by the General Advisory Committee, the United States Commissioners or the Secretary, perform functions and provide assistance required by formal agreements entered into by the United States for this fishery, including the International Dolphin Conservation Program. These functions may include each of the following:

''(A) The review of data from the Program, including data received from the Inter-American Tropical Tuna Commission.

''(B) Recommendations on research needs, including ecosystems, fishing practices, and gear technology research, including the development and use of selective, environmentally safe and cost-effective fishing gear, and on the coordination and facilitation of such research.

''(C) Recommendations concerning scientific reviews and assessments required under the Program and engaging, as appropriate, in such reviews and assessments.

''(D) Consulting with other experts as needed.

''(E) Recommending measures to assure the regular and timely full exchange of data among the parties to the Program and each nation's National Scientific Advisory Committee (or equivalent).

''(3) Establish procedures to provide for appropriate public participation and public meetings and to provide for the confidentiality of confidential business data. The Scientific Advisory Subcommittee shall be invited to have representatives attend all nonexecutive meetings of the United States sections and the General Advisory Subcommittee and shall be given full opportunity to examine and to be heard on all proposed programs of scientific investigation, scientific reports, and scientific recommendations of the commission. Representatives of the Scientific Advisory Subcommittee may attend meetings of the Inter-American Tropical Tuna Commission in accordance with the rules of such Commission.

''(4) Fix the terms of office of the members of the General Advisory Committee and Scientific Advisory Subcommittee, who shall receive no compensation for their services as such members.''.

**SEC. 7. EQUITABLE FINANCIAL CONTRIBUTIONS.**

It is the sense of the Congress that each nation participating in the International Dolphin Conservation Program should contribute an equitable amount to the expenses of the Inter-American Tropical Tuna Commission. Such contributions shall take into account the number of vessels from that nation fishing for tuna in the eastern tropical Pacific Ocean, the consumption of tuna and tuna products from the eastern tropical Pacific Ocean and other relevant factors as determined by the Secretary.

**SEC. 8. EFFECTIVE DATE.**

This Act and the amendments made by this Act shall take effect upon certification by the Secretary of State to the Congress that a binding resolution of the Inter-American Tropical Tuna Commission, or another legally binding instrument, establishing the International Dolphin Conservation Program has been adopted and is in effect.

H.R. 3816

OFFERED BY: MR. PICKETT

AMENDMENT NO. 21: Page 6, line 5, strike ''and''.

Page 6, after line 5, insert the following:

Sandbridge Beach, Virginia Beach, Virginia, Beach Erosion Control and Hurricane Protection, $283,000; and

H.R. 3816

OFFERED BY: MR. SCHAEFER

AMENDMENT NO. 22: Page 17, line 21, strike '', to'' and insert in lieu thereof ''(reduced by $42,103,200) (increased by $42,103,200), to''.

H.R. 3820

OFFERED BY: MR. THOMAS

*(Page and Line Nos. Refer to H.R. 3820, as Introduced on July 16, 1996)*

AMENDMENT NO. 1: Amend section 102 to read as follows (and conform the table of contents accordingly):

**SEC. 102. REDUCTION IN ALLOWABLE CONTRIBUTION AMOUNTS FOR POLITICAL ACTION COMMITTEES; REVISION OF LIMITATIONS ON AMOUNTS OF OTHER CONTRIBUTIONS.**

(a) REVISION OF CURRENT LIMITATIONS.—

(1) CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

(A) in subparagraphs (A) and (C), by striking ''$5,000'' and inserting ''$2,500''; and

(B) in subparagraph (B), by striking ''$15,000'' and inserting ''$40,000''.

(2) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(A) in subparagraph (C), by striking ''$5,000'' and inserting ''$2,500''; and

(B) in subparagraph (B), by striking ''$20,000'' and inserting ''$40,000''.

(3) AGGREGATE ANNUAL CONTRIBUTION BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking ''25,000'' and inserting ''$50,000''.

(b) LIMITATIONS ON CONTRIBUTIONS BY POLITICAL PARTY COMMITTEES.—

(1) IN GENERAL.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9); and

(B) by inserting after paragraph (2) the following new paragraph:

''(3) No political party committee may make contributions—

''(A) to any candidate or the candidate's authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $10,000; or

''(B) to any other political committee other than a political party committee in any calendar year which, in the aggregate, exceed $10,000.''.

(2) CONFORMING AMENDMENTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) in paragraph (5) (as redesignated by paragraph (1)(A)), by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1), (2), and (3)'';

(B) in paragraph (6) (as redesignated by paragraph (1)(A)), by striking ''paragraph (1) and paragraph (2)'' each place it appears and inserting ''paragraphs (1), (2), and (3)''; and

(C) in paragraph (7) (as redesignated by paragraph (1)(A)), by striking ''paragraphs (1) and (2)'' and inserting ''paragraphs (1), (2), and (3)''.

(c) POLITICAL PARTY COMMITTEE DEFINED.—Section 315(a)(5) of such Act (2 U.S.C. 441a(a)(4)) (as redesignated by subsection (b)(1)(A)) is amended by adding at the end the following sentence: ''For purposes of this section, the term 'political party committee' means a political committee which is a national, State, district, or local political party committee (including any subordinate committee thereof).''.

(d) OTHER CONFORMING AMENDMENTS.—Section 311(a)(6) of such Act (2 U.S.C. 438(a)(6)) is amended—

(1) in subparagraph (B), by inserting after ''multi-candidate committees'' the first place it appears the following: ''and political committees which are not authorized committees of candidates or political party committees'';

(2) in subparagraph (B), by striking ''multicandidate committees'' the second place it appears and inserting ''such committees''; and

(3) in subparagraph (C), by striking ''multicandidate committees'' and inserting ''committees described in subparagraph (B)''.

Page 12, line 20, strike ''subsections (a)(1) and (a)(2)'' and insert ''subsections (a)(1), (a)(2), and (a)(3)''.

Page 12, line 22, insert after ''individuals'' the following: '', and to other political committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection''.

Page 13, line 10, strike ''subsection (a)(1)'' and insert ''subsections (a)(1) and (a)(2)''.

Page 13, line 10, insert after ''individuals'' the following: ''and to political committees other than political party committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection''.

Page 16, line 1, strike ''1997'' and insert ''1999''.

Page 16, line 6, strike ''each year after 1976 and before 1998'' and insert ''1997 and 1998''.

Page 16, line 7, strike ''1999'' and insert ''2001''.

Page 16, line 16, strike ''nearest lowest multiple'' and insert ''nearest highest multiple''.

Amend section 201 to read as follows (and conform the table of contents accordingly):

**SEC. 201. LIMITATION AMOUNT FOR CONTRIBUTIONS TO STATE POLITICAL PARTIES.**

Paragraphs (1)(B) and (2)(B) of section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) are each amended by inserting after ''national'' the following: ''or State''.

Page 47, line 6, strike ''Section 315(a)(3)'' and all that follows through ''is amended'' and insert the following: ''Section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4)) (as redesignated by section 102(b)(1)(A)) is amended''.

United States
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# Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

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# Senate

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

## PRAYER

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

Almighty God, and Lord of our lives, we come into Your presence and fall on the knees of our hearts with praise and adoration. It is with awe and wonder that we behold Your signature in the natural world and the sheer majesty of Your creation of human life. You have given us minds to think Your thoughts, emotions to express Your love, wills to discern and do Your will, and bodies intricately made to reflect Your glory. We thank You for all our faculties, but especially for the gift of hearing. Help us never to take for granted the amazing process by which sounds are registered on our eardrums, and carried through the audio nerve to our cerebral cortex to be translated into thoughts of recognition, comprehension, and response. Through the wondrous gift we can hear the song of a lark, majestic music of a sonata, loved one's words of love and hope, and Your own Word in the Scriptures as they are read or proclaimed from across the reaches of time.

We ask You to give us a hearing heart like Solomon prayed for so fervently. May we spend quality time with You so that You may speak to the ears of our minds and hearts. We want to make no decision until we have asked for and received Your guidance. Speak Lord, Your servants are listening. Amen.

## RECOGNITION OF THE MAJORITY LEADER

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

Mr. LOTT. Good morning Mr. President.

## SCHEDULE

Mr. LOTT. Mr. President, the Senate this morning will immediately resume consideration of the Agriculture appropriations bill. Under the provisions of the agreement reached last night, any votes ordered on the pending amendments to that bill will occur at 11 a.m. this morning. I understand there will be some votes at 11 o'clock. There are a limited number of amendments in order to the Agriculture appropriations bill.

I encourage Members who still intend to offer those amendments to be prepared to do so as early as possible today to enable the Senate to complete action on this bill this afternoon. The managers of the bill are here. Senator COCHRAN from Mississippi, of course, and Senator BUMPERS of Arkansas are ready to go to work.

It is my intention to begin consideration of the foreign operations appropriations bill today as soon as the Agriculture appropriations bill has been completed. All Senators should expect votes throughout the day and evening as we continue to try to make progress on the appropriations bills.

I also want to serve notice that it is my intention in the next day, either today or tomorrow, to move to go to conference on the health insurance reform package and on the small business tax relief package which is coupled with the minimum wage bill. In order to get those two bills into and out of conference before we leave next weekend for the August recess, we are going to have to get them into the conference. So we are really down to the point where we have to take action to move these two bills to conference, and I will be making an attempt to do that within the next 2 days.

I yield the floor.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1997

The PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Bryan amendment No. 4977, to establish funding limitations for the market access program.

Kerrey amendment No. 4978, to increase funding for the Grain Inspection, Packers and Stockyards Administration and the Food Safety and Inspection Service.

Leahy amendment No. 4987, to implement the recommendations of the Northern Forest Lands Council.

Santorum amendment No. 4995, to prohibit the use of funds to provide a total amount of nonrecourse loans to producers for peanuts in excess of $125,000.

Santorum amendment No. 4967, to prohibit the use of funds to carry out a peanut program that is operated by a marketing association if the Secretary of Agriculture determines that a member of the board of directors of the association has a conflict of interest with respect to the program.

Mr. COCHRAN addressed the Chair.

The PRESIDENT pro tempore. The able Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, we made good progress yesterday afternoon and last evening in the debate of several amendments. We resolved some of the issues that were presented to us in the form of amendments. We have votes ordered on amendments which will begin at 11 a.m. We have pending other amendments that have been debated on which the yeas and nays have not been ordered but which may require rollcall votes.

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



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There are also some on the list of amendments that are in order that are yet to be offered. We hope that Senators who are planning to offer those amendments will please come to the floor as soon as possible so we can begin consideration of those amendments.

Let me say this in addition to comments that have already been made about one pending amendment. I think the first amendment that was offered that has not been resolved and on which the yeas and nays have not yet been ordered is an amendment offered by the Senator from Nevada, [Mr. BRYAN], to limit the funds available to the Department for the Market Access Program in the next fiscal year to $70 million. I think that is what the amendment seeks to do. I feel constrained to point out that since this bill was considered by the Senate last year, in last year's appropriations bill for the Department of Agriculture, we enacted a farm bill which has been signed by the President which is now the law. The 1996 farm bill reduced the authorized mandatory funding level from $110 million to $90 million annually. It also prohibits funding for non-U.S. for-profit corporations, and for foreign-produced products. Funding for the Market Access Program is limited to small businesses, nonprofit trade associations, and cooperatives. I was not excited about the reduction in the authorization level that was made by the legislative committee. But, nonetheless, it is a fact.

The way the law is written now, there will be spent—there ''shall'' be spent—the sum of $90 million annually on market access promotion. So that leaves the Senate with a new set of facts.

The argument has been made that we cut funding in the previous years, and the Senate did approve reductions in funding. But the Senate also was a party to the writing of that farm bill. There were amendments offered on the subject of the funding level. The conference report contained the funding level of $90 million, and that was signed by the President. That ought to be considered and understood by the Senate before we vote on the amendment proposed by the Senator from Nevada.

I am not suggesting that it is inappropriate for him to offer that amendment. I am just pointing out that the Senate has already decided that issue. They decided the issue when the farm bill was written and that provision was included in the farm bill.

I put in the RECORD a copy of a letter that was written to me as chairman of the subcommittee by a coalition of groups and associations who are interested in export promotion and who know how important funds of this kind are to our efforts to deal with unfair trade practices and efforts by foreign competitors to keep us out of markets, to deny us market share.

It is a tough competitive environment out there. The global economy has been made more competitive because of the General Agreement on Tariffs and Trade and the Uruguay Round Agreement that has broken down barriers to trade and prohibited a number of trading practices that in the past had made it impossible for us to compete in some markets. But now that the playing field has been made more level and access has been made more available, we are seeing other countries increase the amount of funding and activity in this kind of effort to enlarge market share and to create market access for their agriculture commodities and foodstuff.

Some countries spend as much on promoting just one kind of foodstuff as we have to appropriate and make available for the Foreign Agriculture Service to go around to all commodities and foodstuffs that are exported by the United States. But in spite of that, we are doing well. We are increasing our dollar volume of export sales. This year it is estimated that we will sell 60 billion dollars worth of U.S. agriculture commodities and foodstuffs in the international marketplace. That is a tremendous amount of volume. It means jobs here in America. It means better pay. It means a healthier economy for the United States. This is the only program of its type that makes funds available to promote specific commodities or brand-name items in the international market.

I have talked in our Embassies in other countries to those who have had experience with the use of these funds in special situations, and they tell me that it is very effective and without this program we would end up losing out to other competitors from other countries that are competing in those markets.

So it seems to me, Mr. President, we ought not limit the funding for this program with the adoption of the Bryan amendment. I hope that the additional information that I have been able to give the Senate on that subject is helpful. Senators have voted on this issue time and time again in various forms.

My good friend from Arkansas is one of the most eloquent and persuasive Senators who take the other side of the issue, and so it is with some trepidation and the knowledge that I am going to have a rebuttal here on my hands that I rose this morning to give that additional information. But it is important for the Senate to understand the difference between the state of the funding question and the issue this year as compared to last year when we voted on a number of different amendments designed to change this program and reform it. It has been reformed. It has been changed. There are limitations now on the eligibility for funds from the Foreign Agriculture Service for these purposes.

Associations are still eligible for these funds. Small businesses can get funds to promote their products in overseas trade. But a major complaint and the thing that made this program controversial has been reformed by law with the enactment of the farm bill earlier this year.

I am hopeful that we will not keep beating on this program and slandering it and causing Senators to have to vote to cut the program. It is mandated by law that it will be funded at $90 million a year, and the changes have been made that reform the program and take care of some of the complaints that had been levied against it in the past.

At some point I will move to table that amendment and ask for the yeas and nays, but I do not want to do that and cut off the right of any other Senator to speak on the issue, particularly the Senator from Nevada [Mr. BRYAN], who is the author of the amendment. He did not know I was going to say these things this morning. I did not know that I was going to say them either, but it occurred to me that this has not been the subject of any discussion except the few minutes of debate we had when he first proposed the amendment. And it was the first amendment, one of the first amendments proposed to the bill, and it seems like that has been a long time ago. I think it was a long time ago. We need to wrap this bill up. We are going to start voting at 11, and I am not sure how many votes we are going to have. We have, I know, two peanut amendments that Senator SANTORUM offered last night. The yeas and nays have been ordered on those. Senator KERREY has an amendment on which the yeas and nays have been ordered. We approved two of his amendments. Maybe he will withdraw this one. Two-thirds—that is pretty good—of what he wanted he has gotten.

So I hope Senators will come to the floor. I see the Senator from Colorado here, and I am prepared to yield the floor, Mr. President.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I do not want to shock my colleague too much, but I am not going to offer a rebuttal to the arguments he just made on the Market Promotion Program. I think I first offered an amendment to strike those funds 5 years ago, and the Senate has heard that debate many, many times and so I will not belabor it again. But I did want to point out to my colleagues that there was a very interesting op-ed piece in the Post this morning by Daniel Greenberg who is editor and publisher of Science & Government Report, a Washington newsletter.

Yesterday, in the Chamber, I pointed out that last year is the first year in modern history that yields per acre on a same-crop basis did not increase. Every year in the lifetime of every single person in the Senate soybean yields have gone up, wheat yields have gone up, cotton yields have gone up, and

particularly food yields have gone up to feed an ever-expanding population in the world. As you know, one of the reasons corn and wheat are as high as they are right now is because there was a genuine concern that we were going to run out of wheat and corn in this country.

I will not bore the Senate by reading it to them, but there are a couple of paragraphs I think ought to be emphasized.

Pre-harvest stocks of grain—

That means the carryover; preharvest stocks are what we have on hand when we start harvesting the next crop.

Pre-harvest stocks of grain have declined for the third straight year and now are at the lowest levels on record, according to Worldwatch Institute. To satisfy its growing appetite for meat, China has shifted from a net exporter to a net importer of grain, even as urban growth takes over farmlands.

Another big problem, Mr. President.

In the United States and elsewhere, increases in per-acre yields have leveled off from the fabulous gains from the past three decades. Throughout the world, food prices have risen substantially as supply fails to keep pace with population growth and upscale tastes.

Worrisome? Yes. But history records the capacity of science to mock Malthusian gloom with miracles of productivity. Surely it will deliver a late-century encore for the Green Revolution and other science-based breakthroughs in agriculture.

It can, but don't count on it.

He goes on to point out—we had an amendment offered here which may be withdrawn or voted on a voice vote to cut research money in this bill, agricultural research. And here is what he says. These are statistics that maybe Senator COCHRAN and I are not as familiar with as we should have been.

At about $1.2 billion this year, the research budget of the United States Department of Agriculture accounts for a mere 2 percent of all Federal research and is lower in purchasing power than it was 5 years ago. In Washington politics, agricultural research is barely noticed among such giants of Federal research as defense ($35 billion),—

That is pure research in defense.

Space ($14 billion) and health ($12 billion).

That is a combined total of $61 billion in those areas compared to $1.2 billion for agriculture research, and the population of the world is now calculated to be 5½ billion people and growing at 100 million per year.

The fishermen all around the world, particularly in littoral nations that depend almost exclusively on the oceans, are draining the oceans. When I was a child, I can remember one of my elementary school teachers saying: Do not worry about it. The oceans will always supply enough food to feed the world. No matter how many droughts we have, no matter how many other devastating things happen to our crops—hail, flood, whatever—the oceans will feed us.

Right here at our back door, the New England fisheries have had to virtually shut down in order to give the fisheries there a chance to replenish themselves, which they have not yet done. Yesterday morning the front page of the Metro section of the Washington Post pointed out that the crab supply in the Chesapeake Bay is down dramatically, 500 people out of work, and a few crab-picking operations working 3 days a week.

Mr. President, I always have a tendency to get a little too dramatic about these things, but you cannot overdramatize a problem like this. My complaint, in the 22 years I have been in the Senate, is that we have a serious misplacement of priorities. We deal with the politics of issues instead of what the real issue is.

Senator COCHRAN and I were talking early yesterday afternoon. He told me he had been reading ''The Adams Family,'' the chronicle of the John Adams and John Quincy Adams family, all of whom were brilliant. They believed, about public service, it was a place to do good, just like the ministry. In the old days, people went into public service, politics, because it was a place where they could serve their fellow man. They did not worry about the politics of the issues they debated. I said on welfare, it is a tragedy it has to be passed in such a highly volatile, political climate.

But my father, as I have said many times, was probably the last man who ever lived who encouraged his sons to go into politics. He did not encourage my sister, because in those days it was unthinkable for a woman to go into politics. But he urged my brothers and me to go into politics because he considered politics a noble calling. He considered it a noble calling because he studied Edmund Burke, he studied John Adams, he had studied all the Founding Fathers who went to Philadelphia and crafted a Constitution to give this country guidance for 200-plus years and who were not worrying about somebody accosting them on the street when they got home about some uncrossed t or undotted i.

So we have come a very long way in politics in this country. While most of it has been good, an awful lot of it has not been. We have put our priorities on things that have been politically popular. Nobody wants to curb the $35 billion expenditure on defense because nobody wants to see a 30-second attack ad when they run again that they are soft on defense. Nobody wants to vote against welfare reform because welfare is very unpopular. If you ask the ordinary man on the street—80 percent of them say they hate welfare. Yes, it ought to be reformed; yes, it ought to be changed. So it is not easy for me to be one of 24 Senators who voted no yesterday. I am not saying I am all right. I am saying the bill could have been an awful lot better.

One of the things that disturbed me was the total lack of compassion during the entire debate. People love to go to church on Sunday morning and read the Sermon on the Mount on ''blessed are the poor,'' but when it comes to worrying about children and people who are kicked off welfare, we could not seem to be punitive enough around here. So I still believe those old Methodist Sunday school stories I learned as a child. I also did not like the formula which I thought discriminated against my State tragically—tragically.

Back to the point I was going to make a moment ago on misplaced priorities. Science can only do so much—and it can do a lot more. But we are not going to solve the world's food problem, which is developing right as I speak, by putting $1.2 billion in agriculture research and $35 billion into making something explode and $14 billion on sending a space station up which has absolutely no merit whatever.

Mr. President, I ask unanimous consent to have the Daniel S. Greenberg article, to which I referred, printed in the RECORD, and I yield the floor.

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

A DROUGHT WE CAN'T AFFORD

(By Daniel S. Greenberg)

Science will provide. That's the confident assurance of the optimists in response to worrisome indications that demand is en route to outpacing food production.

Pre-harvest stocks of grain have declined for the third straight year and now are at the lowest level on record, according to Worldwatch Institute. To satisfy its growing appetite for meat, China has shifted from a net exporter to a net importer of grain, even as urban growth takes over farmlands. In the United States and elsewhere, increases in per-acre yield have leveled off from the fabulous gains of the past three decades. Throughout the world, food prices have risen substantially as supply fails to keep pace with population growth and upscale tastes.

Worrisome? Yes. But history records the capacity of science to mock Malthusian gloom with miracles of productivity. Surely it will deliver a late-century encore for the Green Revolution and other science-based breakthroughs in agriculture.

It can, but don't count on it.

The scientific enterprise that revolutionized American agriculture is decaying from political and fiscal neglect, though alarms have been sounding all across the political spectrum and in independent think tanks for at least a decade. Nonetheless, agricultural science consistently ranks near the bottom in government research priorities, and that's what hurts, since Washington provides the bankroll for the fundamental science that ignites agricultural revolutions.

At about $1.2 billion this year, the research budget of the U.S. Department of Agriculture accounts for a mere 2 percent of all federal research spending and is lower in purchasing power than it was five years ago. In Washington politics, agricultural research is barely noticed among such giants of federal research as defense ($35 billion), space ($14 billion) and health ($12 billion).

One reason for the absence of broad interest is that the economics of agriculture research is dominated by entrenched insiders. The system for distributing research money to universities is largely preordained by ancient formulas that guarantee shares for each of 76 land-grant colleges and universities, regardless of the scientific quality or relevance of their research.

Decades of efforts to enliven agricultural research with the competitive requirements built into medical research have produced grudgingly small funds from Congress. Whereas university scientists must scramble to get research money from the National Institutes of Health, the bulk of agriculture's academic research money simply comes in the mail for just being there. Agricultural research was years behind in joining the biotechnology revolution.

Continuing a White House tradition, the Clinton administration has devoted little attention to agricultural research. The top research post in the Department of Agriculture has been filled on an acting basis by one or another temporary appointee throughout most of the Clinton administration. The only full-fledged occupant left recently after less than a year on the job. Given the logjam of nominees on Capitol Hill, the post is not likely to be filled before Election Day.

What's striking about the many recent studies of agricultural research is their unanimity of dismay about the inadequacy of government support. A review of agricultural research published late last year by the conservative American Enterprise Institute concludes that a ''significant increase in federal funding, or federal government action to stimulate increased funding by state government or industry, seems to be warranted.'' The study also sounded the customary reformist call for more competition for research funds.

Similar recommendations are contained in a report soon to be published by the nonpartisan, scholarly National Academy of Sciences.

No one disagrees with these findings—except the dug-in beneficiaries of our antiquated system of agricultural research.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, what is the current business before the Senate?

The PRESIDING OFFICER. The current business of the Senate is the Santorum amendment No. 4967.

Mr. BROWN. Mr. President, I rise to offer an amendment. I ask unanimous consent to set aside the pending amendment so I may proceed with an amendment at this time.

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

AMENDMENT NO. 5002

Mr. BROWN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] proposes an amendment numbered 5002.

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

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

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

**''SEC. . INTERIM MORATORIUM ON BYPASS FLOWS.**

''(a) MORATORIUM.—Section 389(a) of Public Law 104–127 is amended by striking ''an 18-month'' after the word ''be'' and inserting ''a 20-month''.

''(b) REPORT.—Section 389(d)(4) of Public Law 104–127 is amended by striking ''1 year'' after the word ''than'' and inserting ''14 months''.

''(c) EXTENSION FOR DELAY.—Section 389 of Public Law 104–127 is amended by adding at the end the following new subsection—

''(e) EXTENSION FOR DELAY.—There shall be a day-for-day extension to the 20-month moratorium required by subsection (a) and a day-for-day extension to the report required by subsection (d)(4)—

(1) for every day of delay in implementing or establishing the Water Rights Task Force caused by a failure to nominate Task Force members by the Administration or by the Congress; or

(2) for every day of delay caused by a failure by the Secretary of Agriculture to identify adequate resources to carry out this section.'''

Mr. BROWN. Mr. President, the Senate has been most indulgent with a problem that is extremely serious to Colorado and, I believe, to many other States. On the Agriculture appropriations bill last year, the ranking member and the chairman of the subcommittee were kind enough to help us with an amendment that was urgently needed. It related to a policy that the Agriculture Department calls ''bypass flows.'' What that has meant is Colorado has asked for a renewal of easements which cross Federal grounds. The Forest Service has informed the State, ''You will have to forfeit a third of your water in order to achieve a renewal of an easement.''

The concept of someone being landlocked is recognized in most State laws and those State laws provide a way out of that. Whereas, if someone absolutely needs a way out across that ground, there are provisions under State law where fair compensation can be paid and they achieve that easement. What we are dealing with here is cities that have their reservoirs in the mountains surrounded by Federal ground and have no choice but to cross Federal ground to get that drinking water to those citizens. Colorado is a very dry State. Without reservoirs and without that water supply, literally, people do not have water to drink. It is not just a question of water to maintain the beautiful environments of the homes and lawns and parks. It is literally drinking water we are talking about.

What the Forest Service has said is we will not renew your permit to cross Federal ground in order to deliver the drinking water to your homes unless you agree to forfeit a third of your drinking water. As I think every Senator can imagine, this is devastating. It is devastating to the environment of the State. It is devastating to the people and to the cities. It has already cost our cities some millions of dollars in attorney's fees to litigate this. And the Forest Service continues on with this practice.

When we drew this problem to the attention of Secretary Madigan, Secretary Madigan acted immediately. He put forth a directive and a policy that this would no longer be the policy of the Department of Agriculture. It is clearly not authorized by law. If it were litigated to the Supreme Court, I think it would be one of those things that would be found to be out of compliance with the authorization of the Forest Service itself. But the problem of appealing this to the Supreme Court is not just the tens of millions of dollars in attorney's fees it would take. The problem is the cutoff of water in the meantime if the permits are not renewed. It is an absolutely devastating problem. This Chamber was kind enough to help us out last year with a moratorium.

That policy of Secretary Madigan, though, would have solved the problem. He set forth, in a letter on October 6, 1992, a clear policy that this was not to be the course of the Forest Service. It was not to be followed and they were not to condition the renewal of permits on the forfeiture of waters.

No one complains about paying rent. But let me point out, these are not necessarily new easements. Many of these easements in Colorado predate the very existence of the Forest Service. These are easements that have been in use for over 100 years, in some cases. They are talking about cutting off a pipeline that has been in existence longer than the very Forest Service has been in existence.

That policy, the Madigan policy, remained the law of the land, at least in terms of the policy of the Forest Service. On February 15, 1995, almost 3 years later, Under Secretary Jim Lyons testified before the House Agriculture Committee and was asked if the Madigan policy was still in effect. Under Secretary Lyons was the one who had the responsibility for that area. He indicated flatly that that policy still was in effect.

Shortly thereafter, in March 1995, Secretary Glickman also testified that the Madigan policy was still in effect. What is unusual about that is that the Madigan policy was not in effect.

In August 1994, they had revoked it, and yet the leaders of the Agriculture Department had testified publicly to Congress that it was still in effect.

Mr. President, I want to make it very clear that Secretary Glickman is an honorable person. I know him well. I respect him a great deal. And I am convinced that he merely repeated what his staff had advised him when he checked with them on the question.

We have already dealt extensively with Under Secretary Lyons and some of the concerns this Chamber has had about him. I don't think that bears reopening. The point is, we ought to be setting out trying to solve this problem.

That resulted, though, in an action last year on this very bill where we enacted a 1-year moratorium. That measure passed in October of last year, a moratorium on the activity of requiring people to forfeit their water in order to renew an easement or permit for an easement.

In the meantime, we tried to enact permanent legislation, and did enact compromise legislation, on the farm bill. That farm bill compromise was not what I wanted, because what I

wanted was a flat prohibition in law against extorting water from people as payment for renewing their easements.

What we did get, though, at the request of the Secretary, is a compromise, and that compromise allows for the appointment of a seven-member water rights task force to study the problem and report back. That report will be a year following the date of the enactment of the act, and the moratorium will run out in 18 months.

The danger with agreeing to that on my part is that if they simply stalled on appointing the task force, the moratorium would run out and the Forest Service would then be in the position of cutting off people's water, and they would have no further protection. But I believed in the good faith of the parties involved, and we went ahead with that compromise.

Now what has happened is the administration has failed to appoint their member to the task force. Moreover, in violation of the law, they have failed to allocate resources to the task force to do their job. Certainly, some modest travel fees are important and other fees are vital to have that task force act. In other words, what is happening, even though the act was passed on April 4 and all the task force members were supposed to be appointed by June 4, the administration has not acted to even appoint the members of their task force, nor have they acted to allocate funds for the task force.

Obviously, this is of enormous concern. Going on the background of the Under Secretary misleading Congress in testimony about the problem, it is even of greater concern. The concern is flatly that instead of dealing with this problem and developing a compromise, they will simply stonewall it, allow the moratorium to run out and wreak havoc upon people's drinking water.

Let me be clear about this. The primary people impacted by this action are not private developers, they are not agriculture, because they have a separate provision of law that flatly prohibits this kind of activity in agriculture that was instituted years ago. Those impacted by this are the cities and the towns and the taxpayers of the State, and, I might say, Mr. President, in cities and States across the Nation as well. The precedent this establishes is devastating.

Let me say that the forfeiture required is a forfeiture of a third of your water—at least that is what they have asked for in some cases—a third of your water just for the temporary renewal of the permit. This is not a permanent easement. This is simply for its temporary renewal. Presumably when it comes up in 5 years or 20 years, they can again ask for additional water.

This is a problem that is not going to go away and cannot be ignored by either Democrats or Republicans in the State of Colorado or other States where the impact is felt.

As Members may recall, the senior Senator from Nebraska and I had worked hard to find a compromise on this. His first inclination was not to support this measure. I had drafted and intended to offer this morning an extension of that moratorium for 5 years. A 5-year extension of the moratorium would give us plenty of time to work on it and plenty of time for Congress to act on it.

The senior Senator from Nebraska has indicated to me that he felt very strongly that 5 years was inappropriate. I must say, I think what is appropriate is for the task force to settle down and find an answer. I believe personally there is an answer. We ought to do more to encourage and support minimum stream flow in our streams and rivers.

I have been a strong advocate of minimum stream flow all of my political life. I was a prime sponsor of Colorado's minimum stream flow bill that addresses this problem specifically. I believe there are a number of things the task force can recommend for Congress that will help.

One of the things is to buy water rights and to use the water rights that are owned for that purpose when dry seasons come along. It is worth exploring. It is worth developing. It does have a positive impact.

But one of the ironies of all of this is that the forfeiture of water rights that the Forest Service has called for in this case would destroy minimum stream flow, not help it. Our stream flow comes in the spring when there are floods. The function of the reservoirs and storage projects is to save that spring flood flow so it is usable year round. Increasing the flood flow will not only cause damage to property, but the Forest Service policy will mean there is less water in the river to mitigate the dry periods in the year.

Mr. President, in the interest of saving the Senate time and of reaching a fair compromise on this, I have tried to work with the Senators from Nebraska. The amendment that is before the Senate this morning is one that is a compromise. Instead of the 5 years I had asked for, it is only an extension of 2 months. So we have gone from 5 years to 2 months in the way of an extension. But there is an added provision.

That added provision addresses additional delays. If there are any delays beyond the time set forth in the original bill, that is 2 months to appoint people and the time required to submit the report, there will be a day-for-day extension of the 20-month moratorium that is in the legislation.

So while this is not as strong an amendment as I hoped for, it at least attempts to make up for the parts that are lost.

Having said that, let me add this thought. This is a terribly important issue, and it is one that cannot be swept under the rug. It is one that needs the full cooperation of all parties if we are going to find an answer. It has gotten off on a bad foot by the administration refusing even to appoint their member to the task force and refusing to allocate the money that the law required them to allocate.

My hope is not only that the amendment is adopted, which I believe has the support of Senator KERREY, the junior Senator from Nebraska, but that it is a sign of a new attitude in the Department of Agriculture and the administration. Dan Glickman is an honorable person who knows how to work problems out and solve problems. This is not his style. He is a problem solver, not a problem maker. My hope is that the Glickman attitude, the Glickman approach to these problems will prevail in the Department of Agriculture in the months and the years ahead, or, I should say, at least the months ahead.

Mr. President, I do not know if the compromise amendment has any opposition. I had been assured by Senator KERREY's office that he supports it. At least I don't know of further opposition to it. Our office is trying to check with Senator EXON's office, but pending hearing from Senator EXON, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I hope we can accept the amendment offered by the Senator from Colorado. He has made a substantial change in the proposal that he is making to accommodate concerns of others, including the administration and other Senators who expressed concerns earlier. We are trying to clear the amendment. We are not able at this time to announce whether or not we will be able to take it on a voice vote.

I hope other Senators will come to the floor and offer their amendments. We have a number of amendments that should be offered and resolved. We would appreciate very much the cooperation of the Senators in that regard. Mr. President, I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

Mr. COCHRAN. Mr. President, in an effort to clarify the situation we have two amendments that had been offered and debated last night by the Senator from Pennsylvania [Mr. SANTORUM]. And to advise Senators of a specific time when they can expect a vote to occur under the order there was to be no vote this morning before the hour of 11 a.m. But it will be my intention to have votes on motions to table the Santorum amendments beginning at 11 a.m. Under the order entered last night by the majority leader there was to be 4 minutes of time available for debate on those peanut amendments before the votes would occur.

So, hoping to clarify when these votes will occur, I am going to propound a unanimous-consent agreement which has been cleared.

I ask unanimous consent that time between now and 11 a.m. be equally divided on Santorum amendments Nos. 4995 and 4967, and at 11 a.m. I be recognized to move to table amendment No. 4995, as under the previous order, to be followed immediately by a motion to table amendment No. 4967.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. COCHRAN. I thank the Chair.

This means that there is opportunity for further debate on these amendments between now and 11 a.m. So it protects that right. If other Senators want to talk about other amendments they can certainly do that as well.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. HEFLIN. Mr. President, last evening, Senator SANTORUM laid down two amendments that were to be voted on, as I understand, around 11, but because of some problems with some of the Senators, it probably will be delayed for a while. But as I understand it, unanimous consent has been granted for us to debate between now and that time the peanut amendments that have been laid down. So I want to take advantage of it. I understand that the author and proponent of the amendments knows of the unanimous consent, and I will be glad to divide time if he wants it. But whatever it is, we can accommodate Senators equally with the time.

There are two amendments. The first amendment, I understand, that will be called up is one in which he alleges there is a conflict of interest in regard to the peanut program by the fact that co-ops and marketing associations which are run by farmers are involved in the administration of the peanut program. We understand there has been filed with the Department of Agriculture various letters by a law firm or law firms here in Washington in which it is anticipated there would possibly be some lawsuit pertaining to this matter. We feel that is an issue which ought to be determined by the courts.

We have contacted the Department of Agriculture. The Department of Agriculture tells us they have authority and they constantly monitor it. They have a responsibility that is carried out to see that there are no conflicts of interest. The idea that farmers participate in carrying out the program is universal. You have committees composed of farmers that are elected at the county level to carry out the program. There are State committees composed of farmers that carry out the program. It is a matter that farmers participate in, the theory here being that at the local level they know the local problems and that they are better equipped than Washington.

This seems to me to be a program that has been carried out for years to allow for those who are closest to the farmers to understand the individual problems of farmers and to work them out. Therefore, the concept of contracting out, the concept of local government, the concept of no big Government in Washington is carried out in regard to the present program if there is any problem that is involved.

The Department says this is entirely unnecessary. They administer the program. There is no conflict of interest. They audit. They monitor. They carry on in a very proper and businesslike manner if there is a matter that ought to be determined, such as a court case that may arise in regard to this program.

Certainly, right now we have a situation where we are in the middle of a growing season. We saw that the peanut program was reformed. There was some matter pertaining to a substantial cut, some cut that amounts to about 30 percent of the revenues that go to the peanut farmers, and we ought to allow it to work.

So I think this is a matter that is unnecessary. If it is, then it is across the board in every commodity because the farmers are on committees. The conservation committees have local participants in every county.

I see that Senator SANTORUM is here, and if he wants some time—and I see also Senator COVERDELL is here—I will be glad to yield the floor at this time. I will reserve my 2 minutes before the vote is taken as we had in the previous unanimous-consent agreement.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I want to share my feelings on this amendment with those of my distinguished colleague from Alabama. The Senator has made an eloquent case against the amendment which he began last night and has echoed again this morning.

I am going to be reasonably brief. I understand that the chairman, the Senator from Mississippi, will move to table this amendment, and I will support that motion. I think it is entirely appropriate. These issues were fought extensively in the early part of this year when we dealt with the farm bill. Farm policy was settled by the passage of that landmark bill.

At the time we were debating that bill, Mr. President, we were hearing from the farm community not only from my State and the State of the Senator from Alabama but across the Nation that we had to get the farm policy settled so that people could get into the fields, so that they could make their financial transactions and deal with the planting season and the farm season. We were already late. We passed this in early April, but that was late into the spring. Nevertheless, we got it done. In the ensuing 4 months, the entire farm community, including those who deal with peanuts extensively in my State and the State of the Senator from Alabama and others, everybody has been to the bank. Everybody has made their financial transactions. Everybody made their plans according to what the Congress of the United States and the President said the rules of the road would be for the next 7 years. Here we are 3 to 4 months later and we are talking about, through these amendments, changing the rules of the road. I have argued that this Congress, this Government does that in far too many ways every time it engages in retroactivity—retroactivity on the minimum wage, retroactivity on taxes, and now retroactivity on farm policy.

So, I would argue that policy should be set in the farm bill. It was debated and passed in early April and the farming community, no matter what their goals or products, engaged their financial decisions, made their family decisions, made their business decisions, and this is neither the appropriate place nor the appropriate time to alter that policy.

I thank the Chair for allowing me a few moments to express my agreement with this motion, to come and to share my remarks with the Senator from Alabama.

I yield the floor.

The PRESIDING OFFICER. Under the previous agreement, time has expired. The hour of 11 o'clock having arrived, the Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I ask unanimous consent the distinguished Senator from Pennsylvania be recognized for up to 5 minutes.

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

The Senator from Pennsylvania is recognized.

AMENDMENT NO. 4967

Mr. SANTORUM. Mr. President, the second amendment we will be voting on today is not a peanut amendment. It is an ethics amendment. It has nothing to do with the peanut program. It does not change the peanut program. It does not retroactively or prospectively alter anything in the peanut program. This is an ethics amendment. This amendment is very simple. It says the people who are the quota holders, the people who benefit from the program, should not also be the people who manage the program, who operate the program, who help promulgate regulations to oversee the program, who also do the enforcement for the program. That is virtually unprecedented in ag policy.

I am not changing anything in the peanut program with this amendment, not one thing. All I am saying is the

Secretary of Agriculture—this is what the amendment says—the Secretary of Agriculture shall determine whether these co-ops who oversee the program, who also are the beneficiaries of the program, violate the Federal ethics law. That is all this amendment says. That is not a change in the peanut program. That is just saying we should have some ethics in dealing with this issue.

There have already been letters filed, to the Secretary of Agriculture, back on June 5 requesting the Secretary to take action. The Secretary has not responded. What we are suggesting is the Secretary should respond. They should make a determination whether these co-ops, that—again I remind my colleagues—they oversee the program, they enforce the program, they help promulgate regulations on the program, and they are also the beneficiaries of the program. That is apparent, to me, a conflict of interest. But I am not suggesting that. I am not saying that it is. I am saying the Secretary should determine it. That is all this amendment does.

So we can have all this debate, as I am sure you will hear from others that this is an amendment that hurts the peanut program, that changes the rules of the game halfway through—it is just not the case. The case is this is an ethics amendment about how the Federal Government should run its ag programs and I hope we could get very strong support for something that is, I think, a relatively simple amendment that I was hoping we could have agreed to.

AMENDMENT NO. 4995

The first amendment I am going to talk about is another equity amendment. This is an amendment that simply says that peanut quota holders, unlike any other ag commodity, should be limited as to the amount of Government largess that they receive. Historically, all of the other crop programs, and now in the future all the other payments to farmers under the new freedom to farm bill, are limited to $40,000 per person. There is no limit in the peanut program. There are peanut farmers who can put their peanuts on loan and collect $6 million from the Federal Government. And we are saying they should be limited to $125,000.

The limit on the subsidy payments to all other crops is up to $40,000. I am saying $125,000. That affects less than 2,000 quota holders. Mr. President, 2,000 quota holders are affected by this, the wealthiest, the biggest. If you hear the argument, as you will from the other side: Wait a minute, this program is designed to help these small- to medium-size peanut growers who are really struggling, who are in poor areas—fine. We do not touch them. All we say is those who are the big quota holders, many of whom do not even farm their own land, they rent their quota to someone else to do the work for them—what we are saying is they can only avail themselves of the largess of getting twice what the world pays for peanuts for their peanuts up to $125,000.

I think that is, again, a very minor adjustment to the program. I will admit that is an adjustment to who benefits from the program. But we do not fundamentally restructure the peanut program here. All we are doing is redefining how much people can benefit from it. We do not change the program. We just change how much people benefit from it. I think $125,000 of guaranteed income from the Federal Government at twice the rate of what people will get paid everyplace else in the world for peanuts, is a pretty good deal for most of these quota holders and they should be happy with that limitation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, under the order, I now move to table amendment No. 4995.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4967

Mr. COCHRAN. Mr. President, under the previous order I now move to table amendment No. 4967.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 4995

Mr. HEFLIN. Do I get my 4 minutes?

The PRESIDING OFFICER. There now is 4 minutes debate equally divided on the first motion to table, on amendment 4995. Who seeks recognition?

Mr. HEFLIN. Does the proponent seek to go first with his 2 minutes?

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. HEFLIN. Mr. President, there is a little confusion as to which vote will be held, but I have to call this Santorum amendment the confusion amendment. We have, of course, argued in the past that we reformed it. And we have reformed it, the peanut program. But now we are having here, where the Senator from Pennsylvania argues that, since other commodities have a payment limitation, therefore peanuts ought to.

First, the confusion is that peanuts have never had a payment. They have not had a payment. The confusion here is that he is confusing a loan program with a payment program. You had deficiency payments, which were based upon a target price in all the commodities. But peanuts never had that. And that is where the limitation was on, was on the payments. Now you have, under the new farm bill, direct payments. You do not even have to plant in order to get your payment. You preserve your history. But the limit there is on the direct payment, the money that comes to you, the mailbox money, regardless of whether you plant or not plant. And there is a confusion there.

The loan program is a program which has been designed over the years to help temporarily. When a farmer says, ''All right, I need the money, I have to pay my bills, I put it in loan and therefore I take the chance. If the price goes up, I will sell it at the time I think is the most appropriate time in order to sell.'' That is a loan basis.

In regards to this, we show over the years——

The PRESIDING OFFICER. The 2 minutes of the Senator has expired.

Mr. HEFLIN. I ask unanimous consent for 30 seconds.

The PRESIDING OFFICER (Mr. BROWN). Is there objection? Without objection, it is so ordered. The Senator is recognized for 30 additional seconds.

Mr. HEFLIN. Mr. President, this chart shows the loan rate in blue over here. Throughout the years, the farmer's price, the market price has always been above the loan rate. So it is a matter being confused relative to this matter. Therefore, I urge that we vote against this matter and not be confused.

New farmers are coming into the program all of the time, which shows that 10,000 have come into the program over the last 10 years.

I thank the Chair for giving me the extra 30 seconds.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, the reason the market price is always above the quota price is because the peanut program is not just a price program, it is also a quota program. It limits the supply.

So, of course, the Secretary tells peanut growers how much they can plant, and they tell them to make sure that the demand is always higher than the supply. Therefore, the price, yes, is always higher than the quota price because the program makes it that way. That is No. 1.

With respect to these deficiency payments, I would be happy to meet in the back with the Senator from Alabama and would be very willing to get rid of the loan program that peanuts have and turn it into a target pricing scheme. I would love to do that. In fact, it has been offered many times to the peanut growers to do that, but they don't do that. Why? Because the system they have right now is so ridiculously lucrative, they would never opt for something like that.

Peanut quota holders get twice—twice—per ton for their peanuts than what the world market price is. They get almost $700 a ton for their peanuts, and the world price is $350 a ton. No wonder they don't want to go to a target pricing scheme or some other scheme. They have the best deal in town.

What we want to do is say, ''OK, you've got the best deal in town.'' I can't beat him. The Senator from Alabama, bless his heart, whops me every

time I come to the floor on this amendment. I say, if we are going to have this program, at least limit the benefits to the folks who deserve the benefits, and that is the small- and medium-size farmers. Quit subsidizing, to the tune of—and there is a farm out there that gets $6 million of guaranteed prices, twice what the world market is for peanuts.

Now, is that what we want to do? Is that what this program is all about? It certainly is not what the arguments of the folks who support the peanut program are all about. What they say it is all about is helping these small farmers, these poor dirt farmers in rural areas that really need this to make ends meet.

Fine, this is not going to bother them. Mr. President, $125,000 is not a small dirt farmer. That is about 150 to 200 acres. What we are talking about here are the big guys, less than 2,000. I remind Senators that 22 percent of the quota holders in peanuts own 80 percent of the quotas—22 percent, a little over 6,000 quota holders own 80 percent of the poundage for peanuts. The big guys are what drive this program, who lobby here, who contribute the money.

What I am saying is let's get these big guys out of the picture and let them divest from some of these quotas they hold and spread it around a little bit, give it to some of these additional growers who are dirt farmers who don't get a lot of money for their peanuts, let them have a little bit of it.

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

Mr. SANTORUM. I ask unanimous consent for my additional 30 seconds.

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

Mr. SANTORUM. Mr. President, let these little guys get a little piece of the pie here. If you are really for the small- and medium-size peanut farmer in Alabama or Georgia, then what you want to do is you want these folks to divest from these big quotas and start spreading it around a little bit for the little guys to have a bite of the Federal largess.

If we are going to have a Federal largess, at least let more people benefit from it, let the little guy benefit. That is what this amendment does, this is a vote for the little guy. It actually will expand your base of support for the program and more will benefit from it.

Mr. HELMS. Mr. President, needless to say, I oppose both Senator SANTORUM's amendments, which are renewed assaults on the livelihoods of America's family farmers who produce peanuts. I should reiterate that there are more than 20,000 North Carolinians involved in various aspects of the peanut industry.

We've been down this road time and time again, Mr. President. However, this time, even the fiercest critics of the peanut program should acknowledge the extensive changes made by Congress in the 1996 farm bill. The most important change was the conversion of the peanut program into a no-net cost commodity program.

Mr. President, the burden of these changes is being borne by America's peanut farmers who understood the necessity of revamping the program in order for it to survive. The support price was cut by 10 percent, from $678 per ton to $610 and because of many other changes, peanut farmers anticipate that their incomes will decline by more than 20 percent.

So clearly, Mr. President, America's peanut farmers have agreed to—indeed, participated in reforming the program that has served the consumers of America so well. And, by the way, in North Carolina alone, the peanut industry generates more than $100 million in revenue. Moreover, Mr. President, the American taxpayers will save more than $434 million as a result of the reforms in the program.

It is discouraging that opponents of the program, not satisfied with the farm bill's reforms, now seek to go further in hindering peanut farmers in making their livings.

As for the Santorum amendments, they will not—and cannot —guarantee lower prices to consumers. Instead, they will disrupt the work of Congress which constructed a farm program to produce a reasonable price, an abundant supply, and the highest quality of peanuts in the world.

Mr. President, it was clearly established during the Agriculture Committee's debates on the 1996 farm bill that even if the peanut program were to be abolished, candymakers would not reduce the price of a candy bar, nor would the price of peanut butter be reduced by one red cent.

The pending after-the-fact amendments do not deserve serious consideration. The Senate should reject them unhesitatingly.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi to table amendment No. 4995. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

I also announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 234 Leg.]

YEAS—64

| | | |
|---|---|---|
| Abraham | Cochran | Ford |
| Akaka | Conrad | Frahm |
| Baucus | Coverdell | Graham |
| Bennett | Craig | Gramm |
| Bingaman | Daschle | Grassley |
| Bond | Dodd | Harkin |
| Breaux | Domenici | Hatch |
| Bumpers | Dorgan | Hatfield |
| Burns | Exon | Heflin |
| Byrd | Faircloth | Helms |
| Campbell | Feinstein | Hollings |
| Hutchison | McConnell | Rockefeller |
| Inhofe | Mikulski | Sarbanes |
| Inouye | Moseley-Braun | Shelby |
| Jeffords | Murkowski | Simon |
| Johnston | Murray | Simpson |
| Kempthorne | Nickles | Thomas |
| Kerrey | Nunn | Thurmond |
| Leahy | Pell | Warner |
| Levin | Pressler | Wyden |
| Lott | Pryor | |
| Mack | Robb | |

NAYS—34

| | | |
|---|---|---|
| Ashcroft | Frist | McCain |
| Biden | Glenn | Moynihan |
| Boxer | Gorton | Reid |
| Bradley | Grams | Roth |
| Brown | Gregg | Santorum |
| Bryan | Kennedy | Smith |
| Chafee | Kerry | Snowe |
| Coats | Kohl | Specter |
| Cohen | Kyl | Thompson |
| D'Amato | Lautenberg | Wellstone |
| DeWine | Lieberman | |
| Feingold | Lugar | |

NOT VOTING—2

| | |
|---|---|
| Kassebaum | Stevens |

The motion to lay on the table the amendment (No. 4995) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4967

The PRESIDING OFFICER. By previous agreement, there are 2 minutes per side on amendment number 4967.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SANTORUM. Mr. President, this is a very simple amendment that has nothing to do with the peanut program. This does not change the peanut program at all. This actually does not change anything in law. All this amendment does is ask the Secretary of Agriculture to determine whether the regulatory body that oversees the peanut program is in violation of the Government ethics statute. That is all this amendment does.

Why do I ask the Secretary to do that? The reason I ask the Secretary to do that is, unlike virtually any other agriculture commodity program, the folks who oversee the program, who manage the loan policies, who help promulgate the regulations, the very same people who regulate this program, who enforce the program, who actually impose penalties on the quota holders are, themselves, the quota holders. The people who benefit from the program run the program. That is unlike any other program, with the exception of one, in this country.

What we want to do is simply ask the Secretary of Agriculture to examine the applicable Federal statutes to determine whether there is a conflict of interest here, and then take action. Frankly, the reason I am here on the floor with this amendment, some additional growers out West in Texas, New Mexico, Oklahoma, and a lot of other places, had asked the Secretary to make this determination 2 months ago. They asked him in a letter. He has not responded to that letter. So what we are trying to do is say, Mr. Secretary,

let us look and see if there is a conflict of interest. We do not prejudge it. We ask them to examine to see whether this is a proper setup for the regulation of this program. It does not change the program. It does not alter it in midstream. It simply asks the Secretary to take a look at a potential conflict of interest.

I hope we can get very strong support for this.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, the largest law firm in Washington, DC, is trying to have a lawsuit, and this is in connection with the lawsuit. If there is any problem, it ought to be determined in the lawsuit. The Department, for years, has had participation by farmers in every phase of the program. You elected farm committeemen to the old ASCS, which is now the Farmers' Service, and they carry out the program. They make decisions in regard to it. The Soil Conservation Agency has district commissioners that are elected, and they carry out the various programs. That is nothing different.

The Department says this is unnecessary. They have, over the years, developed guidelines to ensure that there is no conflict of interest. This is just another attack on the peanut program with an effort to try to have a lawsuit, and these people have hired the biggest law firm in Washington to bring the lawsuit. They have filed a protest letter and involved that. The program is now in operation.

The farmers have gone to the bank, they have made their plans, and they are moving forward. Now is not the time to change it. So I urge you to vote against this amendment.

The PRESIDING OFFICER. The motion to table amendment No. 4967 offered by the Senator from Pennsylvania is now before the body.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

I also announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 235 Leg.]

YEAS—61

| | | |
|---|---|---|
| Akaka | Daschle | Helms |
| Ashcroft | Dodd | Hollings |
| Baucus | Domenici | Hutchison |
| Bennett | Dorgan | Inhofe |
| Bingaman | Exon | Inouye |
| Bond | Faircloth | Jeffords |
| Breaux | Feinstein | Johnston |
| Bryan | Ford | Kempthorne |
| Bumpers | Frahm | Kerrey |
| Burns | Glenn | Leahy |
| Byrd | Graham | Lott |
| Campbell | Gramm | Mack |
| Cochran | Harkin | McConnell |
| Conrad | Hatch | Moseley-Braun |
| Coverdell | Hatfield | Moynihan |
| Craig | Heflin | Murkowski |
| Murray | Pryor | Simpson |
| Nickles | Robb | Thurmond |
| Nunn | Rockefeller | Warner |
| Pell | Shelby | |
| Pressler | Simon | |

NAYS—37

| | | |
|---|---|---|
| Abraham | Grams | Reid |
| Biden | Grassley | Roth |
| Boxer | Gregg | Santorum |
| Bradley | Kennedy | Sarbanes |
| Brown | Kerry | Smith |
| Chafee | Kohl | Snowe |
| Coats | Kyl | Specter |
| Cohen | Lautenberg | Thomas |
| D'Amato | Levin | Thompson |
| DeWine | Lieberman | Wellstone |
| Feingold | Lugar | Wyden |
| Frist | McCain | |
| Gorton | Mikulski | |

NOT VOTING—2

| | |
|---|---|
| Kassebaum | Stevens |

The motion to lay on the table the amendment (No. 4967) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEFLIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4972

Mr. COCHRAN. Mr. President, at this point we are prepared to move to table the amendment previously offered by the distinguished Senator from Nevada, [Mr. BRYAN] on the Market Access program. My understanding would be that there would be 2 minutes available equally divided for discussion of that before we actually go to a vote on the motion to table.

With that understanding, I move to table the Bryan amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator's understanding is correct.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Nevada.

Mr. BRYAN. Thank you, very much, Mr. President. I reserve myself 1 minute, and I will yield the remaining minute to the distinguished ranking member.

Mr. President, this is an issue that has been before the Senate for a number of years. It deals with the program formerly known as the market promotion program, now referred to as market access program. This is a program in which taxpayer dollars are provided to some of the largest corporations in America to subsidize their advertising account under the dubious proposition that this is for export of American agricultural products abroad.

In February of this year, the Senate, by a vote of 59 to 37, approved an amendment which this Senator, together with the distinguished Senator from Arkansas and others, offered that would limit the level of funding, previously at $110 million, to $70 million, and we did so on the basis that we were able to eliminate some $40 million that previously had gone to foreign companies.

So the thrust of the Bryan-Bumpers amendment was to say that no longer could this money be allocated to foreign companies and by reason of the fact that we eliminated foreign company allocations $70 million kept the program constant.

Mr. President, I hope that my colleagues will support us as they did in February, and I simply say that this will keep the program level.

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

Mr. BRYAN. The proposal before us is $90 million. That is a 29 percent increase.

I yield the floor.

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

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, this is a motion that we have actually already debated. Let me point out that under the farm bill there is a prescribed mandate for $90 million of funds to be allocated for this program. So unlike previous years, this is not a discretionary program any longer. The reforms that were made sought to address the complaints that had been made about corporate welfare and all the other allegations in previous years, but those no longer lie against the program as it is operated now. Only trade associations and small businesses are entitled to funds under this program. They are allocated by the Foreign Agriculture Service. They help break down barriers to U.S. exports. They provide us access to markets that we would not have otherwise. They are good for American jobs, the American economy. They help us export more of what we produce on our farms and in our factories in foodstuffs and the like. All the testimony shows that this program is very helpful and needed, and I urge Senators to vote yea on the motion to table.

Mr. MCCONNELL. Mr. President, the Market Access Program [MAP] is critical to the success of the 1996 farm bill and to continued agricultural growth. MAP is one of the few programs specifically allowed under the Uruguay Round agreement and not subject to any reduction. Many countries are increasingly pursuing policies to help their agricultural industries to maintain and expand their share of the world market. Now is not the time for the United States to continue to unilaterally eliminate or reduce MAP.

MAP is a key to helping boost U.S. agricultural exports, strengthening farm income, promoting economic growth and creating jobs. I urge your support to ensure programs such as MAP be fully funded. Again, I urge my colleagues to vote ''yes'' on the motion to table the Bryan amendment.

The PRESIDING OFFICER. The question before the body is on agreeing to the motion to table by the Senator from Mississippi. Those who are in favor of that motion should vote yea. Those who are opposed to that motion should vote nay. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Alabama [Mr. SHELBY] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I also announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

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

The result was announced—yeas 55, nays 42, as follows:

[Rollcall Vote No. 236 Leg.]

YEAS—55

| | | |
|---|---|---|
| Akaka | Frahm | McConnell |
| Baucus | Frist | Moseley-Braun |
| Bennett | Gorton | Murkowski |
| Bond | Graham | Murray |
| Boxer | Gramm | Pressler |
| Breaux | Grassley | Pryor |
| Burns | Harkin | Robb |
| Campbell | Hatch | Santorum |
| Coats | Hatfield | Sarbanes |
| Cochran | Heflin | Simon |
| Cohen | Helms | Simpson |
| Conrad | Hutchison | Snowe |
| Craig | Jeffords | Specter |
| Daschle | Kempthorne | Thomas |
| Domenici | Kerrey | Thurmond |
| Dorgan | Kohl | Wellstone |
| Exon | Leahy | Wyden |
| Feinstein | Lott | |
| Ford | Mack | |

NAYS—42

| | | |
|---|---|---|
| Abraham | Faircloth | Lieberman |
| Ashcroft | Feingold | Lugar |
| Biden | Glenn | McCain |
| Bingaman | Grams | Mikulski |
| Bradley | Gregg | Moynihan |
| Brown | Hollings | Nickles |
| Bryan | Inhofe | Nunn |
| Bumpers | Inouye | Pell |
| Byrd | Johnston | Reid |
| Chafee | Kennedy | Rockefeller |
| Coverdell | Kerry | Roth |
| D'Amato | Kyl | Smith |
| DeWine | Lautenberg | Thompson |
| Dodd | Levin | Warner |

NOT VOTING—3

| | | |
|---|---|---|
| Kassebaum | Shelby | Stevens |

The motion to lay on the table the amendment (No. 4977) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRECISION AGRICULTURE

Mr. CRAIG. Mr. President, I rise to stress the importance of ongoing research in the area of precision agriculture. Precision agriculture is also commonly referred to as site specific agriculture or intelligent farm systems. Precision agriculture is an exciting area of agriculture that enables farmers to produce in a manner that conserves fertilizer, energy, fuel and water while still producing a high quality and high yield crop.

In a bill that Mr. MCCONNELL recently introduced, precision agriculture is given additional attention. I commend Senator MCCONNELL for his efforts and note for the RECORD that myself, Senator KEMPTHORNE and Senator COCHRAN are all original cosponsors. I ask Senator COCHRAN, is this his understanding?

Mr. COCHRAN. Yes, I am very supportive of precision agriculture and Senator MCCONNELL's legislation.

Mr. KEMPTHORNE. Mr. President, in addition, I would like to clarify the intentions of the Fund for Rural America [FRA] under the Federal Agriculture Improvement and Reform Act. The FRA specifically designated one-third of the funding go toward research, extension, and education grants that, among other goals, will increase international competitiveness, efficiency, and farm profitability, and conserve and enhance natural resources. Further, the FRA research section clearly encourages interdepartment and interagency cooperation by allowing Federal agencies and national laboratories to be eligible. This is a solid step toward making the most efficient use of limited Federal research resources, and will facilitate new and unique applications of technologies to the agriculture industries.

I would like to clarify that research to develop precision agriculture, to apply remote sensing and information management technologies to agriculture, is an example of the type of research that the Secretary of Agriculture should support under the FRA. I ask the chairman, is that the case?

Mr. LUGAR. It is, and I look forward to working with my colleagues from Idaho and Mississippi to find appropriate ways to support development of precision agriculture.

VALUE-ADDED PRODUCTS

Mr. PRESSLER. Mr. President, South Dakota farmers and ranchers are looking to value-added products as one way to better market their commodities and products. By adding value to the basic commodity, farmers and ranchers can realize higher prices and improved income. This is being witnessed for all of agriculture, from grain farmers to livestock producers.

South Dakota is a leading State in finding innovative ways to add value to agricultural products. For example, South Dakota is a leader in the production of ethanol and more ethanol facilities are being planned to be built in South Dakota.

By the end of the year a new soybean processing plant will begin production in a new facility in Volga, SD. Currently there are serious negotiations underway for a new beef packing plant which would service South Dakota and regional livestock producers.

Another venture in western South Dakota is a plan for the Nation's first lamb packing facility that would combine slaughtering, breaking, packing, and shipping under one roof. The facility would provide fresh lamb products to wholesalers and distributors within the food industry. The facility would be called Monument Meats and be located in Belle Fourche, SD.

This effort would be a producer cooperative where producers would be contracted to provide lambs. The facility, when completed, would include and incorporate the suppliers of lamb with the distributors of the final product into the overall process of the proposed facility.

One area where Federal taxpayer dollars are efficiently spent is the Rural Business Enterprise Grants Program. These grants can be used to finance and facilitate development of small and emerging business enterprises. Promotion and support of a viable U.S. lamb industry by establishing the proposed facility would certainly meet the objectives of these grants.

The proposed lamb processing facility for Belle Fourche, SD, certainly meets the test of a promising breakthrough in promoting U.S. lamb production. A key role of the Federal Government is to promote innovative and new business opportunities. A $50,000 grant for a feasibility study of the proposed lamb processing plant would be helpful to demonstrate to producers and distributors the benefits that could be accrued from such a facility.

Supporters of this facility are only looking for assistance from the Federal Government just for the feasibility study. Once completed, there are no intentions of further requests for Federal funding. This seems to me to be a worthwhile investment.

If I could, I would like to ask a few questions to my distinguished colleague from Mississippi, the chairman of the Appropriations Subcommittee on Agriculture.

I recognize that the bill currently under consideration does not contain funding for a feasibility study for the lamb processing plant conceived to be built in Belle Fourche, SD. However, is it the chairman's belief that this is the type of venture where rural business enterprise grants could come into play?

Mr. COCHRAN. That is correct.

Mr. PRESSLER. Is it also correct to say that the U.S. Department of Agriculture could utilize this type of grant to establish value-added processing plants in the United States, like the one planned for in Belle Fourche, SD?

Mr. COCHRAN. That is my understanding.

Mr. PRESSLER. Finally, I would like to ask the chairman if he would work with me to secure future funding for a feasibility study to be done for a lamb processing facility in Belle Fourche, SD.

Mr. COCHRAN. I will continue working with my colleague from South Dakota to find funding for projects like the proposed lamb processing facility in South Dakota.

Mr. PRESSLER. I thank my colleague and friend.

Again, Mr. President, the proposed lamb processing plant can bring higher prices to lamb producers. The facility can bring economic growth and jobs to the community of Belle Fourche, SD. Finally, the facility can go a long way to promote the entire U.S. lamb industry. I will continue working to secure $50,000 for a Federal feasibility study for this much needed project.

Mr. COCHRAN. Mr. President, we are working to accommodate Senators by

working on amendments that have been proposed that we hope can be resolved without rollcall votes. There are some which may require a rollcall vote if Senators insist on a vote.

Senator BUMPERS and I are here and available to discuss these proposals. We hope those who want to offer their amendments will come forward. We would like to complete action on this bill. I suggest this is a good time to resolve differences, if we can, and then proceed to vote on those we can't agree on and finish the bill. We are not going to stay in all afternoon sitting and waiting. For those who want to present amendments, we will offer them for you and vote on them, and then we can get to the end of the bill, if we can get the cooperation of Senators at an early time this afternoon.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I don't have anything to add to what the distinguished Senator from Mississippi said. It is very frustrating, frankly, to sit here hoping somebody will show up with an amendment you know has an amendment and is going to come charging in at the last minute if you try to go to third reading.

So we have about four amendments here, and I might just mention, there is a Mikulski amendment on crab meat study by FDA, which I think is agreeable; there is a Wellstone amendment on wild rice under the farm bill of last year, which I think has been agreed to; there is an emergency drought assistance and Hurricane Bertha assistance by Senator DOMENICI, which I think has been cleared on both sides; Senator LUGAR on double cropping. I am told that is not quite worked out. The Brown amendment I think has about been worked out. A Hatfield amendment on rural development has been worked out.

So we can offer those on behalf of those people if they do not want to offer them themselves. But I would like for those people to know that they need to get over here. If they have been cleared, they need to offer them unless they want to bring them to us and let us offer them for them.

The amendments that are probably going to require rollcall votes are one by Senator KENNEDY dealing with Medguide. I do not know if Senator SANTORUM has any more peanut amendments or not. I understand he had eight. He has offered two so far. But anyway, the Kennedy amendment, an amendment by Senator SIMPSON dealing with wetlands, an amendment by Senator LEAHY on northeast forestry, and the barley amendment by the Senators from North Dakota. So that leaves us about four amendments that could possibly require rollcalls unless we get them worked out.

But if we can get those we have agreed on passed, and which will just leave us those four that could require rollcall votes, we ought to be through here by close to the middle of the afternoon or late afternoon. So with that admonition and plea to our colleagues to get over here to offer their amendments, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## UNANIMOUS-CONSENT AGREEMENT—S. 1936

Mr. LOTT. Mr. President, I am very happy to say we have a unanimous-consent agreement with regard to how we handle the nuclear waste issue. There has been a lot of discussion and give and take.

I ask unanimous consent that, notwithstanding the consent agreement with respect to S. 1936, the cloture vote scheduled to occur on Thursday, July 25 be vitiated and the Senate proceed to the bill at 9 a.m. on Wednesday, July 31 under the following time agreement: 8 hours total for debate on the bill and all amendments, to be equally divided in the usual form: That there be four first-degree amendments in order to be offered by the Democratic leader for his designee; that there be 4 first-degree amendments in order to be offered by the majority leader or his designee; that all amendments be limited to 1 hour to be equally divided in the usual form; that all amendments be in order notwithstanding the adoption of any earlier amendment and all amendments must have been filed by the close of business on Thursday, July 25; provided further, that no amendment dealing with the storage of nuclear materials on Palmyra Atoll or some other U.S. Pacific island be in order; that all amendments must be germane to S. 1936 and in accordance with rule 22, and not subject to second-degree amendments, with no motions to refer in order; and following the conclusion or the debate time and the disposition of the amendments, the bill be immediately advanced to third reading and final passage occur all without further action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BRYAN. Mr. President, I indicate to the majority leader that this has been cleared on this side of the aisle. We have no objection.

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

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I will take but a brief moment. Let me thank the majority leader and our colleagues from Nevada for the kind of work that has produced this unanimous-consent agreement. I trust now that we will be able to move expeditiously on the issue of nuclear waste.

While it is an issue of great contention on the part of some of our Members—and certainly our colleagues from Nevada have great concern about what ultimately occurs here—I think we have, with this UC, an opportunity for a final conclusion and to express the will of the Senate—and, hopefully, the House—on an issue that is of national importance. I thank the Senators for their cooperation.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I would like to add, as chairman of the Energy and Natural Resource Committee, my satisfaction with the negotiations. I know the agony associated with this issue relative to Nevada. Unfortunately, we simply have to put this waste somewhere, and this question will now be resolved with a vote, at least in this body. I think, further, the willingness to try and work toward a solution enables the majority leader to move on with the business of the Senate, rather than tie it up in an extended filibuster, which, obviously, every Member has a right to proceed with. Nevertheless, we have a responsibility to resolve these issues in a manner that suggests some expeditious process.

I thank the Senators for their cooperation, ensuring that they will leave no stone unturned to pursue their convictions, but yet allowing the Senate majority leader to proceed. That is indicative of not just their good nature, but a recognition of what this body is all about.

I thank the majority leader.

Mr. LOTT. Mr. President, I want to make certain. No objection was heard, so the agreement was reached, is that correct?

Mr. REID. Mr. President, first, if I could briefly say something. I want to personally extend my appreciation to our leader, who spent a great deal of time with the majority leader trying to work this out. I think it shows good faith that we are trying to move things over here. We feel comfortable with the agreement and especially appreciate the work of the leadership.

Mr. LOTT. Mr. President, I believe there was no objection heard, is that correct? Has this been agreed to?

The PRESIDING OFFICER. Yes, that is correct.

Mr. LOTT. I want to thank all the parties involved, including the two Senators from Nevada, for their fairness and knowing how important this is to them, and for the involvement of the Senators from Alaska and Idaho, for their work.

My colleague from Nevada is absolutely right to say that Senator DASCHLE was helpful in this. In fact, he first initiated the idea on how this might be handled. It took a lot of discussion and coordination on your part.

He has been involved in a constructive way. I appreciate that type of work across the aisle. That is how we get things done in the best interests of our country.

I yield the floor.

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 5002, AS MODIFIED

Mr. BROWN. Mr. President, in discussing the Brown amendment on the Agriculture appropriations bill, the junior Senator from Nebraska had recommended that we go with the modified version instead of the 5-year moratorium I suggested. He suggested a 2-month moratorium with an allowance for an additional time period in the event that there were delays in the process. So I have incorporated that aspect into my amendment and go from 5 years down to the 2 months, plus the additional time.

In addition, the senior Senator from Nebraska has suggested that we modify the provision regarding funding by the Secretary of Agriculture so that the funding relates to an amount which he feels is appropriate. That is very open-ended language and not very tight. But I must say that I have a great deal of confidence and faith in the Secretary of Agriculture and in his sense of fairness.

So I ask unanimous consent that my amendment be modified to incorporate those changes which I filed at the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 5002), as modified, is as follows:

At the appropriate place in the bill, insert the following new section:

**"SEC. . INTERIM MORATORIUM ON BYPASS FLOWS.**

''(a) MORATORIUM.—Section 389(a) of P.L. 104–127 is amended by striking ''an 18-month'' after the word ''be'' and inserting ''a 20-month''.

''(b) REPORT.—Section 389(d)(4) of P.L. 104–127 is amended by striking ''1 year'' after the word ''than'' and inserting ''14 months''.

''(c) EXTENSION FOR DELAY.—Section 389 of P.L. 104–127 is amended by adding at the end the following new subsection:

'''(e) EXTENSION FOR DELAY.—There shall be a day-for-day extension to the 20-month moratorium required by subsection (a) and a day-for-day extension to the report required by subsection (d)(4)—

'''(1) for every day of delay in implementing or establishing the Water Rights Task Force caused by a failure to nominate Task Force members by the Administration or by the Congress; or

'''(2) for every day of delay caused by a failure by the Secretary of Agriculture to identify adequate resources as determined by the Secretary of Agriculture to carry out the purposes of the Task Force.'''

Mr. BROWN. Mr. President, it is my understanding that, while neither Nebraska Senators now have concerns about the amendment—or perhaps I should say will not object to the amendment—the senior Senator from Vermont does not want it passed prior to an amendment which he will offer.

So I ask unanimous consent that the yeas and nays be ordered and that the timing of the amendment be set at such time as the ranking Member and the chairman of the subcommittee would recommend to the body.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BROWN. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, I ask unanimous consent that Pearl O'Rourk and Osvaldo Percira, legislative fellows, be permitted access to the floor during the consideration of H.R. 3603, the agriculture appropriations bill.

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

Mr. KENNEDY. I suggest the absence of a quroum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, I would like to speak to an issue that is included in the agricultural appropriations bill that deals with public health, and address the Senate for a short time this afternoon. I would then like to introduce the amendment that deals with that particular issue and then to move on from there.

The legislation before us includes a proposal to cripple the FDA's ability to protect the public against one of the most costly and deadly tragedies suffered by Americans. Every year millions—millions—of our fellow citizens are injured or killed by this silent epidemic. It results in over 2 million Americans being hospitalized each and every year. It results in 3 million Americans having to visit their doctor each and every year for problems that could be avoided. It costs the American economy an estimated $100 billion—$100 billion—a year in additional health costs and lost productivity.

What is this epidemic? It is a wave of illnesses, injuries, and even deaths caused by prescription drugs. Millions of Americans are affected and billions of dollars are spent on medical problems caused by prescription drugs. The Nation spends as much to cure the illnesses caused by prescription drugs as we spend on the drugs themselves.

The vast majority of these adverse drug reactions can be avoided if patients have basic information about the prescription drugs they are taking. That information will allow patients to understand the proper use of the drugs their doctors prescribe. It will alert them to the symptoms of adverse reactions that can occur with their medication. This basic information would be a written reminder of what doctors tell their patients when the drug is prescribed. That information is often hard to remember, often not followed, and often misunderstood.

We should do all we can to end these tragic, costly, and unnecessary illnesses, injuries, and deaths. Who can be against providing patients with basic information about the prescription drugs they take? Unfortunately, a powerful group of special interests has been fighting for two decades to prevent patients from getting this basic information. They have been fighting for almost 20 years to prevent patients from getting the information that could prevent needless injuries, illnesses, and deaths.

The latest battle in this long war by the special interests is this appropriations bill. Buried on page 58 of this 81-page bill is a provision that prohibits the FDA from assuring that drugstores and pharmaceutical companies provide their customers with the simple, basic information they need to protect themselves against drug-induced illnesses.

This provision would forbid FDA from going forward with a proposed regulation, called the medication guidance regulation, which would require that patients receive adequate information when they fill a prescription. The Food and Drug Administration is America's premier consumer protection agency. It has been working with private industry for many years to implement a program to achieve this objective. Time and time again, for more than 17 years, private industry has promised to get that information to patients. It has promised to stop these millions of needless injuries, illness, and deaths. It has promised to prevent these unnecessary hospitalizations and doctors' visits.

But, year after year, as millions of individuals are injured and billions of dollars are wasted, these tragedies continue. Why? Because all of these promises have been broken.

So, these tragedies continue, even though it costs only a few cents per prescription to add this basic information. Rather than spend a few cents per prescription, these special interests cause billions of dollars in tragedies year-in and year-out. Time and again, they put profit and self-interest ahead of public health.

As the result of these efforts the FDA is being muzzled by an unholy alliance

of drugstores and pharmaceutical companies. And, the patients are the losers. This provision is nothing more than a gag order preventing the FDA from making sure that patients get basic, minimal information about the prescription drugs they are taking. We are no longer in the dark ages when people mistakenly believed that patients needed to be protected from basic medical information.

It is almost inconceivable, Mr. President, but going back to the ethical statute of the Royal College of Physicians in 1555:

> Let no physician teach the people about medicines or even tell them the names of the medicines, particularly the more potent ones such as purgatives, opiates, narcotics, abortifacients, emetics or any other which are particularly dangerous: For the people may be harmed by their improper use. This under the penalty of 40 shillings.

That used to be the old method, deny individuals and consumers information about the types of treatment they were receiving.

Then as recently as 1934 a statement published in the Federal Register, stated that drug labeling should be written ''* * * only in such medical terms as are not likely to be understood by the ordinary individual.'' I repeat, that was in 1934.

We have transitioned a long way. The American consumer wants to know what they are ingesting, what is going into their bodies. They want to know about the food they eat. They want to know about the air they breathe and the water they drink. They want to know about prescription drugs. They want to know about over-the-counter drugs. It is a bygone day when we should deny the American consumer the best information that we have available. That is really what this issue is all about. Are we going to make sure that, for each and every prescription drug, the individual is going to get the best information that is available. They need this information in order to know how take their prescription drugs safely and to know if they are going to interact with any other types of prescription or over-the-counter drugs that they may be taking?

As billions of dollars are wasted each year, as millions of Americans are needlessly hospitalized each year, as millions of patients suffer adverse reactions each year, these special interests claim that their voluntary efforts are adequate to protect consumers. The body count goes up, but they claim that they have been doing all that is necessary.

But, their claims are false, and they know it. The clear facts show that Americans do not get enough information about the prescriptions they are taking. We know that because the hospitalizations, the doctors' visits, the injuries, the illnesses, and the deaths continue. Those are facts that the special interests do not want to talk about.

But the problem is even worse than that. American consumers get more information from a box of cereal than they do from the prescription drugs they buy. In fact, almost half of all consumers get no written information at all of the kind they need to use their prescriptions properly. And when the information is provided, it is too often inadequate or incomplete.

Approximately half of all consumers get some form of information. Half of them do not. But of the 50 percent that do, much of the information is incomplete. We have waited for industry to present their plans for providing this important information to the consumer: this is exactly what the Food and Drug Administration had requested. Industry was to voluntarily create a system and be able to show that 75 percent of prescription drug consumers received reliable information by the year 2000 and, hopefully 95 percent by the year 2006.

The Food and Drug Administration was going to make an assessment of the progress in the year 2000 and decide if additional steps were needed or if the industry should just continue with their efforts. The hope was that industry would provide this program voluntarily. But as you can see by the information presented here, the needed information is not forthcoming. This bill allows industry to continue as is and would not allow the Food and Drug Administration to meaningfully evaluate the process of information flow to consumers.

The Food and Drug Administration looked at the information that was provided to drug stores by eight commercial vendors. Drug stores that want to provide information to their customers can buy information systems from such commercial vendors. The FDA examined the information that these eight vendors provided on three commonly prescribed drugs: a sedative, an antibiotic, and a drug used to treat high blood pressure.

While there are a number of vendors, for this study, the FDA selected eight of the better ones.

Remember, we are talking about common medications that can result in life-threatening complications. We are talking about providing people with basic information and warnings that the drug that they are about to take could result in serious birth defects or could cause a fatal allergic reaction.

Mr. President, these drugs each have potentially dangerous side effects. One of these drugs can cause severe birth defects, but only four of the eight vendors even warned about use in pregnancy. And only one vendor commented on birth defects when that was the real danger.

One drug, the antibiotic, has the potential of causing a fatal allergic reaction. While six of the eight vendors provided information on the possibility of an allergic reaction, only one told ''What to do if an allergic reaction occurs.''

There were eight sources. This scorecard on this chart should have read ''8,8,8,8,8'' all the way down. That is the only score that should be acceptable. For each one of these three commonly used medications, they ought to provide the appropriate warnings about side effects, contraindications, the possibility of serious drug reactions. Anything less is unacceptable.

This is one of the more recent studies done by the FDA on the adequacy or inadequacy of information provided on important, commonly used prescription drugs. I remind you, for half of the prescription drugs no information is provided; while information is provided for the other half, this is an example of what that information may be.

Let me show you a specific example. This is a prescription for a drug called Macrobid, which is an antibiotic used for chronic therapy.

On the left is an enlargement of the information that one patient received when she had this prescription filled. It sounds pretty simple and certainly safe. It says, ''Take one capsule twice a day with food for 30 days. Then decrease dose to one capsule once a day. Take with food to lessen stomach upset. Must use for full length of treatment. May interfere with urine glucose test in diabetics.''

But is something missing? Is there information that is generally available and scientifically sound that would be of value to any consumer? What is missing is the fact that this drug is contraindicated in term pregnancies and during labor and delivery. If a baby is exposed to this drug during such time, there is the possibility of precipitating a rapid destruction of red blood cells that could be fatal for the baby.

So if a pregnant woman were taking this drug, she should know that if she takes it in the last stages of pregnancy or during labor and delivery she is risking the health of her child.

It is contraindicated in mothers who are breastfeeding infants less than 1 month of age. The drug gets into the breast milk and causes the same destruction of red blood cells.

Here you see it is also contraindicated in people with G6PD deficiency. G6PD deficiency is a type of blood disorder, reasonably rare, but nonetheless noteworthy. If you take this medicine and you have this kind of blood disorder, you may experience a fatal hemolytic anemia which is the breakdown of red blood cells. So this would obviously be valuable information for a patient who knows they have G6PD deficiency.

This drug can also cause lung disease. ''Should consult your physician in the event of pulmonary symptoms.'' Physicians suggest that patients who take this drug for more than 6 months should have routine lung examinations.

This is the kind of information that should be available. This is the kind of information that could easily be available. We are not talking about overly extensive pages of data. We are talking

about the kind of information that is readily available and accessible to both the company and to the FDA. This is the kind of information that is not being routinely provided today on these prescription drugs.

What is it that the FDA thinks is necessary? Here is a prototype designed by the FDA which includes the information they believe the consumer should be told. This one uses Cardizem, as an example. This provides all the information. We have it blown up here. ''What is the most important information that I should know about Cardizem?''

''Used to treat angina pectoris—chest pain. May lower blood pressure. If you get dizzy while using, call your doctor. Can interact with certain medications. Check with your doctor if using beta blocker, digitalis. If you notice very low heart rate, palpitations or feel very weak, call your doctor.''

Then there is a description of what Cardizem is. It is a relaxant that dilates blood vessels in the body, increases blood flow to the heart and helps reduce chest plain. A drug known as calcium channel blockers.

It has, ''Who should not take it?'' It indicates if you have heart problems, your doctor needs to know. If you have low blood pressure or heart block, a pacemaker, heart failure or any other heart problem; if you have liver or kidney problems, your doctor needs to know. If you are pregnant—the use of Cardizem in pregnant women has not been studied. Studies with animals suggest, however, that Cardizem may cause miscarriages.

So it points out if you have a heart problem, if you have liver or kidney problems or if you are expecting you should not take this medication. And it also says, ''If you are nursing, Cardizem is passed on through the breast milk. If you take, use some form of infant feeding.'' Change from breast to infant feeding.

Then it talks about how I should take Cardizem. ''Take before meal, if possible. If you miss a dose, take it as soon as possible. However, if it is almost time for your next dose, skip the missed dose and take your medicine as scheduled. Do not take double your prescribed dose.''

This is very important. Many people, when they are on prescription drugs, will fail to take it at the time prescribed, and they wonder whether they ought to double up. Maybe they forget for a day, maybe they forget to take a morning, noon or evening dose, and they wonder, ''Should I take it double tomorrow because I forgot to take today.'' Say I forget this morning's dose? Do I take two this afternoon? And this tells what to do if you do miss a dose.

''What should I avoid taking with Cardizem?'' It interacts with other medications. Your doctor may need to change the dosage for the medicine. Check with your doctor before taking the beta blocker drugs, ulcer drugs, and digitalis for heart failure.

So it mentions the types of health challenges that you might face, the sort of chronic problems that you might face, it gives you a warning and a heads up. And then it talks about other types of medicines that would have an adverse reaction.

''What are the side effects?'' It gets into the side effects. The swelling of the legs, headache, rash, weakness, a small number, less than a half-percent get heart palpitations. So it says, ask your doctor if you have difficulty breathing or have dizziness. This goes on. This is the type of information that we are talking about. This is scientific information presented to consumers in readable, understandable form that responds, by and large, to the everyday kind of questions that a consumer would have with regard to this particular medication.

I think all of us have seen the information for over-the-counter drugs. You know, the insert for Tylenol, Excedrin. Very few people, unless you are a chemist, can really understand it. That is not what we are talking about here. We are talking about valuable, readable information that could be of such great importance to consumers.

It is readable. It is understandable. And it is enormously valuable for patients. And yet, 50 percent of the American people do not get this kind of information. And the other 50 percent, in too many instances, get information that is inadequate.

This is the type of thing that we want to encourage. We want the industry to do this in a voluntary way. As I say, they are doing 50 percent now. We were hopeful to get them to 75 percent, working with the industry, working with the FDA to permit them to move through that process by the year 2000.

So this provision of the pending bill tells patients—the provision I mentioned earlier—that they do not need these warnings. All they need is to trust the industry to take care of them. But the industry is not providing the warnings, is not telling the patients the drug they are about to take will cause a serious birth defect or fatal allergic reaction.

The industry promised for years to provide the patients with the information. There are many, many examples of why industry cannot be trusted to do what is right.

In 1992 the FDA required a box warning—those are the warnings that are printed on the various boxes, the most serious kinds of warnings—on the labeling provided doctors and pharmacies for Seldane and Hismanal, two of the most popular prescription antihistamines for allergies. When taken in association with certain antibiotics or antifungals, which are two other classes of frequently prescribed drugs, there were deaths and serious cardiovascular reactions.

Let me tell you about one 29-year-old woman who was taking Seldane for allergies. She went to her podiatrist for athlete's foot and was given a prescription for Ketoconazole. Two days later she went to an emergency room complaining of a blackout. They could find nothing wrong with her, told her to return if it happened again. The next morning she was found dead in bed. Apparently, the cause of death was cardiac arrhythmia and death. The blackout episodes were most likely caused by arrhythmias.

If she was given patient labeling, she could have easily identified the warning against using the two drugs together. Her death was preventable.

The needed warnings even appeared in FDA-approved consumer advertising in magazines, such as People, Newsweek and Time.

Here in the Washington Post, on April 16, 1996 it talks about a warning: ''Seldane and Popular Antibiotics Equals Trouble.'' And the point of this chart, Mr. President, is this:

American pharmacists fill about 2 billion prescriptions a year, and the market is more complex than ever, with more diseases treated by multiple drugs. Retail pharmacists have more financial incentive to sell prescriptions than to spend time talking to customers about possible drug interactions,'' Shulke said.

They rely increasingly on computer programs to catch potentially dangerous drug interactions. Unfortunately, ''these software programs are lagging behind the state of the art'' and fail to keep up with [the] latest Food and Drug Administration and pharmaceutical [company] warnings.

* * * * *

Much of the information that doctors and patients receive about drugs comes from the companies themselves. Such information, while useful, tends to present ''one side of the story''—emphasizing the benefits of medications more than the risks.

So, Mr. President, this is something that was pointed out. This is by the pharmacists themselves, the American Pharmaceutical Association. The Director of Policy and Regulatory Affairs made those observations.

All of us would believe that when a prescription drug is given, that the patient has the best protection because he or she has the doctor. I think all of us understand that. We have come to rely on that doctor. The doctor is not going to obviously put this person at risk. But what we are finding out, what every indication is, particularly with elderly people, is that people either forget after a few days, a week, a month, several months, they get easily confused between various different kinds of information that they may have been told or that they have forgotten, all against a background where that kind of information is easily available, accessible, and understandable and should be provided to the consumer.

The warnings against taking these drugs in combination did not appear on the information sheets that pharmacists gave to consumers. Consumers were given better information in magazine ads than they were given by the pharmacists who dispensed their prescriptions.

Even today, after concerted efforts to educate physicians and pharmacists

about the dangers of prescribing Seldane with certain antibiotics, tens of thousands of patients are still given coprescriptions written in conjunction with one of those antibiotics.

We have been promised that the pharmaceutical industry and retail pharmacies will take care of keeping the public informed. What is happening in the Washington, DC, area? Well, Dr. Woolsey from Georgetown recently completed a study. Fifty pharmacies were selected out of the yellow pages. An investigator was sent to each of these stores with a prescription of Seldane and Erythromycin. Thirty-four of the pharmacies either refused to fill them or warned that the two drugs should not be taken together. But 16, or nearly a third, filled both prescriptions without any comment or warning, the very kind of situation we are talking about here.

A third of the pharmacies issued both of these drugs even though there are these extraordinary dangers. And 14 of those were asked if there were any problems taking the two drugs together. Nine said they could be taken together—that there was no problem.

Only nine of the prescriptions were accompanied by a written note suggesting a patient check with a doctor if these two drugs were taken together or to ''report any other drugs you take or disease you have.''

These are the warnings we have for a fatal reaction. Think of the information we would get for reactions that merely cause disease or discomfort.

Yet the current underlying legislation will allow industry to independently provide this information. This is the same industry that has so overtly failed in just this one situation of the fatal reaction of Seldane and Erythromycin. I ask you, how often have you been on an antihistamine and an antibiotic at the same time? What about your children?

So the rollcall of patients harmed or injured because they did not receive adequate warnings is a long one, and includes children and adults from every walk of life. Senior citizens, as I mentioned, are particularly victimized. The best estimate is 17 percent of all hospital admissions for senior citizens is as a result of an adverse drug reaction, about 5 percent for children. But no American can be confident that a member of their family will not be the next to suffer.

Let me give you several examples.

A 69-year-old man was prescribed an antibiotic called Cipro to treat a kidney infection. He took the pills for 10 days and failed to notice any improvement. When he returned to his physician, a repeat urine culture showed that the infection was still present. The physician changed it to another antibiotic.

The problem was not the antibiotic. This man was also taking Maalox for indigestion, which he had not been told that Maalox or other antacids prevent the antibiotic Cipro from being absorbed. Even though he was swallowing the right dose, not enough entered the bloodstream.

This should have been included on a drug information sheet.

A 48-year-old man was diagnosed as having a mild form of diabetes which can be treated by taking pills that will lower the amount of sugar in the blood. He had been taking these pills for 4 months. During that time his physician had changed the dose in order to maintain a good blood sugar level. He had been stable without any change in dosage for 2 months.

Then one day he twisted his ankle. To treat the pain he started taking Advil every 4 to 6 hours. The next morning he awoke feeling sweaty and light-headed and fainted as he got out of bed. He was rushed to the hospital where his blood sugar was measured at an extremely low level.

This man should have been warned that Advil and other related drugs increase the effect of the diabetes medication he was taking. What had been a good dose of medication in the past now lowered his blood sugar level to a dangerous level.

This should have been included on a drug information sheet.

A 58-year-old man who was otherwise very healthy developed diarrhea and abdominal cramping. He was diagnosed as having irritable bowel syndrome and was placed on a strong tranquilizer medication to calm down his intestines. Six months after being on this medication, he developed the symptoms of Parkinson's disease. His doctor started him on a medication for Parkinson's disease.

For 7 years, he took both drugs. Then a neurologist specializing in Parkinson's disease evaluated him and recognized that the real problem was the tranquilizer. Both drugs were discontinued.

Four months after seeing the neurologist, this man was on no medication and all of the Parkinson's symptoms had disappeared.

This man suffered from a side effect of the tranquilizer. The neurologist who made the correct diagnosis says that in 3 years he had seen 38 other patients who had drug-induced Parkinson's disease.

A 60-year-old woman was started on a drug called propranolol to treat her high blood pressure. The physician had prescribed a large dose considering her age and her size.

Two days after starting the drug she began feeling very weak. This got worse and on the third day she went to the emergency room where on arrival her pulse rate was only 36 beats per minute. This low heart rate was a result of the propranolol.

If she had received an adequate drug information guide, she would have recognized that her symptoms were likely a response to the medication, and she could have called her physician rather than going to an emergency room. She was lucky. If she had any heart disease, lowering her heart rate to such a level could have produced severe heart failure.

Mr. President, the list goes on. Leaving out critical warnings is unacceptable. In these types of life-and-death cases, FDA oversight is clearly warranted. The health and lives of too many patients is at stake.

FDA has rightly decided consumers deserve more protection than the status quo. The medguide regulation is intended to correct this gross deficiency in our consumer protection laws.

Today, we go into a supermarket to buy a loaf of bread, a carton of milk, or a box of cereal. Complete nutritional information is provided on the package. Here we have the package label for Wheaties, ''Breakfast of Champions.'' We see that, under the Food and Labeling Act we passed just a few years ago, we have the calories, total fat, cholesterol, sodium, potassium, all of the vitamins that are listed, the carbohydrates. All of this is printed in an easily and understandable form that is welcomed by every mother, every parent, every child.

When we buy over-the-counter drugs like aspirin or Tylenol, the FDA regulations require the drugs to have complete information, so those who take the pills understand what they are taking, how to take them, what side effects to watch out for, and what food or drugs it interacts with. Anyone who goes to the drugstore this afternoon will find that information available.

But, if we buy a prescription drug in the pharmacy of one of these same grocery stores, there is no guarantee that we will get the same kind of information when the prescription is filled. Current laws require more information about breakfast cereals than about dangerous prescription drugs, even though the necessary information can be provided simply and cheaply.

The results of this neglect are predictable and shocking. Mr. President, 30 to 50 percent of adult patients do not use their medications properly. In children, improper use exceeds 50 percent. Just look at this dog food label, Alpo puppy food. Friskies Alpo puppy food has all the information—protein, fat, fiber, moisture, calcium, phosphorous. It lists the various ingredients and how the minerals and vitamins have been added, talks about the weight and age of the dog, talks about recommended amounts and how many different feedings ought to be included. We provide it on dog food, cat foot, pet food. We provide it at the grocery store on the box of cereal and just about every other item in the grocery store under the food labeling provisions. We provide it for over-the-counter drugs. But the one area where we do not provide assurance is in the prescription drugs.

The FDA is attempting to provide and encourage the industry to get to 75 percent information by the year 2000—not by requiring—by working with them. We have seen the attempt in the

House of Representatives and the Senate of the United States to bar that type of action. That is not acceptable.

Mr. President, in the elderly, who rely most heavily on medication, noncompliance is often higher. They do not often understand the problems of missing doses or changing doses. This is more dramatic in low-income elderly. There are economically induced compliance problems, and patients sometimes attempt to stretch their medication by cutting back on their required daily dose. They have not been warned such action endangers their health.

You cannot have a meeting with senior citizens in any part of this country without, when you ask them how many spend $25 or more per month on prescription drugs, 80 percent of their hands going up. Ask who spends $50 or $75 a month, and a third of the hands go up that are taking prescription drugs. In many instances, there are a number of seniors who are dividing those prescription drugs to make them last over a longer period of time and who have no understanding or awareness of what that is doing in terms of endangering their health.

The patients taking medications are not the only losers. Public health is put at risk if uncured infections are transmitted and resistant infections develop.

The economic and human costs are staggering: 2 million avoidable hospitalizations, 3 million avoidable doctor visits, $20 billion in additional health care costs, and $100 billion in total costs to society. The need for action is clear, yet this legislation will stop the FDA from doing what is needed. Here it is, $20 billion, effectively, for avoidable hospital admissions because of adverse drug use—$20 billion a year. The best estimate is that it is $100 billion in terms of either direct or indirect costs. It has health implications and cost implications in terms of individuals and the community.

The medication guidelines this legislation would block would establish concrete goals for industry to meet. By the end of the year 2000, FDA seeks to ensure that at least 75 percent of patients with new prescriptions would obtain adequate, useful, easily understood written information. By the year 2006, 95 percent of patients with new prescriptions would receive this information. There is nothing radical about these targets. They are the same commonsense objectives established in the landmark ''Healthy People 2000'' goals developed under the Reagan-Bush administrations.

Working with drug companies, pharmacists, physicians, and consumers, FDA was planning to establish nonbinding guidelines on such information. These guidelines will help pharmacies ensure that the written information they provide is adequate.

If the goals in the proposed regulation are not met, FDA would have a choice—either institute a mandatory program or seek public comment on what steps to take next.

This approach is reasonable. It gives the private sector the opportunity to achieve compliance without regulatory requirements over the next 4 years. Yet the industry still objects. It claims that neither the medguide regulation nor binding requirements are necessary.

Inadvertent misuse of prescription drugs is not a new problem. FDA first starting tackling the problem on a broad scale in the mid-1970's.

In 1975, after examining the issue in-depth by studying existing labels, interviewing consumers, conferring with experts in the different health care fields, FDA published a notice in the Federal Register asking for public comments to help formulate a policy on patient labeling for prescription drugs.

In 1979, the FDA issued a proposed regulation to require drug manufacturers to write patient labeling for their drugs and provide it to pharmacists for dispensing with the drug. In comments on this proposal, consumers favored the proposal, while manufacturing pharmacists and the medical professions opposed it.

In 1980, after considering the comments, FDA issued a final rule. It decided that the evidence in the rulemaking record amply demonstrated that labeling would improve the benefits that consumers receive from prescription drugs in a number of ways. The information would increase compliance, which would in turn decrease injuries from misuse. The regulation required manufacturers to provide labeling to pharmacists, but it also allows pharmacists to write their own labeling.

In 1981, the incoming Reagan administration delayed the implementation of the FDA regulation. This is an issue that has been around for a long period of time. But the regulation was revoked altogether. Its justification was that the private sector had promised to implement a voluntary program to do the job. So here we are—15 years later—and industry is saying, once again, ''We don't need Federal regulation. Give us a few more years and we'll do the job.''

But the results of the industry's past 15 years of nonaction are crystal clear—too many deaths, too many injuries, and not enough patient information. Almost half of all patients receive no written information of the kind they need to monitor their use of medications. Too often, the information they receive is shockingly inadequate.

FDA rightly concluded that consumers are not being served. They developed a proposal and took it to industry, before even beginning a rulemaking proceeding. In a letter to Senator COCHRAN, FDA explains:

> We originally envisioned mandating that drug manufacturers develop patient leaflets which would be distributed with most prescription drugs, informing patients of such things as how to take the drug, what it was used for, what side effects to watch for, and what to do if problems were experienced with the drug.
>
> However, before issuing such a proposal, we met with the medical and pharmacy professions, representative of the nation's drug stores, drug manufacturers, consumers groups, and others. Many told us that new patient information systems, most using computer technology, had been developed and were being implemented that could accomplish our goal at little cost to pharmacies and consumers, and that by the end of the decade, most patients would be getting such information through these private sector mechanisms.
>
> We accepted their argument, and our subsequent proposal of August 1995 announced that we would defer consideration of a mandatory comprehensive Federal program until at least the year 2000, to give the private sector time to fulfill that commitment. We believe the proposed rule is very consistent with the concept stated in your letter of giving the marketplace a chance to meet our mutual objective. We are currently reviewing the comments submitted in response to the proposed rule, and recognize that revisions may be necessary to respond to some of the specific concerns raised by those who manufacture, prescribe, dispense prescription drugs.

So FDA's regulation, developed after consultation with the affected industries, is entirely reasonable. It sets a performance standard and goal of 75 percent of consumers receiving accurate, complete, helpful, and legibly written information by the year 2000. The 75 percent goal takes into account the existence of the small corner drug store that may not be able to meet the target as readily as large firms. The underlying mandatory regulation will not go into effect if this goal is met by the year 2000. In addition, it does not apply to drugs dispensed in doctors' offices, or hospitals, or in an emergency. In addition, there is special consideration for small retail pharmacies.

The FDA has gone the extra mile. Consumers deserve the protection. Fifteen years of inaction under so-called voluntary guidelines established by the industry is already too long. Now the industry will have another 5 years to show it can do the job voluntarily. But even that is not enough for the majority of Congress. They want to prohibit the FDA from implementing even this modest approach.

The provision in the bill states that if the private sector develops a plan within 120 days of enactment, FDA's rulemaking is suspended. However, the Secretary of HHS and the Commissioner of FDA cannot review the voluntary program to determine if it is, in fact, adequate. The only action that HHS or FDA is allowed to take is to audit the program to see if it meets the goals set by the industry—not the goals set by FDA or Healthy People 2000. The bill further hamstrings FDA by precluding any activity, such as guidelines, that might assist the private sector or assure that its program is adequate.

This provision is an abdication of Congress's responsibility to protect the

public health. Instead of responsible action by FDA, an industry with an unsatisfactory track record is permitted to regulate itself—without any FDA oversight to make sure that the industry program is adequate.

How many more people must be injured or killed before Congress does the right thing? How many more billions of dollars in health care costs must be squandered before we decide that the public interest should take precedence over these special interests.

The offensive provision in this bill is also part of the overall FDA reform bill reported by the Labor Committee. That legislation is the subject of continuing negotiations between Congress and the administration. The administration has identified modifying this provision as one of its highest priorities. We have been negotiating in good faith in the hope of reaching bipartisan agreement on a responsible FDA reform bill. Yet in the middle of these negotiations, this particular proposal is suddenly being rushed through Congress on this appropriations bill.

This FDA gag order does not belong on the agriculture appropriations bill. We all know what is going on here.

Special interests have brought and paid for this provision with political campaign contributions. Anti-FDA companies have contributed $1.3 million to the sponsors of several so-called FDA reform bills in the 3 years ending December 31, 1995. Of that sum, $888,000 were contributed by political action committees of FDA-regulated companies to the sponsors of these anti-FDA bills.

And those are only the campaign contributions made through last December. The money hasn't stopped flowing. In fact, in 1996 the money has continued to pour into the Republicans: Eli Lilly & Co., gave $305,000 to the Republican National Committee in the first 4 months of 1996. Bristol Myers-Squibb contributed $275,000 to the Republican National Committee in the first 4 months of 1996. And now they have their payoff.

The American people deserve a strong and independent FDA—an FDA that has the authority and ability to assure that the food we eat is nutritious and healthy, that the medicines we take will cure, not kill, and that the medical devices we rely on will sustain and improve life, not harm it.

By rejecting the proposal in the bill before us today, the Senate can send a message of reassurance to the American people. Public health is not negotiable. The FDA is not for sale to the highest bidder, and neither is Congress. No amount of campaign contributions can possibly justify selling out the FDA and jeopardizing the lives and health of the American people. The people have the right to useful and necessary information about the drugs they take—and FDA should have the chance to make sure they get it.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, first, I want to commend Senator KENNEDY for all his work with the Food and Drug Administration. He has been a bulldog in fighting to protect the public interest.

I stopped at the little store over in the Dirksen Building on the way over here. In the Dirksen Building, I saw pretzels, and I looked on the back of the pretzels and I saw how much sodium and everything else was there. A bag of pretzels gives us that information. When you pick up a candy bar, you have the information. But unless there is an agreement—and I understand some negotiations are taking place, and we may have an agreement here shortly, and I hope we do—what is going to happen is we are going to continue to not give people information on prescriptions.

Some companies do it voluntarily, but a great many do not. What the FDA has worked out is that, by the year 2000, 75 percent of prescriptions will have to provide that information. Frankly, I think the FDA, instead of being undermined, as this bill would do, ought to be criticized for not moving further than 75 percent. I cannot believe we would accept that 75 percent of pretzel bags is adequate. We insist that 100 percent of pretzels or dog food or breakfast food have this information. Why shouldn't people who buy prescriptions have this information? It just boggles the mind.

When you take a look at the reactions that come, which Senator KENNEDY was talking about, to people—and I can remember one of our colleagues just yesterday in the Democratic Caucus talking about a reaction that he got to drugs that were prescribed to him. Fortunately, he had information there, and he found out by reading the information that it was a reaction to the drug. By all means, we ought to protect the American public. What the Kennedy amendment does, and what the FDA is proposing, is that 75 percent of prescriptions should be covered by the year 2000, which is 4 years from now, and that 95 percent be covered by the year 2006, which is 10 years from now. If there is something wrong with this, it is that we are not covering everybody by the year 2000, all prescriptions, and, much less, by the year 2006, 10 years from now, still having 1 out of 20 prescriptions not covered.

I have to ask the question, Mr. President: Why do we have this here? Why would a pharmaceutical company want to prevent the American public from having this information? I assume it is that they may want to make a few more dollars and not have a liability here. I don't know. But, frankly, it seems to me that it protects them from the liability to have that information provided. What we do not need is an FDA gag order. That is what this bill is without an amendment. I am hopeful, from a report I just received from a staff member, that some kind of a compromise is being worked out. I do not know. But to say that the industry can set its own standards, I do not know how many prescriptions there are out here for various medicines. Let us say there are a thousand different kinds of things that could be out there. According to this bill right now, if each year they add one more where they would give the information, then it would take 1,000 years in order to meet that industry standard. And that would comply with this bill as it now is.

Mr. President, clearly we have to protect the public. This bill without an amendment does just the opposite. It protects pharmaceutical companies and not the public. Our aim ought to be to protect the public. I want good pharmaceutical companies. I want companies that invest in research and do other things. But we cannot do that and jeopardize the public. We can both protect the public and encourage a healthy pharmaceutical industry.

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

Mr. SIMON. I am pleased to yield to my colleague.

Mr. KENNEDY. My good friend serves with me on our Human Resources Committee. We had been considering an FDA reform legislation, had we not, over the period of recent weeks? And the House of Representatives Commerce Committee also had been in the process of marking up over there even as we meet here this afternoon. As a matter of fact, I understood they are going to try to work out in a bipartisan way a number of the areas in that FDA bill. And the Senator understands I believe that this whole question of the Medguide has been included in the alleged FDA reform. So it was a matter that was going to come on up here on the floor of the Senate under the FDA reform both in the House and in the Senate.

I am just wondering whether the Senator was as surprised as I was to find out that this provision was taken out of the FDA reform. It had been a matter of some considerable discussion and difference in the Human Resources Committee. We had good debate on it for some of the reasons that have been outlined here this afternoon. Then to find out that it is tacked onto an agriculture appropriations bill, I do not know whether the Senator was as surprised as I was to find that out. The Senator might remember that we used to have the understanding that there was not going to be legislation on appropriations. That was ruled out, and now we permit it evidently under the various precedents on legislation on appropriations.

I am just wondering whether the Senator was as surprised as I was to see this measure on this bill. I would think the Senator, representing the great State of Illinois which is industrial in the north and agricultural in the south, is eager to see this legislation go forward.

I do think that it is important to note that this would be a matter that was going to be considered in a timely fashion we had hoped with the FDA reform. Now it is on an agriculture appropriations bill that is some distance from both committees of jurisdiction and subject matter. And I am just wondering if the Senator is somewhat surprised to see this emerge in this form.

Mr. SIMON. The Senator from Massachusetts knows that we were all surprised—most of us were surprised—that it emerged here. We had been working, as he indicated, in a bipartisan way in our committee to try to deal with some of these problems, and they are very complex. But to say I was surprised is factual. I have to say I am also puzzled. Why does this happen to hit on an agriculture appropriations bill? To my knowledge no one on that agriculture appropriations bill has been called in any of these negotiations. Does the senior Senator from Massachusetts have any idea how it happened to come on this agriculture bill?

Mr. KENNEDY. No; I do not. And I think this is an issue that deserves a full debate and discussion. I would be hopeful that we could work out some measure that would defer at least full debate so we would be able to permit the agriculture appropriations bill to move ahead without interfering with the current status. That was certainly our hope earlier in the day because I think that is really the best way to make sure that we are going to get the agriculture appropriations. None of us are interested in seeing this delayed at all, because of the importance of it. But I must say having this legislation which is of such enormous importance I think is a matter of importance, and we want to make sure that the Senate is fully apprised of it.

So it is my hope that we can still work something out. We have been in contact with a number of Senators who are interested in it, and we will have a chance to see if we cannot resolve this so that we can get back to considering some of the agriculture amendments.

Mr. SIMON. Mr. President, I simply want to again commend my colleague from Massachusetts for his leadership in this whole area, not just on this amendment but he has made a huge contribution in protecting the American public as we look at the FDA.

Mr. President, if no one else seeks the floor, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, I ask to proceed as if in morning business for a period of approximately 10 minutes.

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

Mr. GREGG. I appreciate the courtesy of the managers of the bill in allowing me to proceed in morning business.

## RETIREMENT SECURITY

Mr. GREGG. Mr. President, I rise to talk a little bit about an issue that is absolutely critical, obviously, to the future of America. It is on the minds of many. And that is the issue of retirement of Americans and how we are going to pay for it.

This has become increasingly an issue that is receiving some visibility in a substantive way verses in a political and demagogic way as a number of proposals have been discussed over the last few months regarding the issue of how we are going to pay for retirement for our senior citizens who are presently receiving funds from the Social Security fund or from private pensions and also for those who are headed toward some sort of retirement benefit.

The reason that the visibility of the issue has increased is probably because the largest generation in America, in American history, I guess—the postwar baby boom generation—is starting to see the whites of the eyes of retirement coming over the hill and it is necessary for the postwar baby boom generation to focus on how its retirement years are going to be paid for. It is a very big issue, and it is one that needs to be addressed.

This Republican Congress has actually passed a series of major proposals in the area of retirement security. Most of these major proposals were included in last year's Balanced Budget Act, and they were aimed at making pensions more available and at making personal savings more attractive and at improving the Medicare system.

The President, regrettably, vetoed that proposal, which would have gone a long way toward assuring solvency specifically of the Medicare system. Perhaps as a result of that veto, the White House has become concerned about their culpability in not addressing the important issue of how we protect the retirement systems of this country, especially Medicare, which, we have heard from the trustees, is going to go bankrupt in the year 2001, potentially 2000.

And so, as a result of that, the President has now put forward a proposal. Of course, he puts forward a proposal on something almost every day, recognizing that most of it is not going to become law or enacted. Although it is really political in nature, it is still at least of some value in that he has put forward a proposal called the Retirement Security and Savings Act. The congressional leadership on the Democratic side of the aisle has also decided to put forward some proposals in this area called pension security bills—well, they were pension security bills. In May of this year, they put them forward and they were part of their families first agenda.

My concern is that many of these ideas which are being initiated on the other side of the aisle not only miss the mark, but they actually aggravate the problem because, for the most part, most of these ideas come out of the position of big government resolves problems and it is to the big-government approach that we should turn in order to address the problems. They are ideas born in the 1930's, which should have died with the passage of the Berlin Wall but, unfortunately, continue to engender themselves on the other side of the aisle.

However, at the same time that those ideas have been put forward, during the past year myself and Senator SIMPSON have been holding a series of coordinated hearings on the Nation's retirement policy, both in the Finance Committee and in the Labor Committee, where we chair the various subcommittees that are charged with this responsibility, I being responsible for the Committee on Aging, and he is responsible for Social Security.

So we have examined the current status of the Nation's public and private retirement system and the nature and magnitude of the challenge that system confronts as the baby boom generation moves towards retirement.

We have learned some important facts that provide a message of perspective on the current retirement security debate. These facts tell us that the scope of the problem we confront is enormous and, if anything, the American public is underestimating the problem and is underanxious about the problem.

Fact No. 1 is that the Social Security system presents a major problem in its present structure. Within 35 years, our country as a whole will have more senior citizens than Florida does today. Think about that. In 35 years, the average age of the American population generally will exceed today's average age of Florida's population. This wave of senior citizens will have a life expectancy 8 years longer than current seniors, which is good, obviously, but it also creates issues.

Social Security is terribly unprepared to cope with this change in demographics. The program operates on a pay-as-you-go basis, which works all right today when about 4.5 workers support each retiree, but by the year 2030 the ratio will have fallen to 2 workers supporting each retiree, and the program will simply collapse. Absent reform, nearly $8 trillion of unfunded liability exists today—$8 trillion. That is more than the national debt. That is what the unfunded liability is. Tomorrow's workers and the economy will never be able to withstand the taxes necessary to sustain an unreformed program once the baby boom generation begins to draw its retirement.

Fact No. 2: Our private pension regime presents a major problem. Keeping in mind Social Security's future, it should be considered a national crisis that just half of today's full-time workers participate in employer-sponsored pension plans or that 45 million

Americans have no access to a private pension plan or that over the past decade corporate contributions to pension plans have declined by 50 percent.

These sad facts are driven by the even sadder state of the pension access in smaller businesses and for lower income workers.

We passed a law just a few weeks ago which will correct some of this problem, but it does not solve all the problem, and it has not been signed by the President so we do not know that it will be agreed to. Today only 15 percent of the firms with less than 25 workers offer pensions to their employees. Whereas almost 80 percent of today's work force earning over $50,000 have pension plans, only 44 percent of the workers earning between $10,000 and $25,000 have pensions, and only 9 percent of those earning less than $10,000 have a pension. While many likely theories underlie our Federal pension system regime, the fact remains that the marketplace's reaction to it is failing our workers. Proposals that we did pass just in the last few weeks will help alleviate this to some degree, but it will not correct the fundamental problem.

Fact No. 3, personal savings presents a major problem. The typical working American retires with less than $10,000 of personal savings. Baby boomers now earning $75,000 a year, those doing well under the current pension statistics and expected to receive a typical employer-provided pension, would have to triple their current savings rate to maintain their current standard of living upon retirement. It is just logic that tells you this. The fact is, people today work for about 30 years. But because life expectancy has been extended, they also retire for about 30 years. So you cannot save just a few dollars while you are working and expect to have enough to cover you during your retirement when your retirement years are actually almost equaling your working years.

The majority of Americans are very unprepared in the area of pensions. Americans do not save anywhere near the rate required to sustain themselves. The reasons for this likely vary—the triumph of consumerism over thrift, the increase in family tax burdens, the welfare state's culture of dependency, the burdens of repaying student or other loans which now exist at levels unheard of for prior generations—but the effects are all too real. We simply are not saving enough as a culture.

These three basic facts concerning the three legs of the retirement stool—Social Security, private pensions, and savings—when viewed in combination, present a startling and disheartening picture. They also lead to some important lessons for judging the adequacy of any retirement security proposals the Congress may address over the next year.

Lesson No. 1: We can no longer ignore the Social Security problems. We have a lot of faith in the common sense of the American people, at least we do in New Hampshire, and believe that the true root of their retirement anxiety is the fear that Social Security will not be there for them. They are right to be scared. Continuing to ignore Social Security reform because the program is now running a surplus is inexcusable. Retirement policy is long-term policy. We must allow the public adequate time to adjust their pension and savings activities to any Social Security changes we may enact. Every additional year of delay makes any change not only more Draconian but also less fair and less likely to succeed.

Further, any reforms to Social Security should complement and reinforce the changes that must also be made to address today's savings and pension inadequacies. Those who champion ''retirement security'' but steadfastly ignore the Social Security problems not only mislead the American public but also now present a real danger to the retirement security of today's workers.

Lesson No. 2: We must act to buttress the private pension and personal savings activity of Americans. While the need for Social Security reform has gained some national attention and numerous reform proposals have been made, Social Security is just one portion of our national retirement policy. We must also reform the other components with similar zeal and creativity. Just as the debate on Medicare was taken to a new level last year, with a general consensus developing that more individual choices should be offered, and just as the debate on Social Security is moving toward a new level with the discussion gravitating toward personalized savings options, the debate on employer-provided pension reform must move to another level as well.

Our current pension structure does nothing for roughly half of our working population and neglects mainly the poorer workers at that. We do not need further tinkering, but we need new ways of thinking. We must also move with similar urgency and innovation to address the significant inadequacies in personal savings. While new tax incentives for savings seem to be the standard for the solution, increasing education on the need to save and changing the cultural attitude toward thrift may be even more effective and at a lower price in some regards.

Lesson No. 3: We do not have time for political silliness. Our most basic lesson is that we must consider and deal with the totality of the problem. Any retirement reform proposal must be looked at through a comprehensive, long-term lens. The fundamental test for each private pension or personal savings proposal must be: Will it really expand pension coverage or savings? And a key test for Social Security reforms must be: Will they complement, not undermine, our pension and savings goals?

Based on the facts I have just discussed, we do not have time to pass feel-good proposals that will end up making a bad situation even worse. We believe that many of the Democratic proposals would fail this test. While in theory they may work to give workers more pension security, in practice we know increased mandates, administrative expenses, and regulation causes businesses—and particularly small businesses—to opt out of pension activities. We have seen that in the defined benefit area especially.

Some Republican proposals should be reexamined as well. If tax incentives like IRA's only cause shifting of savings and not new savings, a tax cut that offers working folks new money to save may be a better approach.

It is important to keep in mind that the problems we confront result from an excess of good news. Americans are living ever longer, the Nation is prosperous, and we have come to expect a relatively comfortable retirement lifestyle. Our senior population is, as a whole, a generation that is in better financial shape than the other generations within the country.

These expectations, however, are running head-on into unavoidable demographic facts. Thus, we believe the Nation's retirement structure, a public program designed in the 1930's and which has become a Rube Goldberg hodge-podge of tax and regulatory provisions built up over time, must be overhauled and restructured in light of the population pressures the Nation confronts. Continuing a process of incremental changes will continue failure. Outdated structures offer little hope for achieving what must be achieved.

During the next few weeks, it is my intention to offer specific options which will lead to a comprehensive response to the problems which we have in the Social Security accounts, the pension accounts, and the savings area. I do not expect these proposals to be the end of the discussion but rather to be an effort to energize and promote the discussion. What is critical, however, is that we dedicate ourselves to the fact that we have to take action and we have to take it within the context of the next Congress. During this election year, when many politicians are putting their heads in the sand on this issue, we cannot afford that type of action.

As we go into this election cycle, there should be a significant national debate and discussion of just what we are going to do in the area of retirement security.

Mr. President, I yield the remainder of my time and I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to speak as in morning business.

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

Mrs. FEINSTEIN. I thank the Chair.

(The remarks of Mrs. FEINSTEIN and Mrs. HUTCHISON pertaining to the introduction of S. 1985 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, I ask unanimous consent to proceed as in morning business.

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

(The remarks of Mr. BRADLEY and Mr. WELLSTONE pertaining to the submission of Senate Resolution 282 are located in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

## AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT FOR FISCAL YEAR 1997

The Senate continued with the consideration of the bill.

Mr. EXON. Mr. President, I wonder if the Senator from Nebraska might inquire from the managers of the bill as to the status of the Ag appropriations bill.

I had the false impression earlier that there were not many matters to be resolved. I would simply observe the obvious, that not a great deal has taken place since noon when we had some votes. I would just like to know, for the schedule of the Senator from Nebraska, if the managers could advise as to the status of negotiations going on, whatever they are. What are the remaining matters of controversy on the Ag appropriations bill, which I thought had been so ably managed out of the committee by the managers of the bill, that we probably were down to not a great many contentious issues.

We have not had a vote since noon, and since I have been around here a long time, I know I get the signal when you do not vote from noon until 5 o'clock in the afternoon, that means we might not vote by 8 or 9 o'clock tonight. I know that my friend from Mississippi has been struggling with this bill. The Senator from Nebraska has had some interest in some side issues that have basically been resolved. I inquire of the managers of the bill if they could enlighten this Senator as to what likely might happen the rest of the waking hours today or in the evening.

Mr. COCHRAN. Mr. President, if the Senator will yield, my impression is that we are making progress in negotiating some proposed amendments with various Senators. There is a likelihood that we can resolve most of these issues without rollcall votes. There probably will be a vote on final passage, a rollcall vote on final passage. Senators can be assured of that. Depending upon how the negotiations go over the next several minutes, we should know soon about how many votes are likely to be required before we finally dispose of the bill.

I think we have made good progress and I am encouraged we will be able to complete this bill today sometime. I hope we do not have to go into the evening tonight. I see no justification for that. We cannot control that. If some Senator wants to talk about an amendment, he or she can start talking and, unless we have 60 votes to cut off debate, we cannot stop them. But I do not see that as happening. I think things are progressing in a way that will lead us to conclude this bill sometime this afternoon.

Mr. EXON. I certainly appreciate that optimistic report from my friend. That would mean the Senator from Mississippi holds out the hope we maybe would have final passage by 6 o'clock? Is that a fair assumption on the part of the Senator from Nebraska?

Mr. COCHRAN. Mr. President, if the Senator will yield further, I do not predict any particular time. I am hopeful we will be able to complete action sometime this afternoon, certainly before evening.

Mr. BUMPERS. Senator, I suggest if you have plans after 6 o'clock, cancel them. We have been here since 12 clock without one single amendment being offered, without anything happening. As the Senator from Mississippi said, a lot of negotiations are going on. I assume some progress is being made. But we have about four pretty contentious amendments and I do not know whether they are resolvable or not. If they are not, obviously each one of them is going to require a rollcall.

We have a number of other amendments that we could offer right now that have been cleared but, as I say, we have four or five that are pretty contentious. I do not know whether any progress is being made. But, if it is not, we are obviously going to be here for a while.

Mr. EXON. I thank both of my friends. I find myself in a similar position they are from time to time. It is very frustrating to manage bills on the floor of the Senate: Nobody offers any amendments; nothing is accomplished.

I wondered about this earlier, since we have not voted since noon. As far as I know, no amendments have been offered since noon. I would simply say, we get into these ruts from time to time. I am certainly not blaming either of the managers of the bill. They are the ones who have been here. It is most frustrating on their part. I was simply making inquiry to maybe jar things along, to help the managers of the bill. I know they are trying to break the deadlock.

I hope it takes place, and I appreciate their frankness with regard to what I think is a rather dark prospect for early resolution of these matters this afternoon. I hope we can dispose of them sometime during the daylight hours.

I thank the managers of the bill.

Mr. FEINGOLD. Mr. President, yesterday, the Senate approved by unanimous consent an amendment to reauthorize USDA's authority to allow seasonal base plans under Federal milk marketing orders. Producers in Wisconsin have no quarrels with seasonal base plans but they want assurances that they will not exacerbate what they believe to be an already discriminatory pricing structure within Federal orders. Farmers in Wisconsin seek assurances that seasonal base plans for milk marketing orders are neither intended to nor will have the effect of increasing milk prices or production on an average annual basis. Mr. President, I ask the managers of H.R. 3603, Is it their understanding that seasonal base plans under milk marketing orders will increase neither overall prices levels nor milk production in orders in which they are implemented?

Mr. BUMPERS. Mr. President, the Senator from Wisconsin is correct. The seasonal base plans reauthorized by this bill are merely intended to level production and prices over the year to stabilize the market and are not intended to provide any price enhancement or production incentives, measured on a yearly basis, to dairy farmers in those orders. The Secretary of Agriculture should administer any seasonal base plans consistent with that understanding.

Mr. COCHRAN. Mr. President, that is my understanding as well. Seasonal base plans are merely a stabilization tool, not a price enhancement mechanism, and should be administered as such.

Mr. FEINGOLD. I thank my colleagues.

### NORTHERN PLAINS POLICY RESEARCH CENTER

Mr. CONRAD. Mr. President, I would like to discuss a matter of some importance to the Northern Great Plains and my State of North Dakota with the chairman and ranking member of the Appropriations Subcommittee. I note their presence on the floor, and ask if they would be willing to engage in a colloquy at this time.

Mr. DORGAN. I too would appreciate the ability to discuss the bill before us with the distinguished Senators from Mississippi and Arkansas.

Mr. COCHRAN. I would be pleased to discuss this bill with the Senators from North Dakota.

Mr. CONRAD. First, let me thank the chairman and ranking member for putting together this important piece of legislation. They have an extremely difficult task balancing many important programs funded in this bill in the context of a very difficult funding situation. I know the committee receives many requests each year for worthwhile projects, and of course budget restraints make it impossible to fund all those projects.

One of the projects I believe the Senators considered this year was the development of a Northern Plains policy research center. As the Senators know, research models currently available provide important information to farmers and others in rural America regarding issues that affect rural economies. Unfortunately, the data collected through current research models, as valuable as it is, does not capture the special characteristics of Northern Great Plains agriculture.

Mr. DORGAN. I share the sentiments expressed by my colleague, and also would like to commend the Senators for the work they have done with this legislation. I would like to offer a few additional thoughts on the proposed Northern Plains policy research center. This center would conduct a wide range of policy-related research and outreach activities focused on policy changes for agricultural producers, agribusiness firms, and the rural economies of the Northern Plains States. The center would identify and evaluate alternative policies for Northern Plains commodities and value-added products; evaluate the impact of policies on international competitiveness, on rural business development, and on farm structure and sustainability; and examine the impact of cross-border policy inconsistencies in North America and strategies to improve export opportunities.

As the Senators know, these are not easy times for rural America. The center would play a critical role in the economic vitality of Northern Plains States. Would the chairman and ranking member be willing to indicate their thoughts on the establishment of a Northern Plains policy research center?

Mr. COCHRAN. The Senator from North Dakota is correct when they say this was one of the many issues considered by the committee this year. I agree that the data provided by the proposed center would be valuable to Northern Plains States. Unfortunately, the committee's funding allocation did not allow us to provide funding.

Mr. BUMPERS. I agree with the chairman's assessment.

Mr. CONRAD. Would the chairman and ranking member be willing to indicate whether they would support the USDA using funds provided in this bill for markets, trade, and policy research under the Competitive Grants Program to develop such a center?

Mr. BUMPERS. Let me say to the Senator that I would encourage USDA to assist in establishing a Northern Plains policy research center using funds provided in this bill, as the Senator indicated.

Mr. COCHRAN. I share the view expressed by my colleague from Arkansas. I would just add that the committee expects the Department to consider only those applications judged meritorious when subjected to the established review process.

Mr. CONRAD. I thank the Senators for their support and for their comments.

Mr. DORGAN. I also want to express my deep thanks to Senator COCHRAN and Senator BUMPERS.

RURAL TELEMEDICINE AND DISTANCE LEARNING SERVICES GRANT AND LOAN PROGRAM

Mr. CONRAD. Mr. President, would the Senators be willing to engage in a colloquy regarding the Rural Telemedicine and Distance Learning Services Grant Program at this time?

Mr. COCHRAN. I would be happy to engage in a colloquy with the Senator from North Dakota.

Mr. CONRAD. I appreciate the subcommittee's support for the Rural Telemedicine and Distance Learning Services Grant Program, and am pleased to see that the subcommittee has provided $10 million for this important program. In 1993, the University of North Dakota School of Medicine and Health Sciences made a major commitment to the education and training of rural and frontier health care providers. To support this commitment, the school invested considerably in distance education technology in the form of satellite transmission equipment, upgraded telecommunications equipment, and advanced computer networks to develop the North Dakota Health Education Network. This network is an important component of the overall health education communication program that serves the State of North Dakota. However, the system would better serve educators, students, and the citizens of North Dakota if it had access to additional computer technology, two-way video technology, additional satellite downlink sites, and funds for additional medical and medical education programs.

I wish to make the subcommittee aware that the University of North Dakota School of Medicine and Health Sciences may submit an application for a rural telemedicine and distance learning grant to accomplish the additional activates I just described. Do the distinguished chairman and ranking member of the subcommittee agree that this grant application, if submitted, would be appropriate for consideration under the Rural Telemedicine and Distance Learning Services Grant Program?

Mr. COCHRAN. I agree that it would be appropriate for USDA to consider this application, if submitted, and I encourage the Department to give full consideration to an application for a rural telemedicine and distance learning grant from the University of North Dakota. Additionally, I expect the Department to consider only applications judged meritorious when subjected to the established review process.

Mr. BUMPERS. I share the chairman's view.

Mr. CONRAD. I thank the Senators for their support.

GRANTS TO BROADCASTING SYSTEMS

Mr. HATFIELD. Mr. President, the fiscal year 1997 Agriculture appropriations report references a Grants to Broadcasting Systems Program that I would like to discuss with the chairman of the Agriculture Committee, Mr. LUGAR, and with the Senator from North Dakota, Mr. CONRAD, who was the original sponsor of the program when it was authorized in the 1989 Rural Development Partnership Act.

It is my understanding that the program statutorily restricts eligibility for the program to statewide, private, nonprofit public television systems whose coverage is predominantly rural. In order to further clarify the statute, a new provision was added at my request to the 1996 Federal Agriculture Improvement and Reform Act of 1996 [FAIR] Act that defined statewide as having a coverage area of not less than 90 percent of the population of a State and not less than 80 percent of the rural land area of the State. Is my understanding of the statute correct?

Mr. LUGAR. Yes, the Senator from Oregon is correct. The new provision became effective upon enactment of the FAIR Act on April 14, 1996.

Mr. HATFIELD. Am I correct, then, in assuming that an applicant that meets the statutory eligibility criteria of the program as it was amended by the act would be considered eligible for the program upon the date of the act's enactment?

Mr. LUGAR. Yes, the chairman of the Appropriations Committee is correct. In addition, given the clear statutory eligibility requirements of this particular program, I can see no reason why eligibility could not be determined in the application process.

Mr. CONRAD. As the original sponsor of the provision that authorized the program in the Rural Development Partnership Act of 1989, I commend the Senator from Oregon in his efforts to not only further define the statute, but also to clarify the effective date of eligibility for applicants for fiscal year 1996 funding. It is my understanding that the definitional clarification offered by the Senator to the 1996 farm bill will not significantly increase the number of eligible applicants for the program. In that regard, I am providing for the RECORD a letter from America's Public Television Stations [APTS] which provides a list of those public television systems that, given the amended statutory criteria, would be eligible for the program. I ask unanimous consent the letter be printed in the RECORD.

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

AMERICA'S PUBLIC TELEVISION STATIONS,
*Washington, DC, July 22, 1996.*

Hon. KENT CONRAD,
*U.S. Senate,*
*Washington, DC.*

DEAR SENATOR CONRAD: I am writing in response to your request for assistance in identifying public television stations that may be eligible for the ''Grants to Broadcasting Systems'' program administered by the United States Department of Agriculture.

As I understand, to be eligible for the program a public television licensee must be a private, non-profit entity that provides statewide coverage that is predominantly rural. Based on a copy of the states considered ''rural'' by the Secretary of Agriculture and the statutory definition of statewide coverage as outlined in your letter, the following public television licensees would meet the statutory eligibility criteria:

Maine Public Broadcasting Corporation,
Prairie Public Broadcasting, Inc., North Dakota,
Oregon Public Broadcasting, and
Vermont ETV, Inc.

Please let me know if I can provide you with any further assistance.

Sincerely,

DAVID J. BRUGGER,
*President.*

Mr. CONRAD. My colleagues are aware that I serve on both the Senate Budget and Agriculture Committees, and that I have long been concerned about efficiency in Government. One effective method of reducing Government administrative expenses is writing regulations only when interpretive guidelines are necessary. In the case of the Grants to Broadcasting Systems Program, the statute, as amended, clearly speaks for itself, and the amendment offered by the Senator from Oregon clarifying the definition of statewide does not change the program substantively. Finally, I would like to associate myself with the statement by the chairman of the Agriculture Committee that there should be no reason why eligibility for this program could not be determined in the application process.

Mr. HATFIELD. I appreciate the comments of my colleagues from North Dakota and Indiana, and assume that the USDA will be attentive to the discussion that we have had with regard to this program.

AMENDMENT NO. 4997

Mr. SARBANES. Mr. President, I am pleased that the managers of the bill have agreed to accept the amendment which I offered on behalf of myself and Senator MIKULSKI to continue three important research programs at Beltsville Agricultural Research Center. My amendment restores $458,700 to the Regulation of Chilling Injury By Polyamines and Membranes in Apple, Tomato, Squash, and Pepper Program; $240,000 to the production and evaluation of tissue cultured fruit crops; and nondestructive sonic sensing of firmness and/or condition of apples and other agricultural commodities. These programs are critical to growers, to maintaining a nutritious and safe food supply for our consumers, to Beltsville's mission and to the Department's overall research objectives. I want to thank the distinguished chairman and ranking member for their support and help with this amendment.

Mr. BAUCUS. Mr. President, I rise today to express my support for the Agricultural appropriations bill before the Senate. I commend the chairman and the ranking member of the subcommittee for their hard work on this bill and I thank them for their efforts.

The bill before us includes a number of very important items. While the legislation is replete with programs which are of great benefit for the Nation as a whole, there are a number of provisions which are especially critical to Montana. And I'd like to address those issues right now.

Mr. President, I am pleased that the bill contains adequate funding for the animal damage control activities conducted by the U.S. Department of Agriculture. For livestock producers this is a vital program. And in Montana and the other Western States which are home to the reintroduction of wolves this program is essential—to both the producers in the affected region and to the wolves.

In the area of research I am pleased that the Senate mark has funded the Agricultural Research Service at a level above the level of appropriations for 1996. I feel that is appropriate. The Federal Agriculture Improvement and Reform Act of 1996 laid the foundation for a transition to dramatically decreased Federal involvement in agriculture production. That transition will result in a greater need to be competitive in agricultural production. Research holds the key to enhancing that competitiveness.

The research conducted and supported by USDA will help ensure that American agriculture continues the success that has characterized this industry over the past century. One facility which will play a role in this research effort is the Center of Excellence which is being established in Sidney, MT. I am pleased that the report language encourages the direction of adequate resources to this center.

This bill also provides for the continued funding of a number of research efforts which are underway in Big Sky country. These efforts which are largely cooperative efforts engaged in with other institutions will yield the technological advances which will carry Great Plains agriculture into the 21st century.

But Mr. President, it is important to note that there is one item which is not completely provided for in this bill. While I recognize the chairman's desire to avoid revisiting the farm bill, there is considerable need for a technical corrections package, but that package has not been forthcoming. And I am uncomfortable waiting until next year to repair some of these problems.

In one instance—regarding the payment rate for barley producers—there is an inequity which has not been totally resolved. While the initial payment rate projections for all commodities have been reduced from their initial projected levels, through no fault of their own, barley producers were dealt an exceptionally hard blow. Their payment levels which were lower than most commodities to begin with were dramatically impacted by calculations predicting the economic effect by 0/85 program acreage enrollment.

While this program had an effect on all commodities, due to high enrollment of barley acres it had a far greater negative impact on the barley payment rates than on other commodity rates.

So the barley producers have come to their Senators—those of us from barley producing regions of this Nation—and asked for our assistance. I want to give them the fair treatment they deserve.

I would thank the chairman and the ranking member for their assistance in reaching agreement on an amendment to repair this. But I would ask that this issue—this question of fairness for all commodities—be considered for further refinement in the conference. I think we can find a better solution to this issue and I look forward to working with the conferees on that effort.

Mr. President, I would conclude my remarks by urging my colleagues to support this bill—with the change I have mentioned. And I thank the managers for their work on this matter.

Mr. President, I yield the floor.

Mrs. BOXER. Mr. President, this is a very important bill for my State of California as we are the number one ranking agricultural State in the U.S.

While there are many issues addressed in this bill that are important for my State, I would like to highlight three California specific issues:

METHYL BROMIDE ALTERNATIVES RESEARCH

I am pleased that the Senate agreed to my request of an additional $1 million for methyl bromide alternatives research.

Methyl bromide is critically important to California agriculture for control of pre-plant and post-harvest pests, and is to date, the only cost-effective material for controlling a variety of soil-borne pathogens and weeds that can seriously impact crop yields. These uses are particularly significant for commodities such as strawberries, almonds, walnuts, raisins, and numerous other field and row crops.

Methyl bromide was listed as a Class I ozone depleting sub- stance in December 1993, and according to Section 602 of the Clean Air Act, it must be withdrawn from production, importation and distribution in the U.S. by the year 2001.

My ''Sense of the Senate'' on methyl bromide included in the farm bill sent a clear message to the U.S. Department of Agriculture that research into alternatives to methyl bromide must be a top priority.

The additional $1 million will bring the total up to $14.889 in 1997.

AVOCADOS

I support the concurrence of the Senate Committee on Appropriations with

the House report language regarding the regulation of importation of Mexican avocados.

Last year the U.S. Department of Agriculture's Animal and Plant Health Inspection Service issued a proposed rule governing the importation of Mexican Hass avocados into the United States. The proposed rule would allow Hass avocados to be imported into the Northeastern United States during the winter months of November through February.

California avocado growers have expressed their continued concerns that the USDA proposed rule inadequately protects their industry from harmful pests or disease that imported avocados may carry.

Importation of Mexican avocados has been prohibited for over 80 years because of the presence of at least nine known quarantined pests of economic significance. If pest-infested avocados are allowed into the United States, not only avocados but other crops such as citrus, apples, peaches and pears will be placed at risk.

In light of new scientific data which indicates that the incidence of avocado pests in Mexico is significantly higher than previously thought, it is very important that the Department of Agriculture determine whether the original data it relied on is sound and complete. If the Secretary cannot make this determination, I urge the Department to reopen the rulemaking record on the proposed rule, and undertake the procedures stated in the House report language before issuing a final rule.

FRESH-FROZEN CHICKEN LABELLING COMPROMISE

National poultry producers have in the past always put fresh labels on frozen chickens. They freeze their chicken rock solid, label it fresh, transport it across the U.S., thaw it out locally, and sell it to consumers as if it had never been frozen.

As the author of the Truth in Poultry Labeling Act, I have for years worked to disallow the use of the fresh label where a poultry product has been previously frozen.

Last year, after many years of public debate, we achieved a hard-fought victory for consumers when the U.S. Department of Agriculture promulgated a common sense rule on labeling fresh and frozen poultry. The rule which had been scheduled to take effect this August sets out three labeling categories: fresh poultry products which have never been chilled below poultry's freezing point—26 degrees Fahrenheit—would be labelled ''fresh''; 2) poultry products which have been chilled below 26 degrees but above 0 degrees would be labelled ''hard chilled'' or ''previously hard chilled''; and 3) poultry products which have been at 0 degrees or below would be labelled ''frozen'' or ''previously frozen.''

I believe that the implementation of the USDA-promulgated rule would eliminate consumer confusion, save consumers millions of dollars in premiums paid for frozen poultry they believe is fresh, and further restore consumer trust in the integrity of food labels.

However, language was included in the 1996 Agriculture Appropriations bill, that blocked implementation of the rule. My attempt to remove the language in order to allow USDA implementation of the rule was voted down by a vote of 31 to 68.

Since then, industry and consumer groups have reached a compromise which, while not perfect, is a significant step forward.

The compromise included in this bill is based on the requirement that the Department of Agriculture issue a revised final regulation based on a compromise that is supported by industry and many consumer groups.

The key positive development is the agreement that only poultry which has not been cooled below 26 degrees Fahrenheit can be labelled ''fresh.'' While this is a very significant step forward, I remain concerned about the clear labelling of products that are cooled to temperatures below 26 degrees but above 0 degrees Fahrenheit. The compromise would not require these products to bear any specific alternative labelling.

Mr. MCCONNELL. Mr. President, I want to commend subcommittee Chairman COCHRAN for his work on the Agriculture Appropriations bill for fiscal year 1997. This bill provides funding for all the activities under the jurisdiction of the Department of Agriculture, except for the U.S. Forest Service. It also funds the activities of the Food and Drug Administration, the Commodity Futures Trading Commission, and the Farm Credit System.

This has been one of the most difficult years to date and I congratulate Senator COCHRAN for his leadership in working through the difficult decisions in crafting this bill. In particular, Chairman COCHRAN and his staff are to be commended for the clarity that this bill provides for the budget of the Food and Drug Administration. That accomplishment required countless hours of hard work, but is just the sort of good government effort we have come to expect from the subcommittee chairman and the staff working under his direction.

FDA's core mission is to protect the health of the American people. A critical part of FDA's core mission is to provide Americans with timely access to drugs, medical devices, and food technologies that can improve public health. The Federal Food, Drug, and Cosmetic Act requires FDA to review and approve or deny petitions and applications for foods, drugs, and medical devices within specified timeframes. Yet, FDA routinely ignores its statutory deadlines. According to the agency's own numbers, FDA, on average, fails to review applications and petitions for every FDA-regulated product category within the prescribed timeframes. FDA's failure to comply with its statutory deadlines hurts patients and consumers waiting for market introduction of new therapies and technologies that can significantly improve public health. The report accompanying this bill, like similar directives from the House, makes clear the congressional expectation that FDA protect public health by performing product reviews within the timeframes prescribed by law.

This bill also directs FDA to complete several rulemakings that have been pending at the agency for as many as 6 years. Although I, like my colleagues, oppose overregulation, I do appreciate the need for regulations required to protect public health. Currently pending at FDA are several rulemakings that have fallen victim to unreasonable agency delay. FDA has identified each of these rulemakings as agency priorities. Yet, the agency's record of follow-through on these rulemakings is terribly lax. I commend subcommittee Chairman COCHRAN for including language in this bill that directs the agency to complete rulemakings necessary for the protection of public health without unreasonable delay.

During fiscal year 1997, this Senator will be closely watching FDA's performance. It is my hope that the agency will heed congressional directives to comply with statutory review times, as well as complete action on several rulemakings that the agency has identified as important for the protection of public health. Regrettably, over the last few years FDA does not have an impressive record of responsiveness to Congress. If FDA's failure in these areas continues, it is my expectation that the committee will revisit the issue with the intention of compelling FDA compliance with its statutory obligations.

Timely access to new therapies and technologies can significantly enhance public health. FDA must meet the requirements of the Food, Drug, and Cosmetic Act in its review of petitions and applications.

I am grateful that language concerning the regulation of commercial transportation of equine to slaughter is included. The committee urges the Department to expeditiously act to implement this regulation. Often these horses are transported for long periods, in overcrowded conditions, and often in vehicles that have inadequate head room. The implementation of regulations would allow horses to get to a slaughter facility safely and as quickly as possible with the least amount of stress to the animal.

Again, Mr. President, I congratulate Chairman COCHRAN on his leadership in developing a well balanced bill that addresses food safety, research, nutrition, conservation, market promotion, and development, and rural development.

Mr. BYRD. Mr. President, we have before the Senate the fiscal year 1997 appropriations bill for Agriculture, Rural Development, the Food and Drug

Administration, and Related Agencies. This bill, as reported by the Senate Committee on Appropriations provides $54,276,792,000 in total obligational authority for the coming fiscal year. This amount is $1,224,755,000 more than provided in the House bill, but it is nevertheless $4,040,522,000 below the President's request and nearly $10 billion below the amount provided for fiscal year 1996.

This bill provides funding necessary to support a wide variety of programs that are very important to all Americans. These programs include food and nutrition programs, environmental protection and conservation, rural development, export promotion, assurance that we have a safe food and drug supply, and research and education programs necessary for the production of agricultural products and equally important to consumers of those products. In fact this bill provides funding for all programs at the U.S. Department of Agriculture, except the Forest Service, and also includes funding for the Food and Drug Administration and the Commodity Futures Trading Commission.

While West Virginia may not reach the levels of traditional farm commodity production of some states in the Midwest or other regions of the country, this bill is very important to my state. West Virginia is on the cutting edge of new methodologies in aquacultural production for species that thrive in cool and cold water environments. There is a growing demand for these products and it is vitally important that we develop the tools and methods to increase production to meet this demand. This bill helps us to achieve that goal.

Conservation is important to all Americans. Without proper conservation practices, erosion would sweep our prime farmland into rivers and streams. Water quality would suffer, aquatic species would fail, and community costs for clean water would escalate. Proper conservation practices also mean better management of water resources in order to reduce the threat of floods. Recent events in West Virginia, and other states, remind us of the need to invest in flood protection and this bill helps forge the relationships necessary between federal agencies and local communities to best meet their water and soil management needs.

The Department of Agriculture provides a variety of programs important to rural communities. The Rural Development title of this bill contains a number of loan and grant programs to provide housing assistance, rural business and community development, basic utilities such as water and sewer services, and distance learning programs for improved rural communication.

Last year, the U.S. Department of Agriculture completed Water 2000, a study of safe drinking water needs in the United States. I hope everyone will take note of the results. Nearly 3 million families, representing 8 million people, do not have access to safe drinking water. Let me repeat that. Eight million citizens of the United States of America do not have access to a reliable source of clean drinking water. Every day, every night, millions of Americans can not turn on their faucets and drink safe water.

Regreattably, in my own state of West Virginia, the study reports that it would take $162.3 million to clean up and provide potable water to approximately 79,000 West Virginians. It would take another $405.7 million to meet the worsening drinking water supply situation of some 476,000 West Virginians. Many other states are facing similarly serious situations.

This bill provides nearly $659 million in budget authority for water and sewer programs. I am happy to note that this is a great improvement from last year's bill and is nearly the amount of the President's request. But our House counterparts recently approved their version of the FY 1997 Agriculture appropriations bill in which they provided only $496,868,000 for water and sewer programs. I urge my colleagues to stand firm on the Senate level of funding for these critically important programs. The bill also contains provisions to allow the transfer of funds from other programs to the water and sewer accounts, which represents the broad-based recognition that these services are very basic to all our people and deserve our attention.

I would also like the speak about a provision in the recently passed farm bill that involves rural development opportunities, the so-called Fund for Rural America. The Fund for Rural America, which is referenced in the report accompanying this bill, provides the Secretary of Agriculture $100 million directly out of the Commodity Credit Corporation to use, at his discretion, in a manner designed to assist rural Americans. Among the types of programs the Secretary can use through this Fund are rural housing, water and sewer loans and grants, rural business loans and grants, and a variety of research program initiatives.

Mr. President, this Fund presents the Secretary of Agriculture with rare opportunity. Over the past several decades, a number of Federal programs have been developed to assist rural America in a variety of ways. Unfortunately, budgetary constraints have limited the Secretary's ability to focus these programs on specific areas so that they can be utilized to their full potential. An unfortunate reality of our current fiscal condition is that scarce resources tend to be spread thin.

The Fund for Rural America gives the Secretary of Agriculture the opportunity to showcase what can be done for rural America, given adequate resources. There are rural areas throughout the Nation that are in desperate need of the types of assistance the Department of Agriculture can provide. There are such areas in West Virginia, there are such areas in the Western United States, there are such areas along the Lower Mississippi River Delta of which both the chairman and ranking member managing this bill are very familiar.

While I recognize the importance of providing the Secretary full discretion in how the Fund for Rural America is to be managed, I hope, and I believe, he shares my view that this Fund provides the type of opportunity I have just described. I am confident the programs administered by the Secretary can make a great difference in the lives of West Virginians, as well as in the lives of other rural citizens in all regions of the country. I hope the Fund for Rural America will give us the chance to see exactly what kind of difference it can be.

Mr. President, there are many other programs in this bill that are important. Obviously, food and nutrition are important to us all. Food safety and confidence in our drug and blood supply are also vitally important to every American. Agricultural trade continues to be a very bright star in our Nation's balance of trade. Protection of investors in the commodity futures markets is becoming increasingly challenging as the market place continues to develop new and innovative forms of transactions. All these areas of importance are touched on by programs funded in this bill.

I am pleased to express my support for this bill and I want to congratulate the very capable chairman and the equally capable ranking member of the Agriculture and Rural Development Subcommittee, Senators COCHRAN and BUMPERS, for crafting this bill and bringing it to the floor. As is too often the case, I wish we were able to do more to increase funding for these important programs beyond the levels contained in this bill. However, given all the budget constraints with which we are faced, I believe an admirable job has been done. I fully expect a strong show of support in Senate passage of this bill, a successful conference with the House, and approval by the President.

I also thank the subcommittee staff for their fine work: Galen Fountain and Carole Geagley for the minority, and Rebecca Davies, Jimmie Reynolds, and Hunt Shipman for the majority.

Mr. DASCHLE. Mr. President, I support the agricultural appropriations bill that we are considering today and want to commend the chairman, the Senator from Mississippi, and the ranking member, the Senator from Arkansas, for their work on this important legislation. They and their staffs have spent countless hours under enormous pressure trying to ensure that discretionary agriculture programs are adequately funded. Considering the fiscal constraints with which they have been forced to comply, they have done a commendable job.

The appropriations process is never easy, as the committee faces a number

of difficult choices. For this reason, the bill does contain some provisions that are troublesome to me. For example, I regret the decision to provide less than full funding for the food safety inspection system at the same time the USDA is implementing the new science-based meat and poultry inspection system, the hazard analysis of critical control points [HACCP]. Also, the potential reduction in Federal outlays for lending programs that benefit our Nation's farmers, ranchers, and rural communities could jeopardize the rural economy. These issues deserve further attention.

Mr. President, I am not entirely pleased with the shape of this legislation. However, I am hopeful that it can be improved in conference with the House. Therefore, I urge my colleagues' support of the bill.

Mr. HATCH. Mr. President, after listening to our debate today, it strikes me that the agriculture appropriations bill is really fundamental to the heart of the Food and Drug Administration [FDA] reform initiative that so many of us in the Congress believe is drastically needed.

I think that a majority of Americans would be surprised, perhaps even shocked, to learn that the FDA routinely ignores deadlines set forth in the law, deadlines for reviews of products vital to public health such as approvals of new medical devices or generic drugs.

The committee, in fact, recognized this disregard of the law and its dramatic impact in its report this year. The committee noted in part:

> The Committee expects the FDA to meet statutory review times for the review and approval of various food, drug and device applications and petitions . . . Extensive testimony has been presented about how the delay in approval of new drugs and medical devices has hurt American public health because U.S. patients do not have access to the latest technologies. Also, slow approval times are driving research and manufacturing jobs in these industries overseas, where earlier approvals are routinely expected.

The committee went on to say:

> The problem is this agency often disregards its statutory obligation to approve or deny various applications and petitions within specified timeframes. As a result, many applications disappear into FDA for years.

For the edification of my colleagues, I want to point out a few examples of statutory mandates which the FDA has failed to meet.

Section 409(c)(2) of the Federal Food, Drug, and Cosmetic Act stipulates that FDA consideration of food additive petitions must normally be completed within 90 days. The FDA performance is so pathetic in this area that the Department of Health and Human Services fiscal year 1997 budget justifications do not even contain quantification of the backlog in this area. The FDA report merely states, ''The backlog currently includes approximately 300 petitions, with 11 classified as 'novel or important.'''

However, a report by the House Committee on Government Reform and Oversight in December 1995 indicated that since 1970 the average time to approval of a direct food additive has been at least 20 months.

It is interesting to note that at the time of the House committee's June 22, 1995, hearing on food additives, there were 295 pending food additive petitions. Seven percent of them were filed between 1971 and 1979.

The story is not much better for drugs and devices.

For human drugs, the mean approval time for new drug applications [NDA's] in 1995 is 25.7 months; that is 428 percent greater than the statutory deadline of 6 months.

For animal drugs, the comparable 1995 figure is 39 months, which is 6 times the statutory timeframe of 6 months.

For generic animal drugs, the time is 31 months, 5 times the limit of 6 months.

For human generic drugs, the average approval time is 34.2 months, an incredible 570 percent greater than the statutory deadline of 6 months.

Although the pioneer and generic animal drug approvals exceed their statutory deadlines by substantial amounts, it is puzzling why the agency allocates its resources so that generic animal drugs are approved faster than generic human drugs.

Let me turn now to medical devices.

Approval of 510(k) applications is running at 137 days on average, which is 47 days beyond the statutory 90-day timeframe.

For pre-market approvals, the 1995 statistic is 276 days, which is nearly 100 days beyond the law's 180-day mandate.

In perhaps the most blatant disregard of congressional directives, the Appropriations Committee was forced to note this year that the FDA did not even honor the Committee's request for quarterly reports on its plans to refocus resources and make a greater priority completion of ongoing product reviews.

Mr. President, I have devoted a good deal of my congressional career to study and advocacy of FDA related issues.

I consider FDA to exemplify what is best in government—and, unfortunately, what is worst.

This agency can work miracles to protect the public health.

This agency can also go off on a tangent, with a bureaucratic, one-way/my-way attitude that rivals none in its ability to obfuscate and circle the wagons.

In my experience, FDA responds to much of such criticism by citing that it does not have the resources it needs to do the job.

Mr. President, I will take a back seat to no one in my support for adequate funds and facilities for the FDA. As a member of the Labor and Human Resources Committee for 18 years, I fought hard for improved resources for this agency.

But, today, the FDA's plaint of inadequate resources is only in part truth—in part it is bunk.

The FDA does, in fact, have the resources it needs to accomplish its core mission, such as product review.

The Appropriations Committee has worked hard to review the FDA's accounting in great detail and provide them with necessary funding in the bill we consider today.

What FDA does not have resources for is to self-generate work or expand its mission.

Moreover, the fallacy of the FDA's ''we don't have the resources'' defense can be found in this simple question: ''If you don't have the resources, why don't you request them?''

If the agency is serious about product reviews and can't meet deadlines, then why don't they seek the resources to do the job?

Those of us who take a great interest in the FDA have struggled for years to find a method to compel the agency to focus its priorities. We must find a way to discourage them from adopting that infamous kid-in-the-candy-store attitude which has led to an ever-expanding empire at the expense of meeting statutorily mandated deadlines. The FDA never met an issue it didn't like, no matter how small or how large.

That is the central issue of the debate on FDA reform.

And as I listen to our debate today, I have realized that the will of the FDA follows its resources.

With the Prescription Drug User Fee Act of 1992, the Congress provided a new source of income for new drug approvals —industry-funded user fees— and suddenly new drug approval times are coming down dramatically.

Unfortunately, though, the agency—which during our GATT debate was such a staunch defender of the generic drug industry —seems to have abandoned its commitment to that industry when you look at the budget for next year, which presumes decreases in FTE's for generic drug reviews and increases in product approval times.

That is why we are seeing such a bitter debate today over issues such as the Medguide regulations.

I think that any objective study of Medguide will show that the FDA has taken an old regulation off the shelves, dusted it off, and attempted to move it forward almost 20 years later.

When challenged about the initiative, they have resorted to their public health defense, exhorting their allies in the Senate to throw up the special interest shield, the most common FDA tool to block legislative activities the agency dislikes.

If there is such a pressing public health need for the Medguide regulation, then why has it laid dormant for almost 20 years?

Perhaps the publicity this debate has engendered is the real answer.

But the bottom line is that the FDA must get serious about using its resources more wisely. That would do a

lot to restore its credibility with the Congress.

Let me turn now to some specifics in the bill we are considering today.

The legislation contains three technical amendments to the recently enacted FDA Export Reform and Enhancement Act that the committee included on behalf of Senator GREGG and myself.

The purpose of the Export Act is to increase the opportunities for U.S. firms to export their medical products to our trading partners around the world. This new law will result in jobs for Americans and will help keep our country as the leader in developing new medical technologies.

Consistent with the intent of the new export law, these technical amendments, included in the Appropriations Committee mark, would make three clarifications. The first is that products which have not been approved in the United States may be imported for further processing, such as sterilization, and then exported.

The second change clarifies that FDA-approved insulin, antibiotic drugs, and animal drugs which may be exported, subject to section 801(e)(1) of the Federal Food, Drug, and Cosmetic Act, for other than FDA-approved indications need not also meet the labeling requirements of section 801(f).

The final change explains that products exported under section 802 must, consistent with the requirements of section 201(m), include the labeling required by the approving and importing country.

Next, I would like to discuss briefly the issue of the patent extension for the drug lodine that is contained in the House companion to this bill. We are all sensitive to the issue of legislating on appropriations bills. We all recognize the need to respect the process by which authorizing committees develop legislation.

But given the realities of the legislative calendar, we also know there will be very limited opportunities to pass any new free-standing bills during the remainder of this session.

The plain truth of the matter is that between now and adjournment there will be extraordinary pressures to attach amendments to any active legislative vehicles and many of these will be appropriations measures.

During consideration of the issue related to pharmaceutical patents and GATT, the Senate Judiciary Committee, at the request of Senator SPECTER, included a lodine patent extension provision and the bill was approved by the committee on May 2. In response to Senator PRYOR's attempt to attach his version of pharmaceutical patent legislation on the Department of Defense authorization bill, S. 1745, I offered the Judiciary Committee compromise legislation, further modified by an amendment by Senator SPECTER. This amendment, which was adopted on June 27 by a 53–45 vote, also included the lodine amendment.

In my view, should it be considered advisable to retain lodine provisions in the agriculture appropriations bill, I believe that the language of the Judiciary Committee compromise amendment, already passed by the full Senate, is preferable to the House-passed language.

This is so because some have read the lodine provision adopted by the House to suspend the operation of the Bolar provisions of the Hatch–Waxman Act with respect to this one drug. This is the exception to the general rule against patent infringement that allows generic drug firms—and only generic drug firms—to test and seek FDA regulatory approval for their products prior to the expiration of the patent of the pioneer product.

If this is the correct reading of the House language, the effect would be to extend the exclusivity period for lodine for 2 to 5 years beyond the 2 years nominally stated in the amendment. Two years should mean 2 years, not 5 or 7 years.

The Senate-passed lodine provision closely parallels the daypro provision signed into law. We should retain this approach with lodine by adopting the Senate language contained in the DOD authorization.

I wish to also make a few comments about saccharin. The House bill contains a 5-year extension on the ban to prevent FDA taking saccharin off the market. The Senate bill provides a 1 year extension for saccharin.

Unless the Congress acts, the FDA will be compelled to enforce the mindless zero risk standard imposed by the Delaney Clause and ban saccharin.

While I believe that this matter should be addressed through the authorization process and that the Delaney Clauses be repealed, in the short term, I believe it prudent to adopt the House's 5-year extension.

Let me say again that there are strong arguments to be made that an appropriations bill is not the best mechanism to legislate on such controversial matters as the Delaney Clauses. But some believe that the Delaney Clauses are too controversial to address in a comprehensive fashion when the FDA reform bill is taken up in the next weeks. This raises the question of whether the FDA authorizing statute—the Federal Food, Drug, and Cosmetic Act—can be said to be truly reformed if the Delaney Clauses are left intact.

I know how I come out on that question because I am among those who believe that the Delaney Clauses are among the most illogical, unwarranted laws on the books.

In this regard, I must salute our colleagues in the House, who voted last night 417 to 0 to do away with the Delaney provision in the context of pesticide residues. Our colleagues have much to be proud of in their unanimous decision to reject the zero risk stranglehold of Delaney with the new reasonable-certainty-of-no harm test.

It seems to me that the Congress should act favorably on the pesticide provision and expeditiously act on the other areas affected by Delaney Clauses: food and color additives and animal drug residues.

Frankly, Congress long ago recognized, based on the established science on the issue, that the benefits of saccharin exceed the risk.

While saccharin in high doses caused tumors in laboratory animals, FDA recognized that there is no evidence that this product has harmed humans. Despite this, the law would have required FDA to ban the product unless the Congress overrode this particular application of the Delaney Clause.

Subsequent to the initial congressional action on this matter in 1977, the Saccharin Study and Labeling Act, this moratorium was extended by Congress 6 more times, many times at my initiative and with bipartisan support.

Because, to my knowledge, no evidence has come to light that the risk of saccharin is any greater than previously thought, I see no more reason to ban this product today than existed in 1977. In fact, I understand that more recent studies indicate saccharin does not pose the cancer risk in animals that it was thought to pose 20 years ago.

I do see many good reasons to change the Delaney Clause.

As a realist, I know that some would be tempted to take to the floor and debate this at length, so I cannot be certain that this battle will be won quickly, or even this year. For that reason, I believe that the 5-year extension in the House bill is preferable to the 1-year provision currently in the Senate bill.

In closing, Mr. President, I commend my colleagues, Senators HATFIELD, COCHRAN, BYRD and BUMPERS, for their hard work in bringing forward these FDA provisions and also for their diligence in making certain the agency is made more accountable to the public. These are the first, and most important, steps in FDA reform.

Mr. COCHRAN. Mr. President, we are prepared now to announce that the indications are encouraging, that a number of amendments that have been pending and are to be offered have been or are being resolved. We do have a couple of amendments that we had hoped could be worked out but we do not think can be worked out.

Senators are deciding now whether to withdraw those amendments, look for another vehicle to offer the amendment on later, or offer the matters as freestanding legislation. Let me just say, most of these issues—I think maybe all of them—involve legislation and really do not deal with the funding levels in the bill.

We also have one other problem that has arisen because, since this bill funds the Department of Agriculture, Senators have amendments that come under the jurisdiction of the U.S. Forest Service, legislative in nature. And

the Forest Service really is not funded in this bill. The Forest Service is funded in the Interior appropriations bill. So we are trying to encourage Senators who do have amendments that cannot be accepted on this bill, to consider offering them as amendments to the Interior appropriations bill or as freestanding bills on another day.

Having said that, I think it is likely we are going to proceed very soon, presenting those amendments, announcing the decision of Senators, and voting on those that require rollcall votes.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I listened carefully to my good friend from Mississippi. I have a feeling that my amendment, while it comes close to his description, I am hoping it is somewhat outside the pale—an expression that he, with his cosmopolitan and erudite upbringing, his education in another part of the world dear to both of us, would understand, the expression, ''beyond the pale.'' So, I might try to bring it within the pale of acceptability. Since the managers are not too pressed for time, I was thinking, perhaps to give the Reporter of Debates a chance to rest a bit, I may suggest the absence of a quorum for just a couple of moments so that we might reason together.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. COATS. Mr. President, what is the current status of the legislation?

The PRESIDING OFFICER. The pending amendment before the Senate is Brown amendment No. 5002.

Mr. COATS. Mr. President, I ask unanimous consent that that amendment be temporarily set aside so that I may speak on the bill in general.

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

Mr. COATS. Mr. President, earlier there was discussion—not discussion, a statement on this floor—by a Senator on the Medguide. The Medguide issue is an issue that arose in the Labor and Human Resources Committee discussion of the Food and Drug Administration reform effort.

Medguide is an attempt by pharmacies and pharmacists to provide consumers information relative to the drugs that are prescribed by those pharmacists. The industry has attempted in the last few years to prepare software which would allow them to prepare leaflets and information for distribution to their patients, those seeking to have their prescriptions filled at the pharmacies, which would provide those consumers with information about the impact of those drugs on their health, the dosage, what contraindications might be necessary; in other words, warnings as to what the side effects are, warnings to not mix these drugs with certain other drugs that the patient may be taking, and so forth.

An example of these are—I hold these up. Here is one from Eckerd, ''RX Adviser,'' for the drug Novolin. It is easily readable. It describes the prescription number, the date on which the prescription was filled, the directions to the individual taking the prescription, and then it lists how to use this medicine. It is formatted in bold type. It has cautions and possible side effects, and it is very consumer friendly. It catches your eye. It grabs your attention. It is in different colors.

Here is one from another pharmacy, CVS for Zantac, 300 milligram tablet. It again tells the prescription number, the name of the individual it is prescribed for, how to take this medication, what the uses are, side effects, precautions, notes to the consumer—very helpful information.

I have a whole raft of these that are currently being distributed and handed out by pharmacies across the country. In fact, in 1995, it is estimated that nearly 65 percent of all patients received this information from their pharmacist, up from just 20 percent 3 years ago.

Now, many in the industry believe we have gone beyond that point. I think that is a conservative estimate. Many believe we have already reached the 75-percent level of consumers receiving this information, which happens to be the goal set by Health and Human Services Healthy People 2000 Goal Program. So we are 4 years ahead of schedule with private industry. But now along comes the FDA saying: Oh, no. No, no, no. We do not trust the professionals to advise those taking these medicines to do a competent job to provide necessary warnings, to provide appropriate consumer information. We think this is something that the Government needs to step in and regulate. And so we, the FDA, need to make sure that these consumer information guides which are in addition to, by the way, the manufacturer's required printing of all of the compounds that go into the drug—all of us have seen those. You get your bottle of prescription drugs, and you pull out a piece of paper and you extend it out 2, 3, 4 feet and the print is so small that those of us over the age of 20 do not have the eyesight to read that. If we could read it, we would not understand what it says. And so the pharmacies have said let us boil this down into everyday common language and make sure the consumers get the right information. But the FDA says we do not trust the industry to do that; we need to make sure that we have a plan that will ensure that the information given to consumers fits our requirements. And by the way, we are going to have to approve all of these proposals of information to make sure that it is not violating anything that the FDA wants to check. And so they have put out these nice, big, thick rules and regulations called ''Prescription Drug Product Labeling, Medication Guide Requirements, Proposed Rule,'' issued on August 24, 1995.

If you thought it was hard to read and understand the drug manufacturer's instructions about drugs, you ought to try reading FDA's proposed rule. On and on it goes for page after page—nearly 100 pages of fine print now that everybody is going to have to sort through, every manufacturer is going to have to sort through, adjust all of their information to the Government regulated point size of lettering, to the Government regulated headings. They are going to tell you what headings you have to use. They are going to tell you what size of type you are going to have to use.

Interestingly enough, the samples that FDA puts out which follow their recommended guidelines are only about one-tenth as intelligible as the information currently being distributed to the patients when they receive their prescriptions. Typical Government bureaucratic ineptitude, mediocrity, and obfuscation that we find in Government agency after Government agency advising consumers as to how to use a product or how not to use a product.

And so we bring in another Government agency to tell private industry what to do, and in telling them what to do they are going to turn a readable, consumer-friendly product into your typical Government, IRS, unintelligible form of how to do all this.

Let me find this section here that describes some of the requirements:

> Format for Medication Guide.
>
> The medication guide shall be printed in accordance with all the following specifications:
>
> A. The letter height or type shall be no smaller than 10 points.

And they point out here that one point equals 0.0138 inches. See all these people measuring with a little ruler here, is this greater than 10 times 0.0138 inches?

> For all sections of the medication guide except the manufacturer's name and address and revision date.

Interestingly enough, they do not say how big the manufacturer's name and revision date are, probably the two most important pieces of information are not described here:

> B. The medication guide shall be legible and clearly presented.

Well, the current industry forms are very legible and very clearly presented. But does that satisfy the FDA? Oh, no. Oh, no. It has to be printed and legible like the FDA forms that they provide as samples which, if anybody cares to look, are illegible and unintelligible.

So we are going to go to the Government format for that. On and on it goes:

The words ''Medication Guide'' must appear—

So forth and so on. And then here is the killer. Here is the killer. And this is why people ought to be concerned about FDA sticking its head in here where it does not need to. This medication guide has to have this verbatim statement.

This medication guide has been approved by the U.S. Food and Drug Administration.

And that has to appear on the bottom of every medication guide.

The whole purpose for FDA reform is because you cannot get anything approved at FDA. And so instead of consumers receiving helpful information, they are going to be sitting around waiting for month after month after month after month or year after year after year for FDA to approve the guide that tells them how to use the medicine. Now, FDA says: Oh, no. We can handle this without a problem.

They cannot handle anything else without a problem. Consumers not only are unable to get the medications they need because FDA takes years to approve it, now they are not even going to be able to get the information to use the medication because the FDA once again has to approve all of the information.

On and on this goes with prescription after prescription as to just how these advisories should be put together.

I guarantee you, anybody who has had experience with FDA, anybody who has listened to drug manufacturers or medical device manufacturers tell the horror stories about getting even the most simple of medical devices approved or even drugs that have been tested clinically approved, used for years in other countries without problem, yet cannot receive approval here in the United States, will quickly realize the problem that we are developing here.

So FDA now will create a whole new bureaucracy. They will create a whole new process of making sure they approve all of the Medguide statements.

Now, we took this issue up in committee, and in committee after significant discussion it was determined by a majority of members on a bipartisan basis—I believe the vote was 13 to 3. Members need to understand this is not a politically partisan debate. This is a debate between those who want to hold on to the status quo of mediocre, inept Government bungling and bureaucracy and those who think that maybe private industry has a more efficient, effective way to do it and perhaps can even protect the consumer a little more efficiently and effectively than FDA has been able to protect the consumer.

We have gone through several decades now of denying effective treatment and drugs and devices to American consumers because FDA does not have the capacity to adequately and on a timely basis examine and approve or disapprove submittals of either drugs or devices that can benefit the consumer. I have a lot of manufacturers that would simply say, if they would just call us up and tell us they would disapprove it, they would not have to go through this year after year after year of inept bureaucratic bungling to determine whether or not our product is going to be allowed to be marketed in the United States.

So, here we have another Big Government stride into a brand new area of regulation, regulation that currently is handled at the State level. State pharmacy boards traditionally regulate pharmacists, have the authority to regulate pharmacists. They have been providing services to the patients and consumers for a long, long time in this country.

We have now an FDA that will, again, issue a regressive regulation which will stifle innovation and changes in pharmacy information. We have an FDA which will provide a one-size-fits-all, bureaucratically uniform style of type, style of heading, style of verbiage. Any of you who have to struggle through, as I do every year, trying to read the IRS instructions as to how to fill out your income tax will understand that somehow Government just cannot seem to get instructions into common, everyday language. I am afraid we will see more of that out of FDA.

The most ironic thing here is that people have been pleading with FDA for more focus on their necessary items. No one is saying we ought to close down FDA. We are simply saying, can you focus more of your resources and your effort on the more essential elements of your business here? Yet now we are going to take already scarce, depleted resources and shift them and divert them from their primary focus of providing safety and efficacy for drugs and devices and protecting the Nation's food supply, to making sure that the information handed to the consumer, which is a duplicate, which is in addition to all the requirements that the drug manufacturer has to put in the medicine, consumer-friendly information—we now have to make sure this complies and gets approval from the Food and Drug Administration. I think they ought to spend more time approving drugs, more time approving devices, and less time worrying about whether this is 10-point type or 12-point type.

How interesting to note that the advisories that we have examples of here are far more readable, far more presentable and far more legible than what the FDA, in their regulation, says it ought to be. The last thing a pharmacist or a pharmacy wants to do is hand its own customers something that is illegible. What they really want to do is hand them something that they can read and understand, because if they do that, they will come back.

I get frustrated over this whole process, as you probably can tell. I am frustrated that we cannot proceed on meaningful FDA reform when we have such a bipartisan consensus on doing this. The vote in the Labor and Human Resources Committee was 13 to 3. We had solid support from both Democrats and Republicans on the need to do this. Yet, because FDA reform is stalled and cannot seem to work its way before the U.S. Senate, the Senator from Mississippi, whose committee has jurisdiction over the appropriations, took this portion of the proposal, which would impose some requirements and restrictions to make sure these private advisories comply with what is necessary, and incorporated that language in the agriculture appropriations bill. Suddenly we have had this big holdup here over whether or not this language ought to be here.

Mr. President, my understanding is that some agreement has been reached on a watered down but hopefully still effective change in the language, which will be the subject, apparently, of a colloquy that will be coming shortly between the chairman of the committee and the Senator from Massachusetts. I hope the agreement which is reached is not one that the FDA will find another excuse not to implement, because my understanding is that the agreement is subject to the approval of the Commissioner of the FDA, who is probably the biggest problem we have at FDA right now.

One of the amendments I offered in committee was to limit the terms of FDA Commissioners because I think, if there is ever an argument for term limitations, it is the current FDA Commissioner and the way that agency is being run. Hopefully, we can move forward now with something that is of great benefit to the consumers of this country—nearly 65 to 75 percent now receive these advisories—and not grind ourselves down into a bureaucratic excuse for something that does not begin to measure up to the advisories that are currently out there. When are we going to learn that all wisdom, all professionalism, does not rest in a Government agency; that industry has its own, the private sector has its own motivations for protecting the consumer? Besides, States have the ability, and State pharmacy boards have the ability, to impose some reasonable regulations on their own pharmacists and their own pharmacies.

Mr. President, I wish we were debating FDA reform, because it looks like we may go another session of Congress without any meaningful reforms in a process that denies patients and consumers in this country sometimes life-saving drugs.

The question is asked, what if FDA did not take this time to approve some of these medicines? The question also has to be asked, how many people have suffered, or perhaps needlessly died, because FDA was not able, on a timely basis, to approve life-saving drugs or devices? There is a backlog that is staggering at FDA. There is an ineptitude that is staggering out there. I do

not trace it to the good scientists who are working there and clinicians who are working there. I trace it to an inept bureaucracy which often seems to have motivations beyond the health and safety of consumers. I think it is time we did something about it, and I am glad we are taking this one small step to benefit the consumers. I congratulate the Senator from Mississippi for working out an agreement here so we can accept this.

I yield the floor.

Mr. GREGG. Mr. President, I rise today in support of the original MedGuide provision that was included as part of the Agriculture Appropriations bill. The Agriculture Appropriations bill contained the language on the MedGuide issue that was overwhelmingly passed by the Labor Committee by a vote of 13 to 3 during the markup of S. 1477, the FDA reform bill, in March.

This provision in the Agriculture bill required the Secretary of HHS to request, within 30 days after enactment, that national consumer, industry and practitioner groups work together to develop a plan for the distribution of high quality, helpful consumer information about prescription drugs, such as adverse reactions and product combination problems.

It provided the opportunity for the private sector to continue building on its marked successes in this area over the last several years. By FDA's own survey, the percentage of consumers receiving substantial written information about their prescription increased from 32 percent to 59 percent between 1992 and 1994. There is no reason to believe that pharmacists will either suddenly begin to perform this task more poorly, nor any reason to think that the goal of 75 percent by the year 2000—shared by FDA and professionals practicing pharmacy—will not be voluntarily achieved, without FDA getting involved.

It called for an approach to public policy that is flexible, sufficiently specific and comprehensive so as to meet consumers' needs, and neither promotional nor so technical that it is of no use to the consumer. The information has to be legible, comprehensible, and accurate.

This amendment did not do one thing—it did not allow the FDA to expend its limited funds to implementing its MedGuide regulation.

The FDA cannot afford diversions from their mission to review and approve quality, and often life-saving, products. This is clear from the numerous hearings we have held, reports that have published, and complaints we have heard from the FDA itself—''Give us more resources. Give us more time to do our job.''

The FDA regulation would require every pharmacist to provide specific information to patients each time they fill a prescription. While FDA claims the regulation is voluntary, if 75 percent of consumers are not receiving the formatted information by 2000, the regulation becomes mandatory.

Well, there is nothing voluntary about this regulation—pharmacists will no longer be able to craft written information to meet individual patients' needs if this regulation is imposed. There is also nothing voluntary about imposing a $121 million cost annually on pharmacists and manufacturers, according to the FDA's own calculation. FDA's calculation determined the program would cost individual pharmacies at least $1,500 to comply, equaling $106.7 million a year. Manufacturers are expected to spend $5,000 to $12,000 per medication guide developed, or at least $14.4 million annually.

And who do you think those costs will be passed on to? The consumer.

One must also consider that the practice of pharmacy has always been regulated at the State level—FDA may not regulate the practice of medicine. FDA only has product labeling authority, not the accompanying information.

There is also a great deal of concern that this regulation also has not taken into account the expanded liability it imposes on pharmacists. Pharmacists not only have the ability to tailor information to suit the patient, they are able to phrase—and sometimes rephrase—information in a way that the patient understands. Going to a one-size-fits-all information standard will defeat this important purpose of pharmacy as the pharmacist will be prevented from serving as the learned intermediary.

The provision in the underlying bill would have had the same goals as MedGuide: 75 percent consumer receipt by the year 2000; a way to assess the effectiveness of any consumer information distribution system; and a measure of the quality of the information being distributed. This provision would not have simply cut the FDA out of the process—instead, it provided a 120-day stay of execution from the FDA rule. After that, if the private sector failed to respond, the Secretary of HHS could proceed with the detailed regulation proposed by the FDA.

This regulation is not only a poor priority for the Commissioner—he has stated it is his No. 1 issue—and an inappropriate use of limited funding, it is also beyond the general authority of the FDA. While we all would agree that it is important that the consumer get the information they need, as their circumstances call for, I don't understand how the FDA can believe it is somehow more capable of telling Americans what they must, and cannot, know than the pharmacists serving consumers on a daily basis.

Mr. President, I think the FDA has enough to do already without breaking new regulatory ground, especially where the private sector is already rising to the task at hand.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Amendment No. 5003

(Purpose: To protect the public health)

Mr. KENNEDY. Mr. President, I ask unanimous consent that the pending amendments be laid aside for an amendment that I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 5003.

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

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

The amendment is as follows:

On page 59, line 6, after ''consumers).'' insert:

''(b) GOALS.—Goals consistent with the proposed rule described in subsection (a) are the distribution of useful written information to 75% of individuals receiving new prescriptions by the year 2000 and to 95% by the year 2006.''

On page 59, line 16 insert the following: ''(4) contain elements necessary to ensure the transmittal of useful information to the consuming public, including being scientifically accurate, non-promotional in tone and content, sufficiently specific and comprehensive as to adequately inform consumers about the use of the product, and in an understandable, legible format that is readily comprehensible and not confusing to consumers expected to use the product.'' and

On page 60, line 5, insert after the word ''if'' the following: ''(1)''.

On page 60, line 8, strike the words ''and begin to implement'' and insert the following: ''and submit to the Secretary for Health and Human Services''.

On page 60, line 10, strike the words ''regarding the provision of oral and written prescription information.'' and insert the following: ''which shall be acceptable to the Secretary of Health and Human Services; (2) the aforementioned plan is submitted to the Secretary of Health and Human Services for review and acceptance (provided that the Secretary shall give due consideration to the submitted plan and that any such acceptance shall not be arbitrarily withheld); and (3) the implementation of (a) a plan accepted by the Secretary commences within 30 days of the Secretary's acceptance of such plan, or (b) the plan submitted to the Secretary commences within 60 days of the submission of such plan if the Secretary fails to take any action on the plan within 30 days of the submission of the plan. The Secretary shall accept, reject or suggest modifications to the plan submitted within 30 days of its submission. The Secretary may confer with and assist private parties in the development of the plan described in sub-sections (a) and (b).''

On page 60, line 20 through line 22, strike ''The Secretary shall not delegate such review authority to the Commissioner of the Food and Drug Administration.''

On page 59, line 7, re-letter sub-section (b) to sub-section (c), and on page 59, line 16, re-number subparagraph (4) to subparagraph (5), and on page 59, line 21, re-number subparagraph (5) to subparagraph (6), and on page 59, line 23, re-letter sub-section (c) to sub-section (d), and on page 60, line 12, re-letter subsection (d) to sub-section (e).

Mr. KENNEDY. Mr. President, I want to say how pleased I am that we have managed to work through our concerns with my friends from Mississippi and

Indiana on the language relating to adequate consumer labeling for prescription drugs that is in the Agricultural Appropriations bill. The changes that they have graciously agreed to will address my concerns that the provisions need to contain safeguards to ensure that the voluntary plan developed by organizations representing health care professionals, consumers, pharmaceutical companies, pharmacies, database companies, and other interested parties will be adequate.

I am concerned, however, that when this provision goes to conference with the different House language, that all our hard work in coming to this agreement may go by the wayside. It is critical that I have the word of my friend from Mississippi that the conference not limit the authority of the Secretary and the FDA to assure provision of information to the public beyond the provisions of section 601 as amended.

Mr. COCHRAN. I agree with my colleague from Massachusetts, and I can assure him that, while I am not able to speak for the entire conference committee, I will do my best to reach a compromise on this issue that will not place further limits on the authority on the Secretary and the FDA with regard to this important public health issue.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the amendment be agreed to and the motion to reconsider be laid upon the table.

Mr. COCHRAN. Mr. President, there is no objection. We have reviewed it, and we thank very much the distinguished Senator from Massachusetts and the Senator from Indiana and others who have worked to negotiate this agreement.

Mr. BUMPERS. Mr. President, let me just say, the amendment has been cleared on this side. It has taken all afternoon to craft this amendment in a form which is acceptable to all sides.

I compliment Senator KENNEDY for his tenacity and determination in getting this accomplished. It is a very, very worthwhile amendment in this Senator's opinion.

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

The amendment (No. 5003) was agreed to.

Mr. KENNEDY. Mr. President, I see other colleagues on the floor. I appreciate the cooperation of all in working through this amendment—Senator COCHRAN, Senator BUMPERS, Senator COATS and others.

I will not delay the Senate, but I must say, I will add a word of commendation for Dr. Kessler. I have a strong difference of opinion about his service in the FDA. The FDA has been a whipping boy, particularly in recent times, but I do think if we look at the most recent GAO reports, look at the breakthroughs of new drugs getting out to the people in this country and look at the assault that has been made on the FDA by the tobacco industry and other groups, his service will go down as a distinguished one.

Just a final point, Mr. President. This whole issue really is not about bureaucracy, it is about information—useful, readable, understandable information about prescription drugs that can make a difference in terms of an individual's quality of health.

Mr. President, we do it with regard to dog food, we do it with regard to Wheaties, we do it with over-the-counter drugs. We can do a better job.

I am very hopeful the job will be done through the voluntary systems that are being set up now; that it will be given a reasonable time, although all of us are very hopeful that will be successful.

I am grateful to the floor managers for accepting this amendment. I thank the Chair. I yield the floor.

Mr. BUMPERS. Mr. President, has the Kennedy amendment been accepted?

The PRESIDING OFFICER. It has been agreed to.

The PRESIDING OFFICER. The Senator from Vermont.

AMENDMENT NO. 4987

(Purpose: To implement the recommendations of the Northern Forest Lands Council)

Mr. LEAHY. Mr. President, I ask unanimous consent it be in order to call up amendment No. 4987, which is at the desk. It is the Northern Forests Stewardship Act, which is sponsored by me and cosponsored by Senators JEFFORDS, GREGG, SMITH, SNOWE, COHEN, MOYNIHAN, KENNEDY, and KERRY.

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

Mr. LEAHY. Mr. President, very briefly, this amendment, which affects the Northern Forests of the States of Vermont, New Hampshire, and Maine especially, makes sure the rights and responsibilities of the landowners are emphasized. The primacy of our States, that means very much to each of us, is reinforced, the traditions of the region are protected, but we have the advantage of using new ways of achieving our goals in forestry and the use of our land and ways to do it that did not even exist a few years ago. It is a case where we have had citizens, landowners, foresters, and everybody else come together with a plan that actually works.

Mr. President, I thank the distinguished chairman and ranking member and others who worked with us this afternoon to get this through. I yield the floor.

Ms. SNOWE. Mr. President, I rise in support of the amendment offered by Senator LEAHY to include a revised version of S. 1163, the Northern Forest Stewardship Act, in H.R. 3603. I thank my colleague from Vermont, Senator LEAHY, for his hard work on this legislation, and I thank the other cosponsors of the bill for their efforts. I would also like to thank Senator LUGAR, chairman of the Agriculture Committee, and the managers of the bill before us, Senator COCHRAN and Senator BUMPERS, for their cooperation and acceptance of this amendment.

Let me state at the outset what this amendment is not because I would like to clear up any misconceptions that may exist. This amendment does not, in any way, provide the Federal Government with new regulatory authority. This amendment does not, in any way, permit the Federal Government to intrude, uninvited, upon the affairs of any State. This amendment does not, in any way, allow the Federal Government to assume control over private timberlands in the Northern Forest region. This amendment does not, in any way, impose Federal mandates on the Northern Forest States. In actuality, the amendment reaffirms the primacy of the Northern Forest States in the management of their forests, and it is intended to help the States do what they want to do on these issues. That is why the affected States support this bill. A simple reading of the legislation will make these facts abundantly evident.

Six years ago, the States of Maine, New Hampshire, Vermont, and New York created the Northern Forest Lands Council to study problems facing the Northern Forest region, and to issue recommendations for State and Federal policies that would help to maintain the traditional patterns of land ownership and use in the region. The council was formed in response to public fears of significant conversion of the Northern Forest Lands to nonforest uses. These fears had been stoked by the attempted sale of Diamond International's timberland holdings by Sir James Goldsmith, who had acquired Diamond in a hostile takeover in 1987.

It goes without saying that the 26-million-acre Northern Forest region is an extraordinary resource. It provides the largest expanse of unbroken forestland east of the Mississippi River. These forests provide excellent outdoor recreational opportunities, abundant wildlife habitat, and breathtaking scenic vistas. But these lands also form the foundation of the livelihoods of thousands of people in the region who harvest trees from the forest, and who convert the trees into valuable products like paper, lumber, and furniture. The Northern Forest is, and always has been, a multiple use forest.

The council, which consisted of representatives from each State and from each of the major stakeholder groups with an interest in the forest, spent roughly 4 years and millions of dollars collecting and analyzing data, consulting with State officials, and holding many meetings and discussions with the public throughout the region. The council completed its recommendations in September 1994, and then disbanded. In its final report, the council requested that the U.S. Congress enact legislation to implement its Federal recommendations beginning in 1995. This legislation is the culmination of the council process, a process, I might add, that fostered very beneficial new

working relationships between industry, landowners, and the environmental community on the critical issues related to our forests.

The Leahy amendment embodies the latest version of S. 1163. This bill has undergone a series of revisions based on numerous comments from a diverse collection of individuals, organizations, businesses, and States in the region. And I think this bill responds to the opinions and recommendations of such a diverse group as well as any one bill can. The Northern Forest Lands process has always operated out of a strong desire for consensus, and the legislation before us reflects the desire of Senators from the Northern Forest region to maintain that practice.

At its most basic, the Northern Forest Stewardship Act is designed to help conserve the Northern Forest lands, and its many values, for future generations. But unlike some past approaches to resource conservation in the Congress, this bill puts States in the driver's seat, which is most appropriate in this case because the great majority of these lands are privately-owned. In effect, the legislation assigns the Federal Government a role as cooperator in the region, consistent with the council's recommendations. It authorizes Federal agencies, primarily the State and Private Forestry division of the U.S. Forest Service, to provide technical and financial assistance to the Northern Forest States for activities such as developing benchmarks of sustainable forest management, conducting forest research, conserving valuable forest lands, and assessing water quality trends in the region. But the bill makes clear that this assistance can only be provided if the individual States request it. If the States do not request it, then no assistance can be provided under this legislation.

As a region characterized by the private ownership of timberland, the legislation is replete with references and provisions reaffirming private property rights. The Land Conservation section, for instance, prohibits the use of any Federal funds authorized by this legislation for State land acquisition projects unless the owner willingly offers the property for sale.

Recognizing the economic importance of the forest to the people who live in the region, the Leahy amendment also authorizes technical and financial assistance to the States, the forest products industry, and local communities to help expand value-added production and create sustainable new jobs in the forest products sector.

Mr. President, as I said before, the basic purpose of this legislation is to implement the council's recommendations, and I think the bill succeeds on that account. But I want to point out that one very important component of the council's report has been necessarily omitted from this bill, and that is Federal tax policy.

The council recognized that Federal taxes can create negative incentives that discourage landowners from maintaining their lands as forest, and it recommended changes to the Internal Revenue Code that would help reverse these incentives and encourage landowners to keep their lands forested. The council's recommendations emphasized reforms of estate taxes, capital gains taxes on timber sales, and passive loss rules for forest management, and they have been incorporated in a separate bill, S. 692, which was introduced by Senator GREGG, and which I have cosponsored. As a tax bill, this legislation will obviously have to proceed on a separate track through the Finance Committee, and, therefore, we were not able to include it in this amendment. But the Northern Forest Senators remain committed to it, and, in fact, we included language in the findings section of this legislation stating that Congress and the President should enact additional legislation to address the tax policies that negatively influence the stewardship of our forest lands. We hope to get these tax changes included in the next major tax bill that comes before the Senate.

Mr. President, I would also like to address a few specific criticisms of the original version of S. 1163, and describe the way in which we have modified the bill language as a result. The cosponsors agreed to revise the Principles of Sustainability section so that it now reads as a sense-of-the-Congress resolution. Concern had been expressed that the provision, as previously drafted, could be loosely interpreted to impose a set of national best management practices for private timberlands, and that was not our intent at all. The latest change eliminates the possibility of such an interpretation in the future. We changed the Congressional ''Declarations'' section to a ''Findings'' section, conforming it to the traditional format for Federal legislation, and making it clear that this provision does not, in any way, create any new legal authorities.

In the Land Conservation section, the legislation has been modified to clarify that Federal funding for land acquisition under the act can only be provided as part of a State-managed public land acquisition process, which is a policy with which most stakeholders in the region agree.

What we have before us today, Mr. President, is a responsible proposal to encourage and facilitate the conservation of the Northern Forest resource for its outstanding ecological, economic, and recreational values. In keeping with longstanding tradition in the region, the States will lead the effort on Northern Forest-related policy issues, but the Federal Government should be available to assist the States in their efforts if called upon to do so, and this bill will help to ensure that appropriate assistance is available. The Northern Forest Stewardship Act offers a reasonable, constructive, and consensus-oriented approach to forest management in our region.

This legislation enjoys the support of the four Northern Forest States, a wide range of environmental organizations, the Maine Forest Products Council, and major newspapers in Maine. This is one bill that is truly both pro-environment and pro-economy. I hope all of my colleagues will support the Leahy amendment.

Mr. COCHRAN. Mr. President, let me state this amendment has been reviewed. It has been cleared on this side. I commend and thank the distinguished Senator from Vermont for his cooperation.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 4987) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 5004

Mr. BURNS. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I think this has been cleared by both sides.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BURNS] proposes an amendment numbered 5004.

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

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

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

**SEC. . BARLEY PAYMENTS.**

Section 113 of Public Law 104–127 is amended by inserting a new subsection (g) that reads:

''(g) ADJUSTMENT IN BARLEY ALLOCATION.—In addition to the adjustments required under subsection (c), the amount allocated under subsection (b) for barley contract payments shall be increased by $20,000,000 in fiscal year 1998, and shall be reduced by $5,000,000 in each of fiscal years 1999–2002.''

Mr. BURNS. Mr. President, this is an adjustment in the barley allocation in the farm bill. It seemed as though when we were making the transition payments on all commodities and program crops, barley and their producers were penalized more than anybody else in making the adjustments. In fact, all other commodities, all other program crops were adjusted just slightly lower, with the exception of rice, and it actually went up. The barley payment was adjusted a good whopping 30 percent lower, 14 cents a bushel.

What this amendment does is it moves money from the outyears to the nearby years: $20 million in this fiscal year and then taking from the next 4 years, the outyears, $5 million. In other words, we are going to increase

the payment about a nickel this year, and then we will be subtracting about a penny from the outyears in year 2, 3, 4 and 5.

So with that, it will make an adjustment this year. I think this is a short-term solution. After talking with my colleague from Montana and my friends from North Dakota, we realize this is a short-term solution, and I think we have to look at a longer term to make the adjustment to make it fair. That is all we are asking for barley producers across America, is fairness. I think there has to be a long-term solution made.

Mr. President, I ask for its adoption, and I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I support the effort of my colleague from Montana, Senator BURNS. This is not any of our preferred solutions to the problem faced by our barley producers. Very frankly, the barley farmers have been left short. They were told very clearly last year that if the new farm bill passed, they would get 46 cents a bushel. Somebody made a mistake. It is still not clear to me who did or precisely how they did, but the fact is, a mistake was made. Instead of getting 46 cents, barley producers are going to get 32 cents, 30 percent less.

Very clearly, farmers were told 46 cents. They were told the prices and amounts that were going to be paid were estimates, no question about that. But they were told, and told repeatedly, that the amounts that they would actually receive would be close to those estimates. I was in dozens of meetings where they were told it would be close to those estimates; maybe a few cents difference.

And, indeed, if you look at corn, they were told it was going to be 27 cents. It turned out to be 24 cents. On wheat, they were told it was going to be 92 cents. It turned out to be 87 cents. Everybody understood those differences. But when it comes to barley, they were told 46 cents, and it turned out to be 32 cents. Not a 5-percent difference, not a 10-percent difference, a 30-percent difference. Is there any wonder that barley producers across the country are wondering, is there anything straight that comes out of Washington?

They were told clearly and directly that if they signed up to this farm bill that 46 cents is what they could expect to receive. That is not what they are getting, that is not what they are receiving, and it is not right.

There ought to be an adjustment. Many of us prefer we make this adjustment up front, clearly, and we take it out of the EEP program, or we take it out of some other approach, some other way of paying for it, but that it be paid for. In discussing it with our colleagues, it was clear that at this stage, that was not going to be acceptable.

So the Senator from Montana has come up with an approach to bring money from later years up front to reduce this differential on the hope and the expectation that perhaps as we go through the process, we can get this problem solved in a more appropriate way.

I think on that basis this approach deserves support, because, hopefully, in the conference committee, we can get a better resolution. Again, I think it is just a fundamental question of whether or not we treat our barley producers in this country in a fair way.

I salute my colleague from Montana for his efforts. I thank the Chair and yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota, Mr. DORGAN.

Mr. DORGAN. Mr. President, let me ever so briefly agree with my colleagues. I support the efforts of the Senator from Montana. We had a number of meetings today with the Senator from Montana, Senator BURNS, Senator BAUCUS, Senator LARRY CRAIG, Senator CONRAD, myself, and others. This is not the preferred solution. I do not view this as a destination. I view this as a step on the way to where we want to get to solve this issue.

Senator CONRAD said it clearly. The proposal was made that barley growers would receive fixed payments and the first year would be 46 cents. That turns out not to be 46 cents at all but instead 32 cents a bushel. That may not mean much to people, unless you raise some barley and discover that your expected income is now 30 percent lower than you anticipated when you heard about this program and developed support for the program based on the representation of what the fixed payments would be in the farm program.

So we will go to conference. This is a device and a mechanism by which this issue can go to conference. My hope is that this issue will be resolved in conference the way it should be resolved. It should be resolved by providing for barley producers what they were told they would receive as fixed payments in the farm bill. The failure to do that, it seems to me, really places at risk the credibility with respect to this farm program.

I again support the efforts of the Senator from Montana as a step toward a destination that would make the barley producers whole. Mr. President, with that, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me thank Senators who have been working to resolve this issue for their efforts. A great deal of work has gone into crafting this amendment. I compliment particularly the Senator from Montana [Mr. BURNS]. I ask unanimous consent that the Senator from Idaho [Mr. CRAIG] be added as a cosponsor of the amendment.

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

Mr. COCHRAN. Mr. President, we are going to continue to monitor this situation. We hope that this is helpful. As we go into conference, we will work to resolve the issue to the satisfaction of the Senate. With that, I know of no objections to the legislation. I hope that we can proceed to adopt it on a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5004) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CONRAD. Will the Senator yield for one moment so I might thank the chairman and the ranking member for their patience as we worked to resolve this matter? We very much appreciate your assistance.

Mr. COCHRAN. I thank the distinguished Senator for his kind comments. We appreciate his good efforts, as well.

AMENDMENT NO. 5002, AS MODIFIED

Mr. COCHRAN. Mr. President, as I understand it, the pending amendment now is the Brown amendment, as modified. I know of no objection to the amendment. I ask unanimous consent that we adopt the amendment and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays are vitiated. The amendment, as modified, is agreed to.

The amendment (No. 5002), as modified, was agreed to.

AMENDMENT NO. 4978, WITHDRAWN

Mr. COCHRAN. Mr. President, I know that the next amendment is the KERREY amendment No. 4978. Senator KERREY has offered this along with two other amendments. Those other amendments were agreed to. I have been authorized to ask that the KERREY amendment No. 4978 be withdrawn.

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

The amendment (No. 4978) was withdrawn.

AMENDMENTS NOS. 5005 THROUGH 5009, EN BLOC

Mr. COCHRAN. Mr. President, I now have a series of amendments which I will send to the desk en bloc and ask that they be reported and agreed to en bloc; an amendment on behalf of Senator SIMPSON; an amendment on behalf of Senator HATFIELD; an amendment I send to the desk for and on behalf of the Senator from Idaho, Mr. KEMPTHORNE; an amendment I send to the desk on behalf of the Senator from Alabama, Mr. SHELBY; an amendment by Senator DOMENICI which is cosponsored by Senators HELMS, THURMOND, FAIRCLOTH, and BINGAMAN.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN] proposes amendments numbered 5005 through 5009, en bloc.

Mr. COCHRAN. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

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

The amendments (Nos. 5005 through 5009), en bloc, are as follows:

AMENDMENT NO. 5005

At the end of the bill, add the following;

**SEC. . EASEMENTS ON INVENTORIED PROPERTY**

None of the funds appropriated or otherwise made available by this Act may be used by the Secretary of Agriculture to establish a wetland conservation easement under section 335(g) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(g)) on an inventoried property that was used for farming (including haying and grazing) at any time during the period beginning on the date 5 years before the property entered the inventory of the Secretary and ending on the date the property entered the inventory of the Secretary. To the extent that land would otherwise be eligible for an easement haying and grazing must be done according to a plan approved by the Natural Resources Conservation Service.

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AMENDMENT NO. 5006

On page 42, line 26 before the colon, insert the following: ''*provided further,* That of the total amount appropriated, not less than $2 million shall be available for grants in accordance with section 310B(f) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(f))''

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AMENDMENT NO. 5007

(Purpose: To provide that the Secretary of Agriculture may use funds in the Fund for Rural American for grants to develop and apply precision agricultural technologies)

At the appropriate place in the bill, add the following:

**SEC. . GRANTS FOR PRECISION AGRICULTURAL TECHNOLOGIES.**

Section 793(c)(2)(A) of the Federal Agriculture improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(A)) is amended—

(1) in clause (vii),by striking ''and'' at the end;

(2) in clause (viii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(ix) develop and apply precision agricultural technologies.''.

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AMENDMENT NO. 5008

(Purpose: To make additional funding available for fiscal year 1996 for investigations of arson at religious institutions)

At the appropriate place in the bill, add the following:

TITLE VIII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses,'' to be used in connection with investigations of arson or violence against religious institutions, $12,001,000, to remain available until expended.

INTERNAL REVENUE SERVICE

INFORMATION SYSTEMS

(RESCISSION)

Of the funds made available under this heading in Public Law 104–52, $16,500,000 are rescinded.

AMENDMENT NO. 5009

At the appropriate place in the bill, insert the following:

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

For an additional amount for the Agricultural Credit Insurance Fund Program Account for the additional cost of emergency insured loans authorized by 7 U.S.C. 1928–1929, including the cost of modifying such loans as defined in section 502 of the Congressional Budget Act of 1974, resulting from droughts in the Western United States, Hurricane Bertha, and other natural disasters, to remain available until expended, $25,000,000: *Provided,* That these funds are available to subsidize additional gross obligations for the principal amount of direct loans of $85,208,000: *Provided further,* 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: *Provided further,* That the amount shall be available to the extent that the President notifies Congress of his designation of any or all of these amounts as an emergency requirement under section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

EMERGENCY SUPPLEMENTAL APPROPRIATION FOR EMERGENCY DISASTER LOANS

Mr. DOMENICI. Mr. President, there is nothing more precious to New Mexico, and to the arid Southwest in general, than water. Unfortunately, precipitation in the Southwest this year has been, in a word, disastrous. Precipitation and snow melts in almost every New Mexico basin are dangerously below average. Despite recent rains, stream flows in New Mexico are still predicted to be 33 to 100 percent below average through the summer, with no end in sight. If the drought continues, and there is every indication that it will, the consequences to New Mexico will be truly devastating.

No sector in New Mexico has been hit harder by the drought than its farmers and ranchers. Water levels in the Middle Rio Grande have dropped severely, leading to radically decreased water availability for the hundreds of irrigators depending on that water. Farmers in the southern part of the State are being forced to go to water wells, thus depleting the already-taxed aquifer. And in northeastern New Mexico, winter wheat is failing for the first time in anyone's memory.

Additionally, the drought has wiped out forage for New Mexico's livestock producers, causing an industry already hit hard by high feed prices to hurt even more. In fact, this drought has devastated crops and livestock in my State to such an extent that every single county in New Mexico is currently eligible for USDA's disaster assistance programs.

Mr. President, one of the programs that has been crucial in helping the farmers and ranchers of my State cope with this disaster is the USDA's emergency disaster loan program. Funding for this program this year may soon run out, however. As a consequence, the Western Governors' Association has identified supplemental funding for emergency disaster loans as a top priority.

Our amendment will ensure that this much-needed emergency loan program remains funded in the event of a shortfall in this fiscal year. The contingency funding will also remain available in the event of a shortfall in fiscal year 1997. Specifically, our amendment provides an additional $25 million for the program as an emergency supplemental appropriation, which will allow for an additional $98 million in emergency disaster loans. The additional funding in the amendment would only become available if the administration determines that other funding sources have been exhausted.

In closing, Mr. President, let me reiterate that this drought is one of the worst calamities to hit my State, and the Southwest in general, in the last 50 years. Our amendment for supplemental funding of USDA's emergency loan program will ensure that desperately needed relief will continue to be given to those people who have been hardest hit by this disaster.

Mr. HELMS. Mr. President, on behalf of the eastern North Carolina farmers whose crops were devastated by Hurricane Bertha, I am happy to cosponsor this proposal to provide emergency loan assistance to farmers.

On July 12, Hurricane Bertha ripped through the eastern part of North Carolina, destroying an estimated 80 percent of the State's tobacco crop and up to 90 percent of the corn crops in some counties. Cotton and soybeans also were damaged.

Bertha was particularly devastating because it hit right before harvest season, ravaging crops in their most vulnerable stages. Estimates of the total damage to North Carolina agriculture continue to climb and currently stand at $188 million. Many North Carolina farmers suffered total losses of their 1996 crops.

Mr. President, this amendment will provide emergency loans, approved by the USDA for farmers seeking a way to recover from the financial losses imposed by the hurricane. It will enable farmers to purchase the inputs such as fertilizer, seed, and equipment needed to put crops back into the ground.

The early extension of credit to qualified farmers is essential to move them beyond this natural tragedy. I've been contacted by many of these farmers, Mr. President; for example, Ronnie and W.C. Cox who are fifth generation corn, cotton, and tobacco farmers in Onslow County. Their 300 acres of corn were totally destroyed along with 75 percent of their 225 acres of their tobacco crop. Cotton and other crops were likewise severely damaged.

These farmers aren't asking for a free ride, Mr. President. The Coxes in Onslow County wrote to me saying, ''We do not want grants or handouts. But, we do need to borrow $750,000 or $1 million for 3 to 5 years at a low interest rate.''

Mr. President, this amendment will extend a helping hand to these embattled farmers and thereby help them to help themselves. It's the right thing to do—at the right time.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the amendments be agreed to en bloc and the motions to reconsider be laid upon the table.

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

The amendments (Nos. 5005 through 5009), en bloc, were agreed to.

AMENDMENTS NOS. 5010 THROUGH 5014, EN BLOC

Mr. BUMPERS. Mr. President, I send a series of amendments to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arkansas [Mr. Bumpers] proposes amendments numbered 5010 through 5014, en bloc.

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

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

The amendments (Nos. 5010 through 5014), en bloc, are as follows:

AMENDMENT NO. 5010

(Purpose: To increase funding for the Grain Inspection, Packers and Stockyards Administration and the Food Safety and Inspection Service, with an offset)

On page 23, line 8, strike ''$22,728,000'' and insert ''$23,928,000''.

On page 46, line 14, strike ''$657,942,000'' and insert ''$656,742,000''.

AMENDMENT NO. 5011

(Purpose: To express the sense of the Senate regarding Canadian wheat and barley exports to the United States)

At the end of the bill, add the following:

**SEC. . SENSE OF SENSE ON CANADIAN WHEAT AND BARLEY EXPORTS.**

It is the sense of the Senate that—

(1) the United States Trade Representative should continue to carefully monitor the export of wheat and barley from western Canada to the United States;

(2) the bilateral Memorandum of Understanding with Canada clearly states that the United States—

(A) will not accept market disruptions from imports of Canadian grains; and

(B) will use its trade laws if it appears likely that market disruptions will occur;

(3) the United States Trade Representative should monitor any policy changes by the Canadian Government, acting through the Canadian Wheat Board, that have the potential for increasing the exports of Canadian grains to the United States;

(4) family farmers of the United States should not be subject to increases in the 1-way channel of Canadian grain exports to the United States that unfairly disrupt the grain transportation systems and depress the prices received by farmers; and

(5) the United States Trade Representative should be prepared to support the use of antidumping laws, countervailing duty laws, section 301 of the Trade Act of 1974 (19 U.S.C. 4211), and other United States laws consistent with the international obligations of the United States, if—

(A) the Canadian Government implements the changes described in paragraph (3) without a resolution of the underlying cross-border grain trading issues between the United States and Canada; and

(B) the changes lead to unfair and injurious exports of Canadian grain to the United States.

AMENDMENT NO. 5012

At the appropriate place insert the following:

Not later than 180 days after enactment of this Act, the Administrator of the Food and Drug Administration, in consultation with the States and other appropriate Federal agencies shall report to the Chairman and Ranking Member of the Committee on Appropriations of the House and Senate on the feasibility of applying DNA testing or other testing procedures to determine the adulteration, blending, mixing or substitution of crab meat other than *Callinectes sapidus* offered for sale in the United States. The Administrator also shall report on the feasibility of developing a database of imported crab meat shipments from port of entry to final wholesaler to be made available to State agencies to aid enforcement and public health protection.

AMENDMENT NO. 5013

At the appropriate place, insert the following:

''No funds appropriated or otherwise made available to the Secretary of Agriculture may be used to administer section 118(b)(2)(A) of the Agricultural Marketing Transition Act unless the planting of a fruit or vegetable on contract acreage, if planted subsequent to the failure of a contract commodity on the same acreage within the same crop year is permitted on contract acreage: *Provided,* That this provision shall take effect upon the date of enactment of this Act into law.''

AMENDMENT NO. 5014

(Purpose: To prohibit the use of funds to administer the provision of contract payments to a producer for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice)

At the end of the bill, add the following:

**SEC. . PLANTING OF WILD RICE ON CONTRACT ACREAGE.**

None of the funds appropriated in this Act may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on the final passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is absent due to a death in the family.

Mr. FORD. I announce that the Senator from New York [Mr. MOYNIHAN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 1, as follows:

[Rollcall Vote No. 237 Leg.]

YEAS—97

| | | |
|---|---|---|
| Abraham | Ford | Mack |
| Akaka | Frahm | McCain |
| Ashcroft | Frist | McConnell |
| Baucus | Glenn | Mikulski |
| Bennett | Gorton | Moseley-Braun |
| Biden | Graham | Murkowski |
| Bingaman | Gramm | Murray |
| Bond | Grams | Nickles |
| Boxer | Grassley | Nunn |
| Bradley | Gregg | Pell |
| Breaux | Harkin | Pressler |
| Brown | Hatch | Pryor |
| Bumpers | Hatfield | Reid |
| Burns | Heflin | Robb |
| Byrd | Helms | Rockefeller |
| Campbell | Hollings | Roth |
| Chafee | Hutchison | Santorum |
| Coats | Inhofe | Sarbanes |
| Cochran | Inouye | Shelby |
| Cohen | Jeffords | Simon |
| Conrad | Johnston | Simpson |
| Coverdell | Kempthorne | Smith |
| Craig | Kennedy | Snowe |
| D'Amato | Kerrey | Specter |
| Daschle | Kerry | Stevens |
| DeWine | Kohl | Thomas |
| Dodd | Kyl | Thompson |
| Domenici | Lautenberg | Thurmond |
| Dorgan | Leahy | Warner |
| Exon | Levin | Wellstone |
| Faircloth | Lieberman | Wyden |
| Feingold | Lott | |
| Feinstein | Lugar | |

NAYS—1

Bryan

NOT VOTING—2

Kassebaum Moynihan

The bill (H.R. 3603), as amended, was passed.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendments to H.R. 3603, and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to.

The PRESIDING OFFICER (Mr. SMITH) appointed Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. HATFIELD, Mr. BUMPERS, Mr. HARKIN, Mr. KERREY, Mr. JOHNSTON, Mr. KOHL, and Mr. BYRD, conferees on the part of the Senate.

Mr. COCHRAN. Mr. President, I thank all Senators for their cooperation during our management and handling of this bill on the floor of the Senate. I especially want to thank and compliment the distinguished Senator from Arkansas for his strong leadership and for his efforts to get a good bill passed by the Senate. We could not have done it either without the capable staff assistants: Becky Davies, Hunt Shipman, Jimmie Reynolds, Galen Fountain—all of whom worked very diligently, expertly, and professionally. They reflect credit on the Senate. We are very proud of them.

Mr. BUMPERS. Mr. President, let me echo what the distinguished Senator from Mississippi has just said.

First, let me say—I do not say this to be all that gracious but to simply state as fact—that the Senator from Mississippi's patience is much greater than mine. There were times this afternoon when I grew terribly frustrated about the pace of the proceedings, and the Senator from Mississippi kept assuring me that negotiations would pay off and that we would get the bill passed in due time. Of course, he was dead right. But more importantly than that, he is a very gifted legislator and a man of great patience and intellect. And it is a real pleasure for me to work with him as the ranking member on this committee. I thank him for his really truly magnificent work on the bill.

I would be remiss if I did not thank Becky Davies, Jimmy Reynolds, and Hunt Shipman of Senator COCHRAN's staff; and my own staff, Galen Fountain. If we choose to tell the truth, we will admit that is where most of the work was done. We could not have done it without them. I want to pay special tribute to the staff.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, Mr. President, I believe the distinguished Senator from Arkansas wishes to conclude his remarks.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the distinguished Senator from Montana, Senator BAUCUS, be added as a cosponsor of the Burns barley amendment that passed immediately preceding the passage of the bill.

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

Mr. LOTT. Mr. President, I thank my distinguished colleague from Mississippi, Senator COCHRAN, for his outstanding work on this major piece of legislation. He showed real leadership once again and, of course, his colleague, the ranking member on the Agriculture Appropriations Subcommittee, Senator BUMPERS, did a great job.

Earlier today it was not clear at all how long this was going to take. But the fact of the matter is they only spent just a little over a day getting this job done even though it spread out over 3 days. It is a very important major accomplishment, and I thank them for their work. I commend all of our colleagues who worked through a lot of very difficult issues that affect a lot of States. They came to conclusion, and I appreciate very much the good work that they did.

As a result of that our intent now is to go to the foreign ops appropriations bill. The manager, the chairman, the Senator from Kentucky, Senator MCCONNELL, is here, and the ranking member is ready to go. We will go right to that.

There will be no further rollcall votes tonight. We wanted to confirm that this is the last vote of tonight.

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 3540, the foreign ops appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, and for other purposes, namely:*

### *TITLE I—EXPORT AND INVESTMENT ASSISTANCE*

#### *EXPORT-IMPORT BANK OF THE UNITED STATES*

*The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.*

#### *SUBSIDY APPROPRIATION*

*For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $730,000,000 to remain available until September 30, 1998: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until 2012 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1997 and 1998: Provided further, That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: Provided further, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.*

#### *ADMINISTRATIVE EXPENSES*

*For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, $40,000,000: Provided, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: Provided further, That, none of the funds made available by this or any other Act may be made available to pay the salary and any other expenses of the incumbent Chairman and President of the Export-Import Bank unless and until he has been confirmed by the United States Senate: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1997.*

#### *OVERSEAS PRIVATE INVESTMENT CORPORATION*

#### *NONCREDIT ACCOUNT*

*The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $32,000,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.*

#### *PROGRAM ACCOUNT*

*For the cost of direct and guaranteed loans, $72,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1997 and 1998: Provided further, That such sums shall remain available through fiscal year 2005 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997, and through fiscal year 2006 for the disbursement of direct and guaranteed loans obligated in fiscal year 1998. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.*

#### *FUNDS APPROPRIATED TO THE PRESIDENT*

#### *TRADE AND DEVELOPMENT AGENCY*

*For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $40,000,000: Provided, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account*

and to be available for obligation until September 30, 1997, for necessary expenses under this paragraph: Provided further, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1997, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–533) and the provisions of section 401 of the Foreign Assistance Act of 1969, $1,290,000,000, to remain available until September 30, 1998: Provided, That of the amount appropriated under this heading, up to $18,000,000 may be made available for the Inter-American Foundation and shall be apportioned directly to that agency: Provided further, That of the amount appropriated under this heading, up to $10,500,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: Provided further, That of the funds appropriated under title II of this Act that are administered by the Agency for International Development and made available for family planning assistance, not less than 65 percent shall be made available directly to the agency's central Office of Population and shall be programmed by that office for family planning activities: Provided further, That of the funds appropriated under this heading and under the heading ''Population, Development Assistance'' that are made available by the Agency for International Development for development assistance activities, the amount made available for sub-Saharan Africa should be in at least the same proportion as the amount identified in the fiscal year 1997 draft congressional presentation document for development assistance for sub-Saharan Africa is to the total amount requested for development assistance for such fiscal year: Provided further, That funds appropriated under this heading shall be made available, notwithstanding any other provision of law, to assist Vietnam to refom its trade regime through, among other things, reform of its commercial and investment legal codes: Provided further, That up to $5,000,000 of the funds appropriated under this heading may be made available for necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this heading or under the heading ''Population, Development Assistance'', may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term ''motivate'', as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: Provided further, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, up to $30,000,000 shall be transferred to ''International Organizations and Programs'' for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That not less than $650,000 of the funds made available under this heading should be made available for support of the United States Telecommunications Training Institute.

POPULATION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(b) of the Foreign Assistance Act of 1961, $410,000,000, to remain available until September 30, 1998.

CYPRUS

Of the funds appropriated under the headings ''Development Assistance'' and ''Economic Support Fund'', not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

BURMA

Of the funds appropriated by this Act to carry out the provisions of chapter 8 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $2,500,000 shall be made available to support activities in Burma, along the Burma-Thailand border, and for activities of Burmese student groups and other organizations located outside Burma, for the purposes of fostering democracy in Burma, supporting the provision of medical supplies and other humanitarian assistance to Burmese located in Burma or displaced Burmese along the borders, and for other purposes: Provided, That of this amount, not less than $200,000 shall be made available to support newspapers, publications, and other media activities promoting democracy inside Burma: Provided further, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: Provided, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the ''Foreign Assistance and Related Programs Appropriations Act, 1985'' (as enacted in Public Law 98–473) shall be superseded by the provisions of this section, except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $190,000,000, to remain available until expended.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961; of modifying direct loans extended to least developed countries, as authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended; and of modifying concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as authorized under subsection (a) under the heading ''Debt Reduction for Jordan'' in title VI of Public Law 103–306, $27,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committee on Appropriations.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the subsidy cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That funds made available under this heading shall remain available until September 30, 1998.

HOUSING GUARANTY PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $4,000,000, to remain available until September 30, 1998: Provided, That these funds are available to subsidize loan principal, 100 percent of which shall

be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $6,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for central and Eastern Europe and programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the ''Foreign Service Retirement and Disability Fund'', as authorized by the Foreign Service Act of 1980, $43,826,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $495,000,000: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be made available for expenses necessary to relocate the Agency for International Development, or any part of that agency, to the building at the Federal Triangle in Washington, District of Columbia.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $28,000,000, to remain available until expended, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,340,000,000, to remain available until September 30, 1998: Provided, That of the funds appropriated under this heading, not less than $1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of non-military exports from the United States to each such country: Provided further, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: Provided further, That of the funds appropriated under this heading, $3,000,000 shall be made available to establish an independent radio broadcasting service to Iran: Provided further, That none of the funds appropriated under this heading shall be made available for Zaire.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $475,000,000, to remain available until September 30, 1998, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Central and Eastern Europe and the Baltic States.

(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.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

(2) the provisions of section 534 of this Act shall apply.

(e) With regard to funds appropriated under this heading that are made available for economic revitalization programs in Bosnia and Hercegovina, 50 percent of such funds shall not be available for obligation unless the President determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Hercegovina has complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Hercegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has been terminated.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, $640,000,000, to remain available until September 30, 1998: Provided, That the provisions of such chapter shall apply to funds appropriated by this paragraph.

(b) None of the funds appropriated under this heading shall be transferred to the Government of Russia—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, negotiating repayment of commercial debt, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States: Provided further, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization or nonproliferation programs.

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h) Funds appropriated under this heading may be made available for assistance for Mongolia.

(i) Funds made available in this Act for assistance to the New Independent States of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations: Provided, That grantees and contractors should, to the maximum extent possible, place in key staff positions specialists with prior on the ground expertise in the region of activity and fluency in one of the local languages.

(j) In issuing new task orders, entering into contracts, or making grants, with funds appropriated under this heading or in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

(k) Of the funds made available under this heading, not less than $225,000,000 shall be made available for Ukraine, of which funds not less than $25,000,000 shall be made available to carry out United States decommissioning obligations regarding the Chornobyl plant made in the Memorandum of Understanding between the Government of Ukraine and the G–7 Group: Provided, That not less than $35,000,000 shall be made available for agricultural projects, including those undertaken through the Food Systems Restructuring Program, which leverage private sector resources with United States Government assistance: Provided further, That $5,000,000 shall be available for a small business incubator project: Provided further, That $5,000,000 shall be made available for screening and treatment of childhood mental and physical illnesses related to Chornobyl radiation.

(l) Of the funds made available for Ukraine, under this Act or any other Act, not less than $50,000,000 shall be made available to improve safety at nuclear reactors: Provided, That of this amount $20,000,000 shall be provided for the purchase and installation of, and training for, safety parameter display or control systems at all operational nuclear reactors: Provided further, That of this amount, $20,000,000 shall be made available for the purchase, construction,

installation and training for Full Scope and Analytical/Engineering simulators: Provided further, That of this amount such funds as may be necessary shall be made available to conduct Safety Analysis Reports at all operational nuclear reactors.

(m) Of the funds made available by this Act, not less than $95,000,000 shall be made available for Armenia.

(n) Of the funds made available by this or any other Act, $25,000,000 shall be made available for Georgia.

(o) None of the funds appropriated under this heading may be made available for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(p) Of the funds appropriated under this heading, $15,000,000 shall be provided for hospital partnership programs, medical assistance to directly reduce the incidence of infectious diseases such as diphtheria or tuberculosis, and a program to reduce the adverse impact of contaminated drinking water.

(q) Of the funds appropriated under this heading and under the heading ''Assistance for Eastern Europe and the Baltic States'', not less than $12,000,000 shall be made available for law enforcement training and exchanges, and investigative and technical assistance activities related to international criminal activities: Provided, That of this amount, not less than $1,000,000 shall be made available for training and exchanges in Russia to combat violence against women.

(r) Of the funds appropriated under this heading, not less than $50,000,000 should be provided to the Western NIS and Central Asian Enterprise Funds: Provided, That obligation of these funds shall be consistent with sound business practices.

(s) Of the funds made available under this heading, not less than $10,000,000 shall be made available for a United States contribution to the Trans-Caucasus Enterprise Fund.

(t) 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 disbursement of such funds by the Fund for program purposes. The Fund may retain for such program proposes 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.

(u) Funds appropriated under this heading may not be made available for the Government of Ukraine if the President determines and reports to the Committees on Appropriations that the Government of Ukraine is engaged in military cooperation with the Government of Libya.

(v) Of the funds appropriated under this heading, not less than $15,000,000 shall be available only for a family planning program for the New Independent States of the former Soviet Union comparable to the family planning program currently administered by the Agency for International Development in the Central Asian Republics and focusing on population assistance which provides an alternative to abortion.

(w) Funds made available under this Act or any other Act (other than assistance under title V of the FREEDOM Support Act) may not be provided to the Government of Azerbaijan until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh.

(x) Of the funds appropriated under this heading, not less than $2,500,000 shall be made available for the American-Russian Center.

INDEPENDENT AGENCY

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $205,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 1998.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, $160,000,000: Provided, That during fiscal year 1997, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $650,000,000: Provided, That not more than $12,000,000 shall be available for administrative expenses: Provided further, That not less than $80,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $50,000,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $140,000,000 to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act for demining activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for the acquisition and provision of goods and services, or for grants to Israel necessary to support the eradication of terrorism in and around Israel: Provided, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That not to exceed $13,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for administrative expenses and heavy fuel oil costs associated with the Agreed Framework: Provided further, That of the funds made available to KEDO for heavy fuel oil costs associated with the Agreed Framework, not more than one-third of such funds may be obligated within ninety days after the date of enactment of this Act, not more than two-thirds of such funds may be obligated within 180 days after the date of enactment of this Act and the remaining funds may not be obligated until August 1, 1997: Provided further, That funds may be obligated for such heavy fuel oil costs only if, prior to each obligation of funds, the President certifies and so reports to the Committees on Appropriations that North Korea is using all fuel oil financed by the parties to the Agreed Framework for purposes allowed by the Agreed Framework: Provided further, That the obligation of such funds shall be subject to the regular notification procedures of the Committees on Appropriations.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $40,000,000: Provided, That up to $100,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any high income country on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: Provided further, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military, and may also include individuals who are not members of a government: Provided further, That none of the funds appropriated under this heading shall be available for Zaire and Guatemala: Provided further, That funds appropriated under this heading for grant financed military education and training for Indonesia may only be available for expanded military education and training.

FOREIGN MILITARY FINANCING PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,224,000,000: Provided, That of the funds appropriated by this paragraph not less than $1,800,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within

thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That Poland, Hungary, and the Czech Republic shall be designated as eligible for the program established under section 203(a) of the NATO Participation Act of 1994: Provided further, That of the funds made available under this paragraph, $30,000,000 shall be available for assistance on a grant basis for Poland, Hungary, and the Czech Republic to carry out title II of Public Law 103–477 and section 585 of Public Law 104–107: Provided further, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That, for the purpose only of providing support for NATO expansion and the Warsaw Initiative Program, of the funds appropriated by this Act under the headings ''Assistance for Eastern Europe and the Baltic States'' and ''Assistance for the New Independent States of the Former Soviet Union'', up to a total of $20,000,000 may be transferred, notwithstanding any other provision of law, to the funds appropriated under this paragraph: Provided further, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $60,000,000: Provided, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $540,000,000: Provided further, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: Provided further, That of the funds appropriated under this paragraph $20,000,000 shall be made available to Poland, Hungary, and the Czech Republic: Provided further, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed the following: $122,500,000 only for Greece and $175,000,000 only for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): Provided further, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Peru, Liberia, and Guatemala: Provided further, That none of the funds appropriated or otherwise made available for use under this heading may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used by such country primarily for counternarcotics activities: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for activities related to the clearance of landmines and unexploded ordnance, and may include activities implemented through nongovernmental and international organizations: Provided further, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: Provided further, That only those countries for which assistance was justified for the ''Foreign Military Sales Financing Program'' in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct 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 services: Provided further, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: Provided further, That not more than $23,250,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1997 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $65,000,000: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

## TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

### FUNDS APPROPRIATED TO THE PRESIDENT

### INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE GLOBAL ENVIRONMENT FACILITY

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $35,000,000, to remain available until September 30, 1998.

CONTRIBUTION TO THE INTERIM TRUST FUND AT THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the Interim Trust Fund administered by the International Development Association by the Secretary of the Treasury, $626,000,000, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $6,656,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, $25,610,667, and for the United States share of the increase in the resources of the Fund for Special Operations, $10,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $1,503,718,910.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $27,500,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, $13,221,596, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $647,858,204.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89–369), $100,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $11,916,447, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $27,805,043.

NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, $56,250,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed $318,750,000.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance

Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $295,000,000: Provided, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: Provided further, That not less than $3,000,000 of the funds appropriated under this heading shall be made available for the World Food Program: Provided further, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA): Provided further, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: Provided further, That not more than $35,000,000 of the funds appropriated under this heading may be made available to the UNFPA: Provided further, That not more than one-half of this amount may be provided to UNFPA before March 1, 1997, and that no later than February 15, 1997, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1997: Provided further, That any amount UNFPA plans to spend in the People's Republic of China in 1997 shall be deducted from the amount of funds provided to UNFPA after March 1, 1997 pursuant to the previous provisos: Provided further, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds.

## TITLE V—GENERAL PROVISIONS

### OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled ''International Disaster Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund'', not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

### PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

### LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

### LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

### LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading ''Foreign Military Financing Program'', not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading ''International Military Education and Training'', not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading ''Trade and Development Agency'', not to exceed $2,000 shall be available for representation and entertainment allowances.

### PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for ''Nonproliferation, Anti-terrorism, Demining and Related Programs'') pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

### PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

### MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: Provided, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

### TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfers specifically referred to in this Act.

### DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1997, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 1997.

### AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8 and 11 of part I, section 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 this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

### COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for ''Development Assistance'', ''Population, Development Assistance'', ''International organizations and programs'', ''Trade and Development Agency'', ''International narcotics control'', ''Assistance for Eastern Europe and the Baltic States'', ''Assistance for the New Independent States of the Former Soviet Union'', ''Economic Support Fund'', ''Peacekeeping operations'', ''Operating expenses of the Agency for International Development'', ''Operating expenses of the Agency for International Development Office of Inspector General'', ''Nonproliferation, Anti-terrorism, Demining and Related Programs'', ''Export-Import Bank of the United States'', ''Foreign Military Financing Program'', ''International military education and training'', ''Peace Corps'', ''Migration and refugee assistance'', and for the ''Inter-American Foundation'' and the ''African Development Foundation'', shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: Provided, That comparable requirements of any similar provision in any other Act shall be applicable only to the extent that funds appropriated by this Act have been previously authorized: Provided further, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for ''International Organizations and Programs'' shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: Provided, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1997.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: Provided, That none of the funds made available under this Act may be used to lobby for or against abortion.

POPULATION PLANNING ASSISTANCE LIMITATIONS

SEC. 519. (a) PROHIBITION ON ABORTION FUNDING.—None of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning, or to coerce or motivate any person to practice abortions.

(b) PROHIBITION ON ABORTION LOBBYING.—None of the funds made available under this Act may be used to lobby for or against abortion.

(c) ELIGIBILITY.—In determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, nongovernmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance.

REPORTING REQUIREMENT

SEC. 520. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 521. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Guatemala, Haiti, Liberia, Pakistan, Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 522. For the purpose of this Act, ''program, project, and activity'' shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, ''program, project, and activity'' shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development ''program, project, and activity'' shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 523. 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.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 524. None of the funds appropriated or otherwise made available pursuant to this Act

shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 525. Section 61(a) of the Arms Export Control Act is amended by striking out ''1996'' and inserting in lieu thereof ''1997''.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 526. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 527. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 528. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 529. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 530. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 531. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 532. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 533. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

SEPARATE ACCOUNTS

SEC. 534. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading ''Sub-Saharan Africa, Development Assistance'' as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98–1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 535. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, ''international financial institutions'' are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 536. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.

POW/MIA MILITARY DRAWDOWN

SEC. 537. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1997, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 538. For the four year period beginning on October 1, 1996, the President shall ensure that excess defense articles will be made available under section 516 and 519 of the Foreign Assistance Act of 1961 consistent with the manner in which the President made available excess defense articles under those sections during the four year period that began on October 1, 1992, pursuant to section 573(e) of the Foreign Operations, Export Financing, Related Programs Appropriations Act, 1990.

CASH FLOW FINANCING

SEC. 539. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99–83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 540. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 541. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

SEC. 542. (a) The President is authorized to direct the transfer, subject to prior notification of the Committees on Appropriations, to the government of Bosnia and Herzegovina, without reimbursement, of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense of an aggregate value of not to exceed $100,000,000 in fiscal years 1996 and 1997: Provided, That the President certifies in a timely fashion to the Congress that the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(b) Within 60 days of any transfer under the authority provided in subsection (a), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(c) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

SEC. 543. (a) RESTRICTIONS.—Notwithstanding any other provision of law, no sanction, prohibition, or requirement described in section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), with respect to Serbia or Montenegro, may cease to be effective, unless—

(1) the President first submits to the Congress a certification described in subsection (b); and

(2) the requirements of section 1511 of that Act are met.

(b) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova;

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) WAIVER AUTHORITY.—The President may waive the application in whole or in part, of subsection (a) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Bosnia-Herzegovina that is acceptable to the parties.

SPECIAL AUTHORITIES

SEC. 544. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia and Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: Provided further, That none of the funds appropriated by this Act may be made available, and funds previously obligated may not be expended, for assistance for any country or organization that the Secretary of State determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations, or to the military of any country that is not acting vigorously to prevent its members from facilitating the export of timber from Cambodia by the Khmer Rouge: Provided further, That the Secretary of State shall submit reports to the Committees on Appropriations on February 15, 1997 and September 15, 1997, on whether there are any countries, organizations, or militaries for which assistance is prohibited under the previous proviso, the basis for such conclusions and, if appropriate, the steps being taken to terminate assistance.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1997, the President may use up to $40,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

(d) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 545. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

*(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;*

*(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and*

*(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.*

ANTI-NARCOTICS ACTIVITIES

*SEC. 546. (a) Of the funds appropriated or otherwise made available by this Act for ''Economic Support Fund'', assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean in accordance with the provisions of section 534 of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.*

*(b) Funds made available pursuant to this section may be made available notwithstanding the third sentence of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.*

ELIGIBILITY FOR ASSISTANCE

*SEC. 547. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: Provided, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.*

*(b) PUBLIC LAW 480.—During fiscal year 1997, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.*

*(c) EXCEPTION.—This section shall not apply—*

*(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or*

*(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.*

EARMARKS

*SEC. 548. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.*

*(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.*

CEILINGS AND EARMARKS

*SEC. 549. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.*

EXCESS DEFENSE ARTICLES

*SEC. 550. (a) During fiscal year 1997, the authority of section 519 of the Foreign Assistance Act of 1961, as amended, may be used to provide nonlethal excess defense articles to countries for which United States foreign assistance has been requested and for which receipt of such articles was separately justified for the fiscal year, without regard to the restrictions in subsection (a) of section 519.*

*(b) During fiscal year 1997, the authority of section 516 of the Foreign Assistance Act of 1961, as amended, may be used to provide defense articles to Jordan, Estonia, Latvia, Lithuania, and to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101–179.*

*(c) Section 516(f) of the Foreign Assistance Act of 1961, as amended, is repealed.*

*(d) Section 31(d) of the Arms Export Control Act is amended by deleting the words ''or pursuant to sales under this Act''.*

PROHIBITION ON PUBLICITY OR PROPAGANDA

*SEC. 551. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: Provided, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.*

USE OF AMERICAN RESOURCES

*SEC. 552. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.*

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

*SEC. 553. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.*

CONSULTING SERVICES

*SEC. 554. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.*

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

*SEC. 555. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.*

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

*SEC. 556. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.*

*(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.*

*(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.*

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

*SEC. 557. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.*

*(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.*

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

*SEC. 558. None of the funds appropriated by this Act may be obligated for assistance for the*

Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 559. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1997 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

WAR CRIMES TRIBUNALS

SEC. 560. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the authority of section 552(c) of the Foreign Assistance Act of 1961, as amended, may be used to provide up to $25,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information and intelligence regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

TRANSPORTATION OF EXCESS DEFENSE ARTICLES

SEC. 561. Notwithstanding section 519(f) of the Foreign Assistance Act of 1961, during fiscal year 1997, funds available to the Department of Defense may be expended for crating, packing, handling and transportation of excess defense articles transferred under the authority of sections 516 and 519 to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101–179.

LANDMINES

SEC. 562. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: Provided, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 22 U.S.C., 2778 note) is amended by striking out ''During the five-year period beginning on October 23, 1992'' and inserting in lieu thereof ''During the eight-year period beginning on October 23, 1992''.

MORATORIUM ON USE OF ANTIPERSONNEL LANDMINES

SEC. 563. (a) UNITED STATES MORATORIUM.—Notwithstanding any other provision of law, for a period of one year beginning three years after the date of enactment of Public Law 104–107, the United States shall not use antipersonnel landmines except along internationally recognized national borders or in demilitarized zones within a perimeter marked area that is monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

(b) DEFINITION AND EXEMPTIONS.—For the purposes of this section:

(1) ANTIPERSONNEL LANDMINE.—The term ''antipersonnel landmine'' means any munition placed under, on, or near the ground or other surface area, delivered by artillery, rocket, mortar, or similar means, or dropped from an aircraft and which is designed, constructed or adapted to be detonated or exploded by the presence, proximity, or contact of a person.

(2) EXEMPTIONS.—The term ''antipersonnel landmine'' does not include command detonated Claymore munitions.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 564. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 565. None of the funds appropriated or otherwise made available by this Act under the heading ''INTERNATIONAL MILITARY EDUCATION AND TRAINING'' or ''FOREIGN MILITARY FINANCING PROGRAM'' for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

HUMANITARIAN ASSISTANCE

SEC. 566. The Foreign Assistance Act of 1961 is amended by adding immediately after section 620H the following new section:

''SEC. 620I. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT RESTRICT UNITED STATES HUMANITARIAN ASSISTANCE.—

''(a) IN GENERAL.—No assistance shall be furnished under this Act or the Arms Export Control Act to any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

''(b) EXCEPTION.—Assistance may be furnished without regard to the restriction in subsection (a) if the President determines that to do so is in the national security interest of the United States.''.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 567. (a) SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

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

LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

SEC. 568. None of the funds appropriated in this Act under the heading ''North American Development Bank'' and made available for the Community Adjustment and Investment Program shall be used for purposes other than those set out in the binational agreement establishing the Bank.

LIMITATION ON FUNDS FOR BURMA

SEC. 569. Until such time as the President determines and certifies to the Committees on Appropriations that an elected government of Burma has been allowed to take office, the following sanctions shall be imposed on Burma:

(1) No national of the United States shall make any investment in Burma;

(2) United States assistance to Burma is prohibited;

(3) The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of the funds of the respective bank to or for Burma; and

(4) Except as required by Treaty obligations, any Burmese national who formulates, implements, or benefits from policies which hinder the transition of Burma to a democratic country shall be ineligible to receive a visa and shall be excluded from admission to the United States.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 570. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961; or

(2) credits extended or guarantees issued under the Arms Export Control Act.

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as ''Paris Club Agreed Minutes''.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as ''IDA-only'' countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

*(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt restructuring''.*

*(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.*

*AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES*

*SEC. 571. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—*

*(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—*

*(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or*

*(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.*

*(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.*

*(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.*

*(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.*

*(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.*

*(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.*

*(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President shall consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.*

*(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt Restructuring''.*

*SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS*

*SEC. 572. (a) BILATERAL ASSISTANCE.—Funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act may not be provided for any country described in subsection (c).*

*(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of financing or financial or technical assistance to any country described in subsection (c).*

*(c) SANCTIONED COUNTRIES.—A country described in this subsection is a country the government of which knowingly grants sanctuary to persons in its territory for the purpose of evading prosecution, where such persons—*

*(1) have been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or*

*(2) have been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933 and ending on May 8, 1945 under the direction of, or in association with—*

*(A) the Nazi government of Germany;*

*(B) any government in any area occupied by the military forces of the Nazi government of Germany;*

*(C) any government which was established with the assistance or cooperation of the Nazi government; or*

*(D) any government which was an ally of the Nazi government of Germany.*

*LIMITATION ON ASSISTANCE FOR HAITI*

*SEC. 573. (a) None of the funds appropriated or otherwise made available by this Act, may be provided to the Government of Haiti until the President reports to Congress that—*

*(1) the Government is conducting thorough investigations of extrajudicial and political killings; and*

*(2) the Government is cooperating with United States authorities in the investigations of political and extrajudicial killings.*

*(b) Nothing in this section shall be construed to restrict the provision of humanitarian, development or electoral assistance.*

*(c) The President may waive the requirements of this section if he determines and certifies to the appropriate committees of Congress that it is in the national interest of the United States or necessary to assure the safe and timely withdrawal of American forces from Haiti.*

*LIMITATION ON FUNDS TO THE TERRITORY OF THE BOSNIAC-CROAT FEDERATION*

*SEC. 574. Funds appropriated by this Act for activities in the internationally-recognized borders of Bosnia and Herzegovina (other than refugee and disaster assistance and assistance for restoration of infrastructure, to include power grids, water supplies and natural gas) may only be made available for activities in the territory of the Bosniac-Croat Federation.*

*UNITED STATES GOVERNMENT PUBLICATIONS*

*SEC. 575. Beginning in fiscal year 1997, all United States Government publications shall refer to the capital of Israel as Jerusalem.*

*EXTENSION OF CERTAIN ADJUDICATION PROVISIONS*

*SEC. 576. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—*

*(1) in section 599D (8 U.S.C. 1157 note)—*

*(A) in subsection (b)(3), by striking ''and 1996'' and inserting ''1996, and 1997''; and*

*(B) in subsection (e), by striking out ''October 1, 1996'' each place it appears and inserting ''October 1, 1997''; and*

*(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking out ''September 30, 1996'' and inserting ''September 30, 1997''.*

*TRANSPARENCY OF BUDGETS*

*SEC. 577. (a) LIMITATION.—Beginning three years after the date of the enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—*

*(1) does not have in place a functioning system for a civilian audit of all receipts and expenditures in the portions of its budget that fund activities of the armed forces and security forces;*

*(2) has not provided a summary of a current audit to the institution; and*

*(3) has not provided to the institution an accounting of the ownership and financial interest in revenue-generating enterprises of the armed forces and security forces.*

*(b) DEFINITION.—For purposes of this section, the term ''international financial institution'' shall include the institutions identified in section 535(b) of this Act.*

*PROMOTION OF HUMAN RIGHTS*

*SEC. 578. A senior official, or former senior official, of a government that receives funds appropriated by this Act, who applies for a visa to travel to the United States, shall be denied such visa if the Secretary of State has credible evidence that such official has committed, ordered or attempted to thwart the investigation of a gross violation of an internationally recognized human right: Provided, That for purposes of this section ''senior official'' includes an officer of the armed forces or security forces: Provided further, That the Secretary of State may waive the restrictions of this section on a case-by-case basis if he determines and reports to the Committees on Appropriations that to do so is important to the national interest of the United States.*

*GUARANTEES*

*SEC. 579. Section 251(b)(2)(G) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking ''fiscal year 1994 and 1995'' and inserting in lieu thereof ''fiscal years 1994, 1995, and 1997'' in both places that this appears.*

This Act may be cited as the ''Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997''.

Mr. LOTT. Mr. President, the managers of the bill will do their opening statements now. I believe that they have some amendments that they can clear.

I yield to the chairman for any explanation of how they intend to proceed tonight, or the first thing in the morning.

Mr. MCCONNELL. I thank the leader.

In addition to doing our opening statements, Senator COVERDELL has an amendment which he is prepared to lay down and we could schedule a vote at whatever time you think appropriate.

Mr. LOTT. Mr. President, 9:30 in the morning would be the appropriate time. I believe that we can get the Members here and continue to have serious work and complete this very important bill very quickly; hopefully, tomorrow.

Mr. President, I have another unanimous-consent request then, unless there is something else to be said about the foreign ops appropriations bill.

## EXECUTIVE SESSION

### EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 574 and No. 589.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

Nanette K. Laughrey, of Missouri, to be United States District Judge for the Eastern and Western Districts of Missouri.

Dean D. Pregerson, of California, to be United States District Judge for the Central District of California.

#### NOMINATION OF DEAN D. PREGERSON

Mrs. BOXER. Mr. President, I want to thank the majority and minority leaders as well as the Judiciary Committee chairman, ORRIN HATCH, and ranking member, Senator BIDEN, for moving an outstanding judicial nominee, Dean Douglas Pregerson, to the floor for confirmation to the United States District Court for the Central District of California.

The Central District of California includes the counties of Los Angeles, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura.

Dean Pregerson has been a practicing attorney in California and in the Territory of Guam for the past 18 years. He has tremendous experience in a broad range of legal issues and a record of exceptional performance in many different aspects of the practice of law. He has been a public defender, a legal aid lawyer, and a litigator of a wide variety of civil and criminal matters in both State and Federal courts. He is currently a partner in the Los Angeles law firm of Pregerson, Richman and Luna, where he has personally litigated many issues, including contract and commercial actions, intellectual property matters, and personal injury disputes.

Mr. Pregerson has a long record of service to his community. For the past 5 years, he has been a board member of Bet Tzedek Legal Services, which provides free legal help to about 12,000 Los Angelenos a year. He is on the advisory board of the GSA/Salvation Army homeless shelter of Bell, CA, which provides food, housing, and other services to more than 200 men and women each day. He began his service for the Recreation and Parks Commission of Los Angeles in 1989, and served a term as its president. He has been a member of the Los Angeles Memorial Coliseum Commission.

Dean Pregerson has garnered high praise from many colleagues and associates. Los Angeles Mayor Richard Riordan, in a letter to Judiciary Committee Chairman HATCH in February of this year, said he, ''strongly supports Dean's nomination'' and believes that he will be a judge ''who combines legal talents with a firm commitment to uphold the traditional and proper role of the judiciary.'' Los Angeles Sheriff Sherman Block writes that Dean Pregerson will be ''tough, fair-minded, and committed to enforcing the law'' as a Federal judge and he conveys his strong support for his confirmation.

Again, I commend our leaders for bringing this nomination to the floor and confirming an individual who will be a great asset to the Federal bench and to the State of California.

## LEGISLATIVE SESSION

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

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

## FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

Mr. MCCONNELL. Mr. President, this year the foreign operations bill provides $12.246 billion to administer our foreign assistance programs. This slightly exceeds the bill signed into law last year but is more than $700 million below the administration's request. Although this is a substantial reduction, I believe we have crafted a bill which addresses congressional concerns about balancing the budget while continuing to serve vital U.S. national security priorities.

Let me briefly review both the funding levels and policy provisions which advance our common international interests.

In title I, we have provided $632 million for export promotion programs. The Trade Development Agency and the Overseas Private Investment Corporation are fully funded, and the Export-Import Bank is near the request level.

Virtually all of us have learned of the direct benefit these programs have had in securing new markets and opportunities for American business. While some people have expressed concern about our subsidizing American corporations, this support we offer in this bill is a reflection of how competitive the international market has become. I believe our export promotion programs are essential to our long-term economic security.

If you have any doubt about the significance of this funding, there is one statistic which makes clear how important our competition thinks these programs are. Last year the Export-Import Bank extended $2.9 billion in loans. Its Japanese counterpart provided $19.3 billion in support.

While I am a strong supporter of the Bank, I have been deeply concerned about recent management problems. Both the Office of Personnel Management and the General Accounting Office investigated the Bank's misuse of certain salary-related authorities. In a 1995 audit, OPM concluded that retention allowances have been granted to approximately 200 of the Bank's 450 employees ''contrary to law and regulation.'' Instead of meeting the legal requirement of establishing an employee's unique qualifications and intent to leave Government service, the current management at the Bank treated retention allowances as performance bonuses.

While the problem was drawn to White House attention, the acting Chairman's nomination pending before the Banking Committee was resubmitted as a recess appointment. This has prompted the committee to limit funding for the Chairman's salary until this matter can be fully reviewed in the context of a nomination hearing.

Let me now turn to title II. We have provided $1.7 billion in funding for development assistance, including child survival programs, and the Development Fund for Africa, the Inter-American Foundation and the African Development Foundation. This level is close to the administration's request and was a high priority of Senator LEAHY and a majority of the members of the committee.

Within the bilateral aid account there are a handful of earmarks including funds for Camp David Partners, Burma and Cyprus.

Given our strong interest in securing the transition of free market democracies, we have fully funded the administration's request for the New Independent States of the former Soviet Union. In addition to earmarking levels of support for Ukraine, Armenia, and Georgia, the bill provides funding for safety programs at nuclear reactors, small business development, strengthening agricultural productivity, and treatment for children who are victims of the Chernobyl disaster.

While not in statute, I want to take note of important report language regarding Russia.

President Yeltsin has made a lot of extravagant financial pledges on the campaign trail which must be reconsidered if the nation is to stay within IMF fiscal guidelines and sustain economic reforms. The committee points out that the outcome of the elections reflects U.S. assistance is less important

than the political and economic choices Russia's citizens and leaders will make in the coming months.

The report states that this is an important transition year for Russia. With over $10 billion in IMF loan commitments and $4.2 billion in United States bilateral support, it is the committee's expectation that most aid will be phased out and that Russia will graduate from our foreign operations programs in fiscal 1997.

Let me now address the independent agencies which are also funded in title II. Given the strong bipartisan support for the Peace Corps, we were able to come close to the administration's request and provide a total in resources of $217 million.

The International Narcotics and Law Enforcement Program has been increased substantially over last year's level from $115 million to $160 million. I continue to be deeply concerned that the administration made the decision to shift resources away from transit countries to source countries. Long-term, this approach may make sense, but the reductions in the transit country effort seem to have been made well before the source country strategy and programs had been put in place. Hopefully, the strong funding level will assure we can maintain an aggressive effort in both transit and source countries.

Mr. President, in consultation with the House, we have established a consolidated account which includes proliferation, demining and some of the related international organization programs. Within this account, we have provided funding to complete our commitment to Israel's counterterrorism effort.

This account also provides funding at last year's level for the Korea Peninsula Energy Development Organization also known as KEDO. As the report reflects, the committee supported the administration's request to leave the actual funding number out of last year's bill in order not to impede global fundraising efforts.

I thought we had a clear understanding as to precisely what level had been justified and was permissible. Unfortunately, the administration took advantage of our effort to help them and substantially exceeded justified levels of spending.

In documents submitted last year the administration suggested we planned to contribute 20 percent or $10 million toward the annual costs of 500,000 tons of heavy fuel oil. Subsequently, without submitting required reprogramming notifications, the White House announced it intended to provide $22 million to cover fuel oil. I think it is important that there is no further confusion on the burden the United States is willing to assume, so we have included a specific level of funding.

We have also included a requirement that oil may only be made available subject to confirmation that the North Koreans are not diverting it for military or other illegal uses. This is consistent with the Secretary of State's pledge to the subcommittee to assure compliance on oil use.

Turning now to our military assistance programs in title III, we have earmarked resources for the Camp David partners and provided sufficient funds to cover the transfer of F–16's to Jordan. In other areas, we have funded IMET at $40 million and provided $65 million for voluntary peacekeeping activities.

For several years, the subcommittee has been supportive of programs under the Partnership for Peace and Warsaw Initiative. This year we moved forward and consistent with the NATO Participation Act and subsequent similar legislation, the bill designates Poland, Hungary, and the Czech Republic eligible for NATO admission. The committee has made $20 million in loans and $30 million in grants available to these three nations to improve their military capabilities. This is an initiative crafted in conjunction with the former majority leader and in which there had been strong bipartisan interest.

Finally, with regard to title IV which funds the international financial institutions, we have done the best we could given the enormous size of the administration's request. In response to interest expressed by a majority of the committee, we have provided $295 million to cover our international organizations and programs. This will allow the administration to fully fund our pledge to UNICEF.

Our treatment of the International Development Association bears some explanation. For the first time in history, this administration agreed to vote for an arrangement which segregated $3.3 billion in contributions in a new interim trust fund to be managed by IDA. The ITF will allow only corporations and suppliers from those nations contributing to the fund to compete for contracts. Like many of my colleagues, I oppose the administration's decision to vote to exclude U.S. suppliers from competition for contracts. Thus, we have provided $626 million as a U.S. contribution to the interim trust fund. This assures American companies will continue to have access to resources we invest in the banks.

There is one further item worth drawing attention to. In the general provisions section of the bill we have included sanctions legislation regarding Burma. I recognize this is unusual in an appropriations bill and expect some debate here on the floor on that issue. However, it is my view, a view shared by the elected leader of Burma, Aung San Suu Kyi, that the time has come for the United States to exercise leadership on this issue.

That basically completes my summary of the bill.

I would like to hear from my friend and colleague Senator LEAHY. We will have a couple of amendments to lay down tonight, one of which we expect to be able to get a vote on at 9:30 in the morning.

With that overview, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I am prepared to go to third reading right now, if the distinguished chairman would want it, and save having to come in at 9:30 in the morning, but I suspect there are some who may disagree.

Mr. President, this is a balanced bill. It is a balanced bill only within an allocation which, frankly, does not meet our needs. Foreign aid would never win a popularity contest. In fact, we were able to pass foreign aid bills in the past because the funds in the bills were distributed among diverse constituencies. This year is no exception. It is fast becoming more difficult because there is less money to go around.

The bill is more than $700 million below the President's request. To put that in perspective, President Clinton has requested for foreign aid about 40 percent less than President Reagan used to request. It is not that somehow there is a Democrat foreign aid giveaway. This administration is requesting about 40 percent less than either the Reagan or Bush administrations did, but it is also $1.5 billion below the level for foreign operations in fiscal year 1995.

Each year, what we do is we take a larger and larger share of the overall pie and we earmark it for the Middle East. Unquestionably that is a major priority of the United States. But, of course, it does leave less and less for the United States to carry out any policies in other parts of the world.

We should ask what that means. For example, last week the Agency for International Development laid off 200 employees. Some of these were among the finest in or out of government, people who had a decade, sometimes even two decades, of exemplary experience, exemplary and loyal service to the United States. Some programs, including ones that everyone here strongly supports—in agriculture, in the environment, in education—they lost half their staff. A number of these programs directly or indirectly created jobs here in the United States through our export programs. They are gone—to say nothing of what it does to our security.

There is actually a crisis in our foreign aid programs that few people even know about. Senators on both sides of the aisle, Democrats and Republicans, need to understand this. Both Senator MCCONNELL and I had some very difficult choices to make. This bill represents a delicate compromise. Any attempt to alter that balance by shifting significant amounts of money from one account to another, I believe, would seriously threaten its prospects for passage.

We have worked with Republicans and Democrats across the political spectrum, in this body, to try to use what small allocations we had to make them work. In doing that, we have had

to basically rob from almost every single allocation except for one area. And now if we try to change those, a lot of the support this bill has disappears.

Senator MCCONNELL has made clear what his priorities are and what the priorities of the Republican side are. Let me give one example. Despite a lower allocation than last year and cuts in many programs, funding for counternarcotics activities in this bill is increased. It is increased by $45 million. That is a 39-percent increase for the 1996 level.

I believe the evidence is indisputable that despite huge amounts of money over the past 6 years, over $1 billion, the program really has not reduced the flow of illegal drugs into this country. I know this is a priority of my friend from Kentucky and that we do need to support this effort, although other programs will have to be cut short to fund the increase. I would not want to see them cut further.

There are many, some on the other side, who would like to cut further our support for international development programs. Now we shift to a priority on this side of the aisle. In fact, it is not only a priority of mine, but a priority of Senators on both sides. Some of these programs were cut by as much as half this year.

So there is a balance. I want to preserve that balance. I know Senator MCCONNELL would want to.

Basically, what we have been told to do by the Senate is to take an allocation which is way below what is necessary, but within the realities it is the only allocation we could have, take a foreign aid program which is about 40 percent less than what we had in the past two Republican administrations, and make it work. We have done the best we can. I hope Senators on both sides of the aisle will refrain from taking apart that balance.

The statement of administration policy in this bill is relative to what I have just said. The White House said they can live with most of the budgetary levels in the bill as Senator MCCONNELL and I presented it. If a couple of problems are solved, the President's advisers will recommend he signs the bill even though it is funded far below his request levels. They know the allocation left us no alternative.

But understand the reality: The bill does not meet our international needs and responsibilities. That is not the fault of the managers of this bill. We did the best we could with too little money. We face enormous challenges and opportunities in a dangerous and competitive world.

Our foreign policy has suffered from a lack of strategic thinking since the cold war. We seem to lurch from crisis to crisis without a clear sense of where we are going or how to get there. It is a concern of mine and should be a concern of every Member of the Senate of either party.

We are now the most powerful democracy history has ever known. Much of the rest of the world looks to us for direction and guidance, but we seem to determine our direction and our guidance based on what is on the evening news. We must have a clear policy. We must have a clear policy of our foreign policy, our foreign aid, our foreign involvement as we go into the next century.

Certainly, every other country does. Japan does. Japan spends more money in this area than we do but creates more jobs as a result of it. They know where they are going. A lot of other countries do. We have the world's largest economy, but our future hinges on building foreign markets in supporting democracy. If we want to create jobs for Americans, export jobs in other countries, we have to help create those jobs. They are not going to happen all by themselves. That is why Japan and the Netherlands and all these other countries go out and create the jobs. We cut back the money so we don't do it.

If we don't want to find ourselves caught up in wars around the world, we should be supporting democracies. That is what less powerful nations do. Yet, we cut back. We spend less than 1 percent of our budget on foreign aid, and we continue to cut it. Other countries see an opening. Japan and others spend a lot more.

In fact, a dozen or more countries spend more, a higher percentage of their budget than we do on foreign aid. Several spend more money in actual dollars. Why? Because they figure if the United States does not want to go after those jobs, if the United States does not want to go after the influence in other parts of the world, they will. So they spend the money, their products get sold, jobs in their countries are created, we lose the jobs, they create the expertise in foreign policy, we fire and get rid of the people having the expertise in this country, and they get the influence.

There are several things in this bill that concern me. None of us are going to get everything we want. Some things will be revisited in conference. I do want to mention one item. The bill caps the United States contribution to the Korea Economic Development Corporation at $12 million below the President's request.

The administration said this could undermine our nuclear agreement with North Korea. I would not want to see that agreement unravel. It is in our national security interest, it is in our regional interest in that part of the world that that agreement go through. I hope that we will resolve this, but I also compliment Senator MCCONNELL and his staff for the way they have worked with us on this bill, and I hope perhaps before the end of this week, we can have this bill finished.

I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, it is my understanding Senator MCCAIN and Senator COVERDELL both have amendments to lay down. The McCain amendment is the one we will be able to schedule a vote on at 9:30 in the morning. It is my understanding the distinguished Senator from Arizona would like to proceed first.

Mr. MCCAIN. If that is agreeable with the distinguished managers of the bill.

AMENDMENT NO. 5017

(Purpose: To require information on cooperation with United States anti-terrorism efforts in the annual country reports on terrorism)

Mr. MCCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Mr. COATS, Mr. CRAIG, Mr. D'AMATO, Mr. FAIRCLOTH, Mrs. FEINSTEIN, Mr. FRIST, Mr. GRAMS, Mr. INHOFE, Mr. LEVIN, Mr. LOTT, and Ms. MOSELEY-BRAUN, proposes an amendment numbered 5017.

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

Mr. LEAHY. Reserving the right to object, and I will not object, I would like to see, however, a copy of it.

The PRESIDING OFFICER. Is there objection? Does the Senator from Vermont still reserve the right to object?

Mr. LEAHY. I have no objection. I understand a copy is on its way.

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

The amendment is as follows:

On page 198, between lines 17 and 18, insert the following:

INFORMATION ON COOPERATION WITH UNITED STATES ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY REPORTS ON TERRORISM

SEC. 580. Section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f) is amended—

(1) in subsection (a)—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

''(3) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the investigation or prosecution of an act of international terrorism against United States citizens or interests, the certification of the Secretary—

''(A) whether or not the government of the foreign country is cooperating fully with the United States Government in apprehending, convicting, and punishing the individual or individuals responsible for the act; and

''(B) whether or not the government of the foreign country is cooperating fully with the United States Government in preventing further acts of terrorism against United States citizens in the foreign country; and

''(4) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the prevention of an act of international terrorism against such citizens or interests, the certification of the Secretary described in paragraph (3)(B).''; and

(2) in subsection (c)—

(A) by striking ''The report'' and inserting ''(1) Except as provided in paragraph (2), the report'';

(B) by indenting the margin of paragraph (1), as so designated, 2 ems; and

(C) by adding at the end the following:

''(2) If the Secretary determines that the transmittal of a certification with respect to a foreign country under paragraph (3) or (4) of subsection (a) in classified form would make more likely the cooperation of the government of the foreign country as specified in such paragraph, the Secretary may transmit the certification under such paragraph in classified form.''.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, it is my understanding, if it is agreeable with the distinguished managers of the bill, that we will debate this in the morning at about 9 or 9:15, whatever is agreeable to the managers of the bill.

Mr. MCCONNELL. Mr. President, I say to my friend from Arizona, the leader was hoping to schedule a vote at 9:30. You graciously agreed to let it be on this amendment. As to when the debate occurs, we can accommodate the Senator from Arizona on that.

Mr. MCCAIN. I ask both the Senator from Kentucky and the Senator from Vermont, if it is agreeable, I don't need more than 10 minutes. We could start, say, at 9:10 with the amendment, if the leader insists on a vote at 9:30, if that is agreeable.

Mr. MCCONNELL. Mr. President, let me suggest we have the vote at 9:45 and start at 9:30.

Mr. LEAHY. Mr. President, I would like to see the amendment. I hate to agree to a time, and I am sorry to upset the clerk by saying that, but it is a little bit difficult to get the exact time when we might vote. I am not sure exactly what the amendment is. I hate to cut off other people.

Why don't we agree on an hour evenly divided? The amendment I now have in my hand ends ''this transmits certification such paragraph in.''

Mr. MCCAIN. I have a better copy for the Senator.

Mr. LEAHY. I thank the Senator. The Senator from Arizona has given me another copy. He may want to send that one to the desk. I believe the one at the desk may have had a typo. I certainly have no objection to having him substitute.

Mr. MCCAIN. Mr. President, I ask unanimous consent to send a revised version of the amendment to the desk.

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

Mr. LEAHY. Mr. President, if this is agreeable with the distinguished Senator from Kentucky, why don't we have the vote, say, at 9:45, either a vote on it or a vote on tabling. I expect it will be a vote up or down. I just don't want to give up that right. I am sure the Senator from Arizona can understand that. And maybe have, prior to the vote, 20 minutes on each side. Will that be agreeable?

Mr. MCCAIN. That is certainly agreeable. I only need 10 minutes on this side.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. MCCONNELL. Mr. President, the Senator from Arizona and the distinguished Senator from Vermont are going to discuss the amendment that is currently at the desk. What we would like to do at this point is to have an opening statement from Senator COVERDELL on the amendment that he is going to be offering, which will be laid aside and will be taken up subsequent to the vote on the McCain amendment.

So, Mr. President, the order will be, we will hopefully vote on the McCain amendment sometime as early as possible in the morning and then go to the Coverdell amendment which Senator COVERDELL is now prepared to discuss. I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I wonder if the Senator from Kentucky would yield for a moment. Would it be appropriate to go ahead and lay the amendment down, and then I would make an opening statement? At the time they resolve that, you can set mine aside and proceed with the other amendment.

Mr. MCCONNELL. I suggest to my friend from Georgia, go on and make the statement. By the time you finish, it will probably be ready to be laid down.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, at the appropriate time, I will be sending to the desk an amendment that deals with international narcotics and law enforcement.

As you know, Mr. President, the President of the United States and this Senator have been in extended disagreement about drug policy in the United States. I have been exceedingly critical of the reduction of an investment in drug interdiction. I have been critical of the reduction of our resources available for international narcotics law enforcement. I have been critical of the fact that the drug czar's office was virtually closed. I have been critical of the fact that the message coming from the White House has been less than clear to the young people of our country on how dangerous drugs are to them.

I find myself tonight in the unusual circumstance of defending President Clinton's policy for his 1997 budget request for international narcotics and law enforcement.

Mr. President, President Clinton requested that $213 million be appropriated for international narcotics and law enforcement. That figure is only half what the investment in this arena was in 1992, which is just another example of the downsizing of the drug role. But unfortunately, the House bill only appropriates $150 million in international narcotics and law enforcement, and the Senate, as we have it before the floor, is $160 million.

The purpose of my amendment will be to restore the President's request, to honor the President's request. He has requested $213 million. I think it should be more, but it certainly, in my judgment, should not be less.

My amendment restores $53 million to this effort. Where does it come from? Mr. President, the Senate's position that is before us assigns $356 million to international operations and programs, a significant program. That is $31 million higher than the President's request, $31 million more than the President requested for international operations and programs.

So my proposal would take $28 million from this proposal and shift it to international narcotics and law enforcement. In other words, we are taking money from an account for which the President requested less, but we would put in more and shift it over to where he requested more but got less. Second, we take $25 million from development assistance, that is AID, which is requiring only a 2 percent reduction in the Senate-proposed appropriations, which is $1.929 billion. Having accomplished these two shifts, $28 million from international operations programs, $25 million from AID or development assistance, we would have the effect at the end of the day of having restored—restored—this very important function, international narcotics and law enforcement.

Mr. President, in the last 3 years, as an underpinning for my amendment and for the President's request, which I am trying to fulfill, we have created in the United States a full-fledged drug epidemic. Until I had seen the figures I could not believe it. From 1980 to 1992, drug use among our teenagers was cut in half. In the last 36 months it has doubled. Every statistic—marijuana use, heroin use—we are seeing a war flash across our country. In fact, Mr. President, if the casualties we are taking were from people in uniform, we would have declared war in our hemisphere by what is happening across the board.

What am I talking about, Mr. President? What I am talking about is that 2 million—2 million—more teenagers are into drugs tonight than there were 3 years ago—2 million. That is as large as the city of Atlanta, the host of the 1996 Olympics. Two million sisters, brothers, fathers, mothers, 2 million friends, associates, folks who live next door, somebody in the workplace, whose lives are stunted, tragically altered, and the line is going straight up.

The drug war was shut off. It needs to be turned back on. We need to be concerned about what is happening to children in our own country. Mr. President, this is the first war that has been waged against children. In the 1960's and 1970's, the target audience was 17 to 21 years old. Today the drug war is waged against kids who are 8 to 13 years of age. It is a tragedy occurring right before our eyes.

The President has appointed a new drug czar. He has called for new international narcotics money. While we may disagree on the policies that got us here, I agree with his effort to get the war back on.

Mr. President, I yield for a moment. Apparently the Senator from Arizona and the Senator from Vermont have worked out their differences. I will yield and return and submit my amendment officially after they have concluded their work.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 5017

Mr. MCCAIN. Mr. President, I understand the managers have agreed to a unanimous consent that we have a vote at 10 tomorrow with one-half hour equally divided.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, the agreement was—I understand that the Republican leader has a scheduling concern—that we would go to the amendment of the distinguished Senator from Arizona at 9:30 in the morning, that we would have one-half hour equally divided in the usual form, but obviously we could yield that back. I mean, technically we could be on the vote at 9:31.

I say that only because I do not want the two leaders, my distinguished friends from Mississippi and South Dakota, to suddenly have to hear from Members, why are we having a vote at 9:30, not 10? But my understanding is that the distinguished chairman will soon ask unanimous consent on behalf of the distinguished majority leader that we would be on the McCain amendment at 9:30, one-half hour equally divided, though we can yield back.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, in fairness to the Members, I think it is better to have a time certain for the first vote.

Mr. President, I ask unanimous consent that that vote occur on or in relation to the McCain amendment no later than 10 a.m., Thursday, and that the time between 9:30 and 10 a.m., be equally divided in the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, I understand that would be a McCain amendment, and that there would be no second-degrees in order.

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

Mr. MCCAIN. Mr. President, I also ask, if I could have unanimous consent, that a modification would be in order tomorrow morning, as we are still in negotiations with the Senator from Vermont concerning, perhaps, modifications for the amendment.

I ask unanimous consent I be allowed to modify the amendment tomorrow morning in agreement with the Senator from Vermont.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. COVERDELL. Mr. President, I ask unanimous consent the McCain amendment be set aside.

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

AMENDMENT NO. 5018

(Purpose: To increase the amount of funds available for international narcotics control programs, offset by reductions in other appropriations)

Mr. COVERDELL. Mr. President, I send an amendment to the desk that amends the bill in more than one place, and I ask unanimous consent that it be immediately considered, and no second-degree amendments be in order.

Mr. LEAHY. Mr. President, reserving the right to object, I did not hear.

Mr. MCCONNELL. Let me say that the amendment of the Senator from Georgia will be laid aside after he finishes his discussion.

We will vote first in the morning on the amendment of the Senator from Arizona, Senator MCCAIN, and no time agreement will be entered into tonight for a time certain on a vote on the Coverdell amendment.

I yield the floor.

The PRESIDING OFFICER. Without objection, the request of the Senator from Georgia is agreed to.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. COVERDELL], for himself, Mr. LOTT, Mr. HELMS, and Mr. GRASSLEY, proposes an amendment numbered 5018.

The amendment is as follows:

On page 104, line 19, strike ''$1,290,000,000'' and insert ''$1,262,000,000''.

On page 124, line 20, strike ''$160,000,000'' and insert ''$213,000,000''.

On page 138, line 5, strike ''$295,000,000'' and insert ''$270,000,000''.

Mr. COVERDELL. Mr. President, I have basically concluded my opening statement on the proposal, and explained that we are restoring funding to the President's request in the arena of international narcotics.

I did misspeak when I said we were taking $28 million, the figure is $25 million for international narcotics; and I said $25 million from development and assistance, and it is $28 million. I got them reversed.

Just to reiterate, we are in the midst of a drug epidemic. This is not a time to undercut the Presidential request for direct funding to the war on narcotics and the war on 8- to 13-year-olds in America—8 to 13 years of age. They are the target. The havoc that we would pay for this is immeasurable and indescribable.

I yield the floor.

Mr. MCCONNELL. I commend the Senator from Georgia for his amendment. I support it.

As far as I know, there is no further business to be conducted this evening, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

## MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

## FOREIGN OIL CONSUMED BY THE UNITED STATES? HERE'S WEEKLY BOX SCORE

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending July 19, the United States imported 7,800,000 barrels of oil each day, 1,100,000 barrels more than the 6,700,000 barrels imported during the same week a year ago.

Americans relied on foreign oil for 54.9 percent of their needs last week, and there are no signs that this upward spiral will abate. Before the Persian Gulf war, the United States obtained about 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil—by U.S. producers using American workers? Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,800,000 barrels a day.

## THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, too many Americans have not the foggiest notion about the enormity of the Federal

debt. Every so often, I ask various groups, how many millions of dollars are there in a trillion? They think about it, voice some estimates, most of them not even close.

They are stunned when they learn the facts, such as the case today. To be exact, as of the close of business yesterday, July 23, the total Federal debt—down to the penny—stood at $5,171,664,148,836.91.

Another astonishing statistic is that on a per capita basis, every man, woman, and child in America owes $19,489.11.

As for how many millions of dollars there are in a trillion, there are a million in a trillion, which means that the Federal Government owes more than $5 million million.

## TRIBUTE TO E.R. ''BOB'' MORRISSETTE, JR.

Mr. HEFLIN. Mr. President, people all over my State of Alabama are deeply saddened by the death of E.R. ''Bob'' Morrissette, Jr., who passed away on Sunday, July 21 in Mobile. Bob, who had served for many years on my State staff working out of the Mobile office, was a trusted friend, loyal ally, and close adviser. He was the kind of dedicated public servant who was a natural at the art of forging agreement and building bridges. He truly loved people and prided himself on being able to get along with just about anyone with whom he came in contact. People responded and warmed up to him because of his gentlemanly manner, his humor, and his genuineness. Two of his great passions were people and politics. He enjoyed politics in any shape or form.

Another of his passions was the newspaper business. Before joining my staff, he spent over 3 decades covering the news as a reporter, editor, and publisher. After serving in the Army during World War II, Bob earned a journalism degree at the University of Alabama. This is where I first met and became close friends with him some 50 years ago. After college, he embarked on a career in journalism at the Baldwin Times paper in Bay Minette, AL. He took over the Atmore Advance in Atmore, a small town in South Alabama, in 1959, serving there as owner, editor, and publisher of the paper for the next 20 years. He plunged into civic life, always wanting to do his very best for the community he served. Bob always considered himself a newspaper man in the traditional sense and saw to it that he knew everything and everybody in his community.

In 1976, Bob received the Distinguished Alumnus in Journalism Award from the University of Alabama. Two years later, he was named president of the Alabama Press Association. Shortly after I came to the Senate, he sold the Advance and I persuaded him to accept a position as my executive assistant for southwestern Alabama, heading up my Mobile office. He was an indispensable and energetic member of my staff who represented me at various meetings and events and handled many projects over the years. He served right up until the time of his death. I will always fondly remember the many barnstorming trips we went on together in Mobile and surrounding counties.

The importance of family and relationships was something he understood fully. I was present at Bob and Joyce Henley Morrissette's wedding many years ago. They loved each other intensely and constantly. They were so close they knew intuitively the thoughts of the other; they could communicate without speaking. Each brought out the best in the other. They were spouses, best friends, superb parents, and tireless workers for the public good.

Unfortunately, Joyce became ill and was not able to continue doing so many of the things she loved and enjoyed. But Bob was always devoted to her and cared for her in many different ways. His devotion to Joyce never wavered. His loyalty to her reminds me of a line from Elizabeth Barrett Browning's ''Love Song from the Portuguese'': ''Chance cannot change my love nor time impair.''

Bob was an outstanding family man. He had an unqualified love for all of his family and a reverence for his roots. Not only did he show this by his love for Joyce and his two daughters, Martha and Lulie, but he loved to talk about his relatives—close and distant. He loved to tell stories about members of his family. I believe he had more cousins than any one man in all of Alabama. He was extremely proud of his heritage. From my perspective as an office seeker, I could not have hoped for a better friend and campaign worker who could persuade so many kissing cousins.

Bob Morrissette had an enormous number of friends across the State and his familiar presence will be sorely missed. His life was a testament to the very best qualities to be found in the journalism business and in government. He proved that people can be involved in these fields and be highly successful while still maintaining a level of civility, friendliness, integrity, decorum, and respect that is often absent from the public sphere today.

He derived a great deal of satisfaction from helping others. He was an optimist by nature, always believing we can find the way to a better world and that each of us can be a valuable participant in the process. I cannot begin to list the ways that Bob improved the lives of others or to discuss the numerous people he touched and how he promoted the public good. Only those of us fortunate to have been the closest to him can begin to appreciate the thoughtfulness and kindness he displayed on a daily basis for so many people. He touched an infinite number of lives through his words, whether they were delivered over the phone, in writing, or in person. He had a rich and colorful south Alabama accent that had a way of putting people at ease and even disarming those who were upset or angry about something. Happiness was an integral part of his life because he was always doing things for other people. He knew that one does not become happy by pursuing happiness for its own sake. Bob understood that genuine happiness is a byproduct of living a meaningful and productive life. He was a genuinely happy man who used his talents fully and wisely and shared them generously.

I extend my sincerest condolences to Joyce Morrissette and her entire family in the wake of this tremendous loss. This is not only a loss for his family, but for his community, State, and Nation as well. We are all infinitely better off for having had his service, his friendship, his dedication, and his spirit over the course of these many years.

## PIONEER DAY

Mr. HATCH. Mr. President, today is July 24—an ordinary day to millions of Americans and 98 percent of this body.

But to Utahns, July 24, Pioneer Day, is a big State celebration. Offices and businesses are closed; there are parades and pageants in most Utah communities; and families gather for picnics and games.

Mr. President, July 24 was the day in 1847 when Brigham Young stood atop a rise in Emigration Canyon, gazed at the Salt Lake valley below, and announced to the Mormon pioneers who had followed him across the Plains and across the Rocky Mountains that ''This is the Place.''

Today is the 149th anniversary of Pioneer Day. It is a day Utahns celebrate so enthusiastically because it commemorates the determination and faith that brought our ancestors into the place Mormons call Zion.

It commemorates the triumph over the hardships inherent in such a journey. It commemorates the sense of community that kept them together as a people.

And, it commemorates the fact that the religious persecution suffered by my Mormon ancestors did not achieve its purpose. Prejudice and bigotry may have forced the early members of the Church of Jesus Christ of Latter-day Saints out of the Midwest, but the faith could not be killed.

Today, Utah stands as a shining example of commerce, the arts, science, and education. It is an example of solid work ethic, sound management, and good stewardship in both public and private arenas. It is also a model of tolerance. All of these blessings and present-day values are manifestations of the character and achievements of the Utah pioneers.

That is why today Utah celebrates the ''Days of '47.'' I ask my colleagues to join me and Senator BENNETT in observing this seminal event in Utah history.

## MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

## REPORT OF U.S. PARTICIPATION IN THE UNITED NATIONS FOR CALENDAR YEAR 1995—MESSAGE FROM THE PRESIDENT—PM 165

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

*To the Congress of the United States:*

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during calendar year 1995. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 24, 1996.*

## MESSAGES FROM THE HOUSE

### ENROLLED BILL SIGNED

At 10:15 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 3107. An act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes.

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At 11:58 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2779. An act to provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects, and for other purposes.

H.R. 3564. An act to amend the NATO Participation Act of 1994 to expedite the transition to full membership in the North Atlantic Treaty Organization of emerging democracies in Central and Eastern Europe.

The message also announced that pursuant to the provisions of section 801(c)(1) of Public Law 104Y132, the Speaker appoints as a member from private life on the part of the House to the National Commission on the Advancement of Federal Law Enforcement Ms. Victoria Toensig of Washington, DC.

## MEASURES PLACED ON THE CALENDAR

The following measures were read the first and second times by unanimous consent and placed on the calendar:

H.R. 3564. An act to amend the NATO Participation Act of 1994 to expedite the transition to full membership in the North Atlantic Treaty Organization of emerging democracies in Central and Eastern Europe.

## EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3519. A communication from the General Counsel of the Department of Transportation transmitting, pursuant to law, the report of four rules entitled ''Excess Flow Valve Customer,'' (RIN2137–AB97, 2137–AC55, 2137–AC25, 2137–AR38) received on July 22, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3520. A communication from the General Counsel of the Department of Transportation transmitting, pursuant to law, the report of seven rules entitled ''Airworthiness Directives,'' (RIN2120–A64, 2120–AA66, 2120–AA65) received on July 22, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3521. A communication from the Assistant Secretary of Policy, Management and Budget, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Administrative and Audit Requirements and Cost Principles for Assistance Programs,'' (RIN1090–AA58) received on July 22, 1996; to the Committee on Energy and Natural Resources.

EC–3522. A communication from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a final rule entitled ''Reporting of Interest From Zero Coupon Bonds,'' (RIN0938–AH11) received on July 19, 1996; to the Committee on Finance.

EC–3523. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, a report relative to the rule entitled ''Revenue Ruling 96–37,'' received on July 22, 1996; to the Committee on Finance.

EC–3524. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, a report relative to the rule entitled ''Revenue Ruling RR–237026–95,'' received on July 22, 1996; to the Committee on Finance.

EC–3525. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, a report relative to the rule entitled ''Revenue Ruling 96–36,'' received on July 22, 1996; to the Committee on Finance.

EC–3526. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of Treasury, transmitting, pursuant to law, a report relative to the rule entitled ''Revenue Ruling 96–41,'' received on July 19, 1996; to the Committee on Finance.

EC–3527. A communication from the Chief of the Regulations Branch, Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Centralized Examination Stations,'' received on July 22, 1996; to the Committee on Finance.

EC–3528. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, a report relative to minority small business and capital ownership development; to the Committee on Small Business.

EC–3529. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–300 adopted by the Council on July 3, 1996; to the Committee on Governmental Affairs.

EC–3530. A communication from the Deputy Associate Administrator for Acquisition Policy, Office of Policy, Planning and Evaluation, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''Amendment of FIRMR Provisions Relating to GSA's Role in Screening Excess and Exchange/Sale Federal Information Processing Equipment,'' (RIN3090–AF32) received on July 22, 1996; to the Committee on Governmental Affairs.

EC–3531. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 11–298 adopted by the Council on July 3, 1996; to the Committee on Governmental Affairs.

EC–3532. A communication from the Deputy Associate Administrator for Acquisition Policy, Office of Policy, Planning and Evaluation, General Services Administration, transmitting, pursuant to law, the report of a rule entitled ''General Services Administration Acquisition Regulation,'' (RIN3090–AF97) received on July 22, 1996; to the Committee on Governmental Affairs.

EC–3533. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report under the Inspector General Act for the period October 1, 1995 through March 31, 1996; to the Committee on Governmental Affairs.

EC–3534. A communication from the Director of the Office of Regulatory Management and Information, transmitting, pursuant to law, the report of three rules including a rule entitled ''Approval and Promulgation of Implementation Plans,'' (FRL5539–1, 5541–3, 5527–6) received on July 19, 1996; to the Committee on Environment and Public Works.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1645. A bill to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources, and for other purposes (Rept. No. 104–332).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 2909. A bill to amend the Silvio O. Conte National Fish and Wildlife Refuge Act to provide that the Secretary of the Interior may acquire lands for purposes of that Act only by donation or exchange, or otherwise with the consent of the owner of the lands.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 270. A resolution urging continued and increased United States support for the efforts of the International Criminal Tribunal for the former Yugoslavia to bring to justice the perpetrators of gross violations of international law in the former Yugoslavia.

By Mr. HELMS, from the Committee on Foreign Relations, with an amendment and with a preamble:

S. Res. 275. A resolution to express the sense of the Senate concerning Afghanistan.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 276. A resolution congratulating the people of Mongolia on embracing democracy in Mongolia through their participation in the parliamentary elections held on June 30, 1996.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAHAM (for himself and Mr. MOYNIHAN):

S. 1984. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require a 10 percent reduction in certain assistance to a State under such title unless public safety officers who retire as a result of injuries sustained in the line of duty continue to receive health insurance benefits; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself and Mrs. HUTCHISON):

S. 1985. A bill to increase penalties for sex offenses against children; to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 1986. A bill to provide for the completion of the Umatilla Basin Project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FAIRCLOTH:

S. 1987. A bill to amend titles II and XVIII of the Social Security Act to prohibit the use of social security and medicare trust funds for certain expenditures relating to union representatives at the Social Security Administration and the Department of Health and Human Services; to the Committee on Finance.

By Mr. MACK (for himself, Mr. LIEBERMAN, Mr. ABRAHAM, Mr. LOTT, Mr. HATCH, and Mr. BENNETT):

S. 1988. A bill to amend the Internal Revenue Code of 1986 to provide for individuals who are residents of the District of Columbia a maximum rate of tax of 15 percent on income from sources within the District of Columbia, and for other purposes; to the Committee on Finance.

## SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BRADLEY (for himself, Mr. SPECTER, Mr. WELLSTONE, Mr. FRIST, Mr. LEVIN, Ms. SNOWE, Mr. AKAKA, Mr. DEWINE, Mrs. BOXER, Mr. THURMOND, Mr. MOYNIHAN, Mr. BIDEN, Mrs. MURRAY, Mr. GLENN, Mr. REID, Mr. SIMON, Mr. KOHL, Mr. LAUTENBERG, Mr. DODD, Mr. CHAFEE, Mr. BENNETT, Mr. MCCAIN, Mr. COATS, Mr. D'AMATO, Mr. BROWN, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. INOUYE, Mr. BURNS, Mr. GRAHAM, Mr. NICKLES, Mr. CONRAD, Mr. ROTH, Mr. DORGAN, Mrs. HUTCHISON, Mr. PRYOR, Mr. SIMPSON, Mr. LIEBERMAN, Mr. FAIRCLOTH, Mr. BUMPERS, Mr. MCCONNELL, Mr. ROCKEFELLER, Mr. THOMPSON, Mr. KERRY, Mr. COHEN, Mr. JOHNSTON, Mr. GORTON, Mr. KENNEDY, Mr. CRAIG, Mr. ROBB, Mr. KEMPTHORNE, Ms. MOSELEY-BRAUN, Mr. MACK, Mr. WYDEN, Mr. GRAMS, Mr. HOLLINGS, Mr. JEFFORDS, Mr. DASCHLE, Mr. CAMPBELL, Ms. MIKULSKI, Mr. COCHRAN, Mr. HEFLIN, Mrs. FRAHM, Mr. EXON, Mr. ABRAHAM, Mr. FORD, Mr. ASHCROFT, Mr. BYRD, Mr. GREGG, Mr. SARBANES, Mr. HATFIELD, Mrs. FEINSTEIN, Mr. LUGAR, Mr. KERREY, Mr. SANTORUM, Mr. NUNN, Mr. THOMAS, Mr. BINGAMAN, Mr. WARNER, Mr. LEAHY, Mr. HELMS, Mr. BREAUX, Mr. BRYAN, and Mr. PELL):

S. Res. 282. A resolution to designate October 10, 1996, as the ''Day of National Concern About Young People and Gun Violence''; to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. MOYNIHAN):

S. 1984. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require a 10 percent reduction in certain assistance to a State under such title unless public safety officers who retire as a result of injuries sustained in the line of duty continue to receive health insurance benefits; to the Committee on the Judiciary.

### THE ALU-O'HARA PUBLIC SAFETY OFFICERS HEALTH BENEFITS ACT

● Mr. GRAHAM. Mr. President, almost 1 year ago today, Officer Joseph Alu and Detective James O'Hara responded to an emergency hostage situation.

When the officers had arrived at the scene—they found that the assailant had cordoned himself off in a bedroom of a house and had taken two teenaged girls for hostages.

The officers broke down the bedroom door, only to discover that the assailant had doused himself, the hostages, and the entire house in gasoline.

At that moment, the assailant dropped a lighter on the floor, setting the room ablaze, killing himself and the two hostages. Officers Alu and O'Hara were critically wounded—receiving severe burns over most of their bodies.

Both officers remained in the hospital for the better part of a year fighting for their lives.

Officer O'Hara was so badly burned that while he struggled for his life in the intensive care unit for over 6 months, his wife was told to expect and prepare for his imminent death.

Miraculously, Officer Alu and Officer O'Hara survived. But, while still in the hospital, the city of Plantation Police Department notified the officers that since they would not be physically able to return to work—they and their families would lose their health insurance benefits.

Imagine fighting for your life in a hospital, in excruciating pain, knowing that your family is going to be left unprotected.

When these heroes returned home—that is exactly what they found: no job, disability payments of approximately $1,200 a month, prohibitively expensive COBRA insurance which would run out in 18 months, and no private health insurance for them and their families.

For over 5 months, Officer Alu's wife, Sheila, stayed home to care for her husband during his rehabilitation—herself unable to work to bring in badly needed extra income.

Further complicating their situation was their 5-year-old daughter Christina, who was battling chronic asthma without health insurance.

Detective O'Hara's family was in a similar situation. In fact, his wife still must care for his everyday needs almost 1 year later.

But instead of giving up hope, officers Alu and O'Hara fought hard. They brought their case to the Florida Legislature—and won.

The legislature, with a Republican Senate and a Democratic House, unanimously passed this legislation at the State level—requiring that localities continue whatever health insurance benefits the officer had prior to the injury.

Mr. President, although they have won personal victories, officers Alu and O'Hara have continued their fight—taking their case to Congress—asking us to make sure that other officers not go through the same pain, uncertainty, and feelings of shame as they did when they were unable to provide for their families.

Across the Nation, unlike veterans who have risked their lives to protect our national security, those who protect our homes and streets have their insurance canceled by municipalities or States when they can no longer do the job.

Mr. President, my legislation, endorsed by all major police and firefighter organizations, would create a safety net for injured officers by requiring municipalities that receive Federal crime dollars to continue to maintain the same level of benefits that an officer had prior to being injured in the line of duty.

If a locality chooses not to offer health insurance to these public safety officers, it would only be able to receive 90 percent of its full complement of community-oriented policing services funding.

Mr. President, the scope of this bill is extremely narrow. It would apply only to a handful of public safety officers, estimated at approximately 100 nationwide per year.

And it is not costly. CBO has already stated that this bill is not an unfunded mandate.

But its message is unmistakeably clear.

We need laws which protect our valiant men and women on the front lines. When they go down in the line of duty protecting us, we have a corresponding duty to care for them.

Mr. President, this bill would provide only the most basic package of benefits. It does not grant any enhanced or increased benefits over what the officer had at the time of the injury.

The bill requires State and local governments to offer only the minimum level of health insurance necessary to maintain the health coverage the officer had prior to the disabling injury.

For instance, if an officer or firefighter did not have family coverage prior to the injury, he would not be entitled to family coverage after the injury.

Mr. President, I am proud of my State of Florida. But it should not take a terrible incident like this to make sure that our public safety officers are protected.

We can prevent this situation from ever happening to officers like Alu and O'Hara by passing this legislation this year, in a bipartisan fashion.

Mr. President, allow me to conclude by commending both Officer Alu and Detective O'Hara and their families for their bravery, sacrifice, and dedication to public service.

Without their perseverance we would not be here today discussing this most critical issue.

I know that police officers and firefighters across the Nation share my gratitude for their courage and selflessness.

Mr. President, in passing this bill, we will honor our commitment to all of our public safety officers: to protect and care for them after they have done so much to protect and care for us.●

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By Mrs. FEINSTEIN (for herself and Mrs. HUTCHISON):

S. 1985. A bill to increase penalties for sex offenses against children; to the Committee on the Judiciary.

THE AMBER HAGERMAN CHILD PROTECTION ACT OF 1996

Mrs. FEINSTEIN. Mr. President, I rise today for two reasons. First, I want to talk about two little girls whose short lives have had an impact far beyond their youthful imaginings. Unlike their families and friends, we do not know them for the love they gave, nor do we know of them for their academic ability or artistic talents. Sadly, unlike their families and friends, we did not know them while they were alive—we know them only because of their tragic deaths.

The second reason I rise today is to introduce legislation with Senator HUTCHISON which is designed to prevent other children from suffering their fate, the Amber Hagerman Child Protection Act of 1996. I ask that a copy of the bill be printed in full following my remarks. An earlier version of this bill was introduced in the House by Representative MARTIN FROST of Texas.

The first little girl I want to tell you about is Polly Klaas. Many people throughout our Nation have come to know about this 12-year-old girl from Petaluma, CA, a small, close-knit community north of San Francisco, and the tragic circumstances of her death.

Polly was kidnaped from her bedroom on October 1, 1993, by a bearded, knife-wielding man who tied her up and threatened to slit her friends' throats as her mother slept in a nearby room. Polly and her friends—who were over for a slumber party—were playing a board game at the time of the abduction.

Immediately after the assailant had fled with Polly, her two friends awakened her mother, Eve Nichols, and she called 911: ''Apparently, a man just broke into our house,'' she said, her voice rising in panic, ''and they say he took my daughter.''

Richard Allen Davis, a 41-year old parolee with two previous kidnaping convictions and a history of psychotic behavior, was arrested on November 30, 1993, and 4 days later, police say, he led them to her body, dumped beside a highway. Next to Polly's body, police found a specialty condom identical to one Davis had bought at the adult novelty store Seductions a day or two before the kidnapping, according to the store's former owner. Polly's clothes were pushed up to her waist.

At Davis' trial, prosecutors presented expert testimony that Davis' abduction of Polly was motivated by a desire to gratify his sexual tastes for bondage.

Last month, Davis was convicted of all ten counts against him, including attempting a lewd act with a minor.

The second little girl I want to tell you about, Amber Hagerman, was visiting her grandparents on January 13 of this year, the day she was kidnaped. An eyewitness later told police that he saw a white or Hispanic man pull the child from her pink tricycle and drag her into a black pickup truck.

She was found dead 4 days later—her clothes stolen from her lifeless little body—in a creek behind an apartment complex. Police have made no arrests for the murder of Amber Hagerman, but are continuing to follow every lead.

Amber's killer is still free and her family continues to feel the pain caused by the loss of their beloved daughter. Just a few weeks ago, Amber's grief stricken mother, Donna Whitson, released an open letter to her daughter's unknown assailant. In it, she said:

> [I]t has now been 122 days since I last saw my daughter alive. One hundred twenty-two days since I felt her happiness in my life. One hundred and twenty-two days ago, you tore my baby girl from her family's love * * * [Y]ou destroyed forever the happiness, harmony and dreams that my children and I had been working so hard to bring to fruition. Our plans for the future altered because of you.''

Imagine if you can, trying to comprehend what your own child's last moments of life were like, or trying to fathom the pain and fear felt by your own flesh and blood as they lived them. Donna Whitson has probably done so every day since the loss of her daughter. In her open letter, she asked her daughter's killer:

> At what point between the time you stole my baby and the time she was returned did you murder my child? Why had you drained the life from her body? How could you steal the clothes from her lifeless body and dump her like trash thrown along the wayside?

Mr. President, it is for these two children and their families that we must join with Donna Whitson to say loud and clear that the abduction of children and child sexual abuse will not be tolerated by this society.

THE CRIME BILL

Two years ago, Congress acknowledged that action must be taken to stop child sexual abuse when it passed the President's crime bill.

The Violent Crime Control Act contained several tough provisions to combat child sexual abuse. More specifically, the crime bill:

Established guidelines for State programs that require persons convicted of crimes against children, including sexual misconduct with a minor, to register their addresses with an appropriate State law enforcement agency for 10 years after their release from prison;

Sexually violent predators must remain registered until a court determines that they no longer suffer from a mental abnormality that would make a predatory sexually violent offense likely.

The crime bill also doubled the maximum prison term for offenders who commit a sexual abuse or sexual contact offense under Federal law after one or more prior convictions for a Federal or State sexual abuse or sexual contact offense.

I strongly believe that this landmark legislation will go a long way toward protecting our Nation's children.

Earlier this year, the President signed Megan's Law, which requires that State law enforcement agencies release information that is necessary to protect the public from convicted sex offenders in their midst. This change in the law was part of the Amber Hagerman Child Protection Act as it was introduced in the House.

Yet, much more needs to be done.

THE AMBER HAGERMAN CHILD PROTECTION ACT

Clearly, too many children suffer the physical and emotional impact of kidnaping and it must be stopped before more kids like Polly Klaas and Amber Hagerman fall victim to its tragic effects.

Child sexual abuse must be stopped by taking sexual predators off our streets. Swift, sure action must be taken to stop child sexual abuse, and penalties must be increased for those who commit this heinous crime.

The Amber Hagerman Child Protection Act will help accomplish this goal in several ways:

The heart of the bill is a tough ''two strikes and you're out'' provision for child sex offenders. First, the bill adds life imprisonment for a second offense where the second offense is a Federal one. Second, this legislation also reduces Byrne grant funding by 10 percent to States which do not pass a similar two strikes provision to ensure that all States take this important step to help save our children from sexual abuse.

This legislation expands Federal child sexual abuse statutes to cover instances when the perpetrator crosses State lines with the intent to commit the offense, or commits the offense in interstate or foreign commerce.

Lastly, the bill establishes a national database for sex offenders and child kidnappers to be maintained by the FBI; and makes that database accessible to appropriate State law enforcement officials.

The bill that we are introducing today differs from the House bill in two ways. First, because enhanced community notification has, fortunately, been enacted into law as Megan's Law, that provision is no longer necessary. Second, the House bill contains an explicit death penalty for killing a child in the course of a Federal sex offense. I agree that such an evil and perverted act deserves the death penalty; however, I believe that the death penalty which already exists in Federal law, and which would apply to this heinous act under our bill, is preferable, as it is slightly broader than the penalty in the House bill.

CONCLUSION

Mr. President, the sick, tragic deaths of Polly Klaas and Amber Hagerman serve as stark reminders that from tragedy and grief can come constructive action and effective solutions, such as the crime bill's three strikes initiative to incarcerate for life the most dangerous criminals in our society.

We have much work to do to ensure the safety of our children from abduction and sexual abuse; passing this bipartisan legislation is a vital part of that effort. As a banner across the building in which the Polly Klaas Foundation is headquartered says: ''We ache. We grieve. We're angry. We're not done.''

I urge all of my colleagues to give their support to the Amber Hagerman Child Protection Act.

Mr. President, on behalf of Senator HUTCHISON and myself, I send the bill to the desk.

The PRESIDING OFFICER. The bill will be received and referred to the appropriate committee.

Mrs. FEINSTEIN. Mr. President, on behalf of Senator HUTCHISON and myself, I have just sent to the desk the Amber Hagerman Child Protection Act. The purpose is to try to provide a Federal response to those who molest children.

Recently, a study showed about 40 percent of the child molesters are recidivists. I, frankly, think that could well be even higher than that.

In virtually every community throughout the United States, there is a story to tell. Senator HUTCHISON will speak in a moment about a story from Texas. I can speak about a story from California. I can speak of Polly Klaas, and the person who was just convicted of abducting, kidnaping, raping and killing her had a prior record.

The bill we are proposing today attacks the problem of sex offenders on both the State and Federal level. The purpose of the bill is to require life imprisonment for a repeat, two-time child sex offender and to provide an opportunity for the second offense to be heard in a Federal court.

The purpose of this bill is that if an individual is convicted of child molestation and repeats that felony, either on Federal land or in the crossing of State lines, that it will become a Federal offense and subject to life imprisonment.

This is a harsh bill. It is a tough bill. It has been introduced in the House by Representative FROST. It is my hope, and I believe Senator HUTCHISON's hope, that tomorrow in the Judiciary Committee I will offer it as an amendment to the child pornography bill. If it fails there, we will try at a later time to offer it as an amendment on the floor to a bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1985

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the ''Amber Hagerman Child Protection Act of 1996''.

**SEC. 2. INCREASED PENALTIES FOR FEDERAL SEX OFFENSES AGAINST CHILDREN.**

(a) AGGRAVATED SEXUAL ABUSE OF A MINOR.—Section 2241(c) of title 18, United States Code, is amended—

(1) by inserting ''whoever in interstate or foreign commerce or'' before ''in the special'';

(2) by inserting ''crosses a State line with intent to engage in a sexual act with a person who has not attained the age of 12 years, or'' after ''Whoever''; and

(3) by adding at the end the following: ''If the defendant has previously been convicted of another Federal offense under this subsection or under section 2243(a), or of a State offense that would have been an offense under either such provision had the offense occurred in a Federal prison, unless the death penalty is imposed, the defendant shall be sentenced to life in prison.''.

(b) SEXUAL ABUSE OF A MINOR.—Section 2243(a) of title 18, United States Code, is amended—

(1) by inserting ''whoever in interstate or foreign commerce or'' before ''in the special'';

(2) by inserting ''crosses a State line with intent to engage in a sexual act with a person who, or'' after ''Whoever''; and

(3) by adding at the end the following: ''If the defendant has previously been convicted of another Federal offense under this subsection or under section 2241(c), or of a State offense that would have been an offense under either such provision had the offense occurred in a Federal prison, unless the death penalty is imposed, the defendant shall be sentenced to life in prison.''.

**SEC. 3. CONDITION FOR BYRNE GRANTS.**

Section 170101(f) of the Violent Crime Control and Law Enforcement Act of 1994 is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) inserting after subparagraph (A) the following:

''(B) In order not to reduce the funds available under part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968 by 10 percent, a State shall, on the first day of each fiscal year beginning 2 years after the date of the enactment of the Amber Hagerman Child Protection Act of 1996, have in effect throughout the State in such fiscal year a law which requires a court to sentence a defendant in a State prosecution who is convicted of an offense that would have been an offense if such offense occurred in a Federal prison under section 2241(c) or 2243(a) of title 18, United States Code, and who has previously been convicted for such an offense to life in prison without the possibility of parole.''.

**SEC. 4. RELEASE OF REGISTRATION INFORMATION.**

Section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 is amended by adding at the end the following:

''(g) SEPARATE DATA BASE.—The Federal Bureau of Investigation shall maintain a separate data base for information submitted to the Bureau under this section and make that data base accessible to appropriate State law enforcement officials. The Bureau shall inform appropriate local law enforcement officials on each occasion that a person registered under this section changes registration to that locality.''.

Mrs. FEINSTEIN. I yield to my colleague, the distinguished Senator from Texas.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I thank Senator FEINSTEIN for working on this bill, for putting it together, for carrying it through the Judiciary Committee on which she serves, because this is something that we can truly do in a bipartisan fashion.

I know that when our Dear Colleague letter goes out to all of the Senators that we will have probably 75 or 80 cosponsors, because this is a bill that I think everyone will see the need for and want to support.

In fact, as Senator FEINSTEIN mentioned, this bill is named for the 9-year-old victim of a tragic killing that was so unnecessary and, unfortunately, is still unsolved. Nine-year-old Amber Hagerman was abducted while riding her bicycle outside her grandparents' home in Arlington, TX, earlier this year. She was kept alive for at least 48 hours before being murdered. Her nude, slashed body was found in a creek bed behind an Arlington apartment complex on January 17, 4 days after she was snatched away from her friends and family by a man driving a truck.

The killer of this much-beloved and innocent child has never been identified. Her family and friends still are not comprehending why this could have happened to such a child. The entire community remains stunned, saddened and enraged. They have the chilling certainty that there is a child killer on the loose in their community, in our State, in our country.

Although we do not know the name of this monster who kidnaped, molested, and murdered this 9-year-old child, we do know several unpleasant

facts about sexual predators who prey on children, like Amber, in communities across this country.

Twenty percent of those in State prisons convicted of violent crimes—65,000 people—report having victimized a child. More than half of these victims were 12 years old or younger, 75 percent of them were female.

Thirty percent of these sexual predators report having committed their crimes against multiple victims. Sixty-six percent of prisoners convicted of sexual assaults committed their crime against a child.

The repeat crime rate for sex offenders is estimated to be as much as 10 times higher than the recidivism rate of other criminals.

Mr. President, we know that more than 40 percent of convicted sex offenders will repeat their crimes. We must begin to act on the information that we have. The revolving doors of our criminal justice system have to stop sending violent criminals out on the streets and back into our neighborhoods to prey on those least able to take care of themselves—our children.

Justice must be made to serve the young and most vulnerable among us, as well as those who repeatedly violate the law. So it is in Amber Hagerman's memory that I am cosponsoring Senator FEINSTEIN's legislation today to protect this Nation's children from sex offenders.

As Senator FEINSTEIN said, the purpose of the bill is tough. It is to require life imprisonment for two-time child sex offenders when their cases are heard in Federal court, and it encourages States to do likewise.

It provides for a nationwide system of tracking sex offenders to be administered by the FBI.

This legislation would establish new Federal jurisdiction over sexual offenses against children when a person commits a crime after crossing State lines with the intent of committing a sex offense.

So, Mr. President, I think Senator FEINSTEIN told us what is in the bill. I will not go into it any further. But I do want to say that it is a primary responsibility of our Government to protect our citizens, and especially the youngest and most vulnerable citizens.

We are going to send a message today to the monsters in our society who would murder children that there is going to be a price to pay. Hopefully, we will get these people off the streets, out of our neighborhoods, out of our parks and begin to get serious about personal security in this country, especially for our children. Thank you.

I thank Senator FEINSTEIN for working on this bill and for allowing me to be the cosponsor of it in honor and memory of my constituent, 9-year-old Amber Hagerman, so that her legacy will be that she will be a part of protecting children like her from meeting her fate. Thank you, Mr. President. I thank Senator FEINSTEIN. I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Senator from California.

Mrs. FEINSTEIN. Mr. President, if I may, I thank the distinguished Senator from Texas. It is a great pleasure to work with her. I hope we have success in this measure. Thank you, Mr. President. I yield the floor.

By Mr. HATFIELD:

S. 1986. A bill to provide for the completion of the Umatilla Basin project, and for other purposes; to the Committee on Energy and Natural Resources.

THE UMATILLA BASIN PROJECT COMPLETION ACT

● Mr. HATFIELD. Mr. President, almost 20 years ago, I traveled to Pendleton, OR, to hold a hearing on longstanding water disputes in the Umatilla River Basin. These disputes were somewhat typical of other water conflicts throughout the western United States, in that, I was lucky to get out of that hearing room alive. The tension between all sides at that 1977 hearing was so high, I was almost certain that a small war would break out right there in the room. Fortunately, that meeting was the low point in the effort to resolve water conflicts in that northeast Oregon river basin. Since that time, we have experienced many high points.

In the ensuing 11 years since that fateful meeting of 1977, local leaders were successful in bringing irrigators, Indian tribes, environmentalists, elected officials and government bureaucrats together on one of the most successful fishery restoration projects this Nation has ever seen, the Umatilla Basin project. In 1988, Congress enacted the Umatilla Basin Project Act in an effort to develop a pragmatic, least-cost approach to meeting the Federal Government's treaty obligations in the basin without devastating the area's valuable agricultural economy. This project has truly been a model of cooperation between those seeking to utilize water for agricultural purposes and those whose historical way of life and culture hinged on the restoration of healthy fish runs in the Umatilla River.

The Umatilla Basin project has been a product of years of debate and grassroots consensus building. Its two main purposes have been to restore a healthy anadromous fishery to the Umatilla River and to provide irrigated agriculture with a predictable water supply. On both counts, the project has been a tremendous success.

Under the 1988 act, new pumping facilities were authorized to allow three irrigation districts, which previously withdrew their water from the Umatilla River, to leave the water instream for fish. In exchange, the irrigation districts received an equal volume of water from the adjacent Columbia River to irrigate their crop lands. The project has had no impact on Columbia River flows and has restored strong, healthy fish runs to the Umatilla River for the first time in decades. In fact, in the first 6 months of 1996 already, over 4,000 fish have returned to a river that in the 1960's lost its native salmon. In fact, prior to the authorization of the Umatilla Basin project, irrigation withdrawals from the Umatilla River literally dried the river up during the summer months.

While the Umatilla Basin project has been a huge success for all parties involved, the 1988 act provided Columbia River exchanges for only half of the Umatilla River irrigation withdrawals. In order to make the project whole and satisfy the Federal Government's treaty fishery obligations to the Umatilla Tribes, the remainder of the project must be built. Today, I am introducing legislation which achieves this goal, while at the same time, resolves a longstanding dispute regarding the delivery of water to lands not officially within Bureau of Reclamation project boundaries.

The bill I am introducing today, entitled the ''Umatilla Basin Project Completion Act,'' incorporates the key components of a general agreement reached last April in meetings between the Confederated Tribes of the Umatilla, irrigation districts, State water resources department, locally elected officials and Federal agencies. My bill has three major provisions. First, it calls for the construction of the third and final phase of the Umatilla project, which will exchange Columbia River water for an equivalent amount of irrigation water now taken out of the Umatilla River. This final phase, known as phase 3, will cost $71 million and will fully satisfy all obligations of the Federal Government to provide the Confederated Tribes of the Umatilla Indian Reservation with water for fishery needs in the Umatilla River below the mouth of McKay Creek, as recognized by their 1855 treaty with the United States. The 1988 Umatilla Basin Project Act authorized the construction of phases 1 and 2. Phase 3 alone will provide almost as much water to the fishery resources of the Umatilla River as did the previous two phases.

Second, my bill adjusts the boundaries of three of the four irrigation districts in the Umatilla project to include lands irrigated with project water prior to 1988. The three districts for which these boundary adjustments will be legislatively granted, are already exchanging Umatilla River for Columbia River water, as authorized under phases 1 and 2. The fourth district, Westland Irrigation District, was not included in phases 1 and 2 of the 1988 Act and is still withdrawing water from the Umatilla River. My bill does not grant a boundary adjustment for Westland until the phase 3 Columbia River water exchange is fully up and running.

Finally, my legislation calls for the preparation of a comprehensive water management plan for the Umatilla River Basin. As a followup to last

April's meetings, all of the affected parties—the State, Federal and local Governments, the tribes, and the irrigation districts—agreed to cooperate in preparing a comprehensive water management plan for the Umatilla Basin. The Plan would serve as a guide in allocating water to maximize the fishery benefits while recognizing valid existing uses. My bill authorizes $500,000 to assist this most promising and valuable effort.

It should be noted at this time that not all of the items identified in last April's consensus process were included in my legislation. While I felt that each of these items had merit, fiscal realities and the short time frame remaining prior to sine die adjournment of the 104th Congress precluded me from including them in this bill.

Mr. President, I recognize that large authorizations for new construction projects are not particularly popular at this time. This bill, however, is far preferable to the traditional mode of meeting our Nation's treaty fishery obligations to Indian tribes. To date, the standard mode of operation has been protracted litigation and adjudication of rights, followed by construction of costly projects. In the Yakima River Basin, for example, the Federal Government and irrigators spent nearly 20 years and $50 million just adjudicating the tribe's treaty fishery rights. During that time, the Yakima River salmon runs continued to decline, and Congress passed legislation authorizing another $150 million to restore the Yakima River fishery. Unfortunately, similar sad tales reverberate throughout the Pacific Northwest. Our experience in the Umatilla River Basin, to date, has been more positive and successful.

The bill I am introducing today reflects the general consensus reached by Tribes, irrigation districts, local communities, environmentalists, and State, local, and Federal governments. These groups came together in the same cooperative spirit that characterized the 1988 Umatilla Basin Project Act to reach agreement that the final phase of the Umatilla Basin Project should be completed and that, once and for all, the longstanding debate over authorized water deliveries for irrigation purposes should be resolved. I am proud of the work these groups have done and look forward to working with them to resolve their remaining issues and concerns with this legislation.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

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

S. 1986

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. This Act may be referred to as the ''Umatilla Basin Project Completion Act.''

SEC. 2. Title II of Public Law 100–557 is amended by adding at the end thereof:

**''SEC. 214. AUTHORIZATION OF PROJECT COMPLETION.**

''For purposes of completing the Columbia River water exchanges and other mitigation efforts necessary to restore the Umatilla River Basin fishery, and to provide for the expansion of Umatilla Basin Project district boundaries, the Secretary of the Interior (hereinafter referred to as the Secretary), acting pursuant to the Federal reclamation laws (Act of June 17, 1902, and Acts amendatory thereof and supplementary thereto), is authorized to complete construction and to operate and maintain the integrated Umatilla River Basin Project, including pump exchange projects known as Phases I, II, and III.

**''SEC. 215. UMATILLA RIVER PHASE III EXCHANGE**

''(a)(1) The Secretary is hereby authorized to construct a third and final phase of the Umatilla River Basin Project to provide additional flows in the Umatilla River for anadromous fish through a water exchange with Westland Irrigation District.

''(2) Prior to construction, the Secretary shall complete a feasibility study to identify alternatives within the authorized ceiling to provide Westland Irrigation District exchange flows of approximately 220 cubic feet per second, or greater.

''(3) The feasibility study for the Phase III exchange facilities shall include an analysis of inclusion of other irrigators in the exchange, appropriate backup systems, water conservation opportunities, and such other analyses as the Secretary may deem appropriate to improve the exchange project for fishery restoration purposes.

''(4) Prior to completion of Phase III facilities, the Secretary shall negotiate and execute an exchange agreement with the Westland Irrigation District and any other participating irrigators to allow the use of Columbia River water in exchange for an equal amount of Umatilla River or Mckay Reservoir water: *Provided*, that the irrigation districts shall continue to be eligible to receive the same volume of water as they received under their respective contracts with the Bureau of Reclamation dated July 6, 1954 for Hermiston Irrigation District, November 18, 1949 for Stanfield Irrigation District, July 6, 1954 for West Extension Irrigation District, and November 18, 1949 for Westland Irrigation District.

''(5) Phase III facilities may pump Columbia River water for exchange purposes only, and not for conjunctive use.

''(b) OPERATION OF MCKAY RESERVOIR.—The Secretary shall operate Mckay Reservoir in accordance with Federal and State law and water rights filed pursuant to State law. The Secretary is authorized to continue to designate and deliver Mckay Reservoir water for Umatilla River fishery purposes. This Title shall not alter any party's rights or obligations under existing contracts for Mckay Reservoir water.

''(c) Operation and Maintenance Costs.—All exchange system operation and maintenance costs and any increased operation and maintenance costs to the Project caused by the Phase III Exchange shall be the responsibility of the Federal Government and shall be non-reimbursable.

''(d) POWER FOR PROJECT PUMPING.—The Administrator of the Bonneville Power Administration, consistent with provisions of the Columbia River Basin Fish and Wildlife Program established pursuant to the Pacific Northwest Electric Power Planning and Conservation Act (94 Stat. 2697), shall provide for project power needed to effect the Phase III water exchange for purposes of mitigating anadromous fishery resources. The cost of power shall be credited to fishery restoration goals of the Columbia River Basin Fish and Wildlife Program.

**''SEC. 216. UMATILLA BASIN PROJECT BOUNDARY ADJUSTMENT.**

''(a) Upon enactment of the Umatilla Basin Project Completion Act, the boundaries of the three irrigation districts with functioning Columbia River water exchange facilities are adjusted by operation of law as follows:

''(1) Hermiston Irrigation District's boundaries are adjusted to include the 1,091 acres identified in its 1993 request to the Bureau of Reclamation;

''(2) Stanfield Irrigation District's boundaries are adjusted to include the 230.99 acres receiving water under 1995 and 1996 temporary contracts with the Bureau of Reclamation; and

''(3) West Extension Irrigation District's boundaries are adjusted to include the 2,436.8 acres identified in its 1993 request to the Bureau of Reclamation and are classified as irrigable in the Bureau of Reclamation's Land Classification Report.

''(b)(1) When the Umatilla Basin Project's Phase III Exchange is completed and fully functional, the Westland Irrigation District's boundaries shall be adjusted to include the 7,023 acres receiving water under 1995 and 1996 temporary contracts with the Bureau of Reclamation: *Provided*, That any analysis required by the National Environmental Policy Act of 1969 on the boundary expansion request shall be accomplished in conjunction with similar analysis on the Phase III exchange facilities. The Westland Irrigation District shall pay analysis costs associated with boundary adjustment, not to exceed $300,000, and any additional costs shall be non-reimbursable.

''(2) The Westland Irrigation District's temporary contract with the Bureau of Reclamation is hereby extended for an additional ten-year period. All other terms of the temporary contract, including the payment, water delivery, and mitigation provisions, shall remain the same. A riparian project, as described in the 1996 temporary contract, will be designed and completed by the Westland Irrigation District. If Phase III is not fully functional when this temporary contract, as extended, expires, the Secretary is authorized to enter into additional extensions on such terms and conditions as may be mutually agreeable.

''(c) Notwithstanding any other provision of this title, no parcel may receive Project water unless it has a valid existing State water right and is classified as irrigable in the Bureau of Reclamation's Land Classification Report.

''(d) Upon approval of each irrigation district's boundary adjustment request and adjustment of the boundary, a legal description of the new district boundaries, including land classification and project boundary maps, shall be provided as an attachment to all four Irrigation District's existing contracts.

''(e) No alteration in the ability to pay determination for the Umatilla River Basin Project districts may be made as a result of the Project boundary expansions authorized by this Title.

**''SEC. 217. TREATY OBLIGATIONS.**

''The Federal Government and the Confederated Tribes of the Umatilla Indian Reservation jointly recognize that completion of Phase III and perpetual operation of the integrated Project, including Phases I, II, and III, meets all obligations of the Federal Government to provide the Confederated Tribes of the Umatilla Indian Reservation with water for fishery needs in the Umatilla River below the mouth of McKay Creek, as recognized by their 1855 Treaty with the United States.

**''SEC. 218. WATER PROTECTION AND MANAGEMENT.**

''(a) The Secretary shall continue working in cooperation with the State of Oregon, the

Confederated Tribes of the Umatilla Indian Reservation, the irrigation districts, and the affected public toward developing a Comprehensive Water Management Plan to assist in restoring the Umatilla River Basin's anadromous fishery. The Secretary shall develop an integrated groundwater/surface water model of the Upper Umatilla River Basin for use in developing the Comprehensive Water Management Plan.

''(b) Project facilities and features authorized by this title shall be integrated and coordinated, from an operational standpoint, into existing features of the Umatilla Basin Project.

''(c) The Secretary shall enter into appropriate agreements with the State of Oregon, the relevant irrigation districts, and the Confederated Tribes of the Umatilla Indian Reservation, as appropriate, to provide funding for monitoring and administration, including regulation, of project-related water supplies for the purposes herein identified.

**''SEC. 219. AUTHORIZATION FOR APPROPRIATION.**

''(a) There is authorized to be appropriated to the Secretary, plus or minus such amounts as may be justified by reason of ordinary fluctuations of applicable cost indexes, the following sums, without fiscal year limitation:

''(1) not to exceed $71,000,000 for feasibility studies, environmental studies, and construction of the Phase III Exchange: *Provided*, That all costs of Phase III planning and construction, including operation and maintenance costs allocated to the mitigation of anadromous fish species and the study authorized in Section 215 of this Act, shall be non-reimbursable, *Provided further*, That not less than 80 per centum of such funds shall be used for actual construction;

''(2) not to exceed $500,000 for the development of a Comprehensive Water Management Plan and integrated groundwater/surface water model, as provided for in §218(a) of this title; and

''(3) not to exceed $400,000 annually for enforcement and protection of Phases I, II, and III exchange water for instream uses, as provided for in §218(c) of this title.''

**SEC. 3. WATER RIGHTS.**

Nothing in this Act shall:

(a) Impair the validity of or preempt any provision of State law with respect to water or water rights, or of any interstate compact governing water or water rights;

(b) Create a right to the diversion or use of water other than as established pursuant to the substantive and procedural requirements of State law and as recognized under State law;

(c) Impair or affect any valid water right; or

(d) Establish or create any water rights for any party, nor may any provision be construed to create directly or indirectly an express or implied federal reserved water right for any purpose.●

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By Mr. MACK (for himself, Mr. LIEBERMAN, Mr. ABRAHAM, Mr. LOTT, Mr. HATCH, and Mr. BENNETT):

S. 1988. A bill to amend the Internal Revenue Code of 1986 to provide for individuals who are residents of the District of Columbia a maximum rate of tax of 15 percent on income from sources within the District of Columbia, and for other purposes; to the Committee on Finance.

THE DISTRICT OF COLUMBIA ECONOMIC RECOVERY ACT

Mr. MACK. Mr. President, I am pleased to introduce with my colleagues Senators LIEBERMAN, ABRAHAM, LOTT, and HATCH the District of Columbia Economic Recovery Act. The social, administrative, and fiscal problems of our Nation's Capital are well documented: High crime rates, poor schools, deteriorating infrastructure, and inadequate delivery of basic public services, just to name a few. The District of Columbia is facing its greatest economic crisis since it was established in 1790. Congress has taken major steps, including the creation of a financial control board, to assist the city during this current financial crisis. But despite these efforts, the city has a long way to go to achieve economic self-sufficiency.

The root of the District's problems is an ever-eroding middle class. Since 1950, Washington's population has declined by nearly 250,000 residents: In fact, 68,000 people left between 1988 and 1993 alone. The vast majority were middle-class families whose taxes funded the city's operations. So far, D.C.'s response to this decline has been misguided: even-higher taxes. But this has only led to even more residents leaving the city in search of lower tax rates, better schools, and safer streets.

We believe that the best way to help the District is to promote economic growth, and the best way to promote economic growth is to significantly reduce the tax burden on its residents. Economic growth will mean more jobs, more opportunity, greater private sector investment, and ultimately a better quality of life in the Nation's Capital.

There is a large and growing consensus that our current income tax system has become a tremendous obstacle to economic growth and an improved standard of living. After eight decades of misuse by lawmakers, lobbyists, and special interests, today's tax system is unfair, complex, costly, and punishes work, savings, and investment.

Therefore, we as a nation need to fundamentally rethink the manner in which income is taxed in order to construct a system that is equitable, efficient, and can support economic growth. This effort, which perhaps appropriately begins in the Nation's Capital, is an important first step.

In order to achieve genuine tax reform, we must take the blinkers off, special interests must give way to the overriding national concerns, partisan class warfare must end, and the defenders of the status quo must step aside to make way for positive change. Mere tinkering with the Tax Code, or simply reshuffling the existing tax burden is not genuine tax reform. We must create a new tax structure that allows everyone to benefit from economic growth. The flat tax encompasses this new thinking and fundamental change needed to create a fair, simple, and progrowth tax system.

The D.C. Economic Recovery Act is an important step in luring middle-class taxpayers back to the District of Columbia. It provides tax incentives, including a 15-percent flat income tax rate for all District residents and deductions of $15,000 for individual filers; $25,000 for head of household filers; and $30,000 for married filers.

This will benefit everyone, especially the poor and middle class. Our bill includes a $5,000 first-time home buyers provision designed to assist middle-class families in purchasing homes within the District of Columbia. Second, we have established a zero capital gains tax rate on investments within the District, to help spur investment in the District, so middle-class residents won't be hurt by onerous capital gains taxes when they decide to sell their homes. In addition to these incentives, we have included a brown-fields provision that is sure to improve the city's quality of life by encouraging companies to clean up environmentally damaged District land.

This bill also provides the opportunity for all Americans to participate in the economic revitalization of the District of Columbia by extending to everyone a zero capital gains rate for all investments made within the District. We believe the American people want to take pride in this city, and want it to represent all the best this Nation has to offer. For too long, the city's economy has been locked into the growth and declines of the Federal Government. Our bill offers the chance to spur nongovernmental economic investment in the District of Columbia.

The District of Columbia is not only home to the people who live here, it is truly the Nation's city. Historically, Congress has recognized this fact, and assured the financial integrity of the District. However, we now realize that simply throwing money at the problem is not the answer. We must find a way to fundamentally improve the city without demanding additional financial commitments from American taxpayers.

We believe that these incentives, along with responsible and sensible financial management, are just what the District needs to become self-sufficient.

Mr. LIEBERMAN. Mr. President, I am delighted to join with Senator MACK as an original cosponsor of this important legislation, the District of Columbia Economic Recovery Act of 1996 [DCERA].

The District of Columbia belongs to each and every one of us. As citizens of the United States, we have a stake in the successes, and a stake in the failures, of Washington, DC. It is America's city.

For a variety of reasons, not all of them easily explained, Washington is in desperate financial straits. The here and now financial prospects are grim for the city and the future gets grimmer. This is largely because middle-class families, the backbone of any successful community, are fleeing the District in alarming numbers.

The legislation we are introducing today would instantly transform our

Nation's capital, making it a more appealing place to live, to invest, to build, to buy, and to work. This bill is designed to reverse the flow of middle-class residents and businesses, who are currently fleeing the city for the suburbs. Those still in the District would have new incentives to stay. And many others now living elsewhere would have a very strong incentive to move into the District with their families and with their businesses.

We cannot make the schools better in the District overnight. We cannot promise crime-free streets overnight. What we can do is provide middle-class tax relief in the District, as a way to lure these middle-class taxpayers to the District as a way to reestablish a tax base in the District. And once we bring these people back, safer streets and better schools can follow.

Surely we can wait. We can wait until the situation in the district is so dire, when nearly all of the tax base in the District has fled and we will be asked to take over the city altogether. Waiting strikes me as penny wise and pound foolish.

Instead of waiting, we should consider the merits of the DCERA which we are introducing today. This legislation is modeled on legislation which has been introduced in the House with broad, bipartisan support, by Representative ELEANOR HOLMES NORTON. Both the House and the Senate version of the DCERA establish a maximum Federal tax rate of 15 percent. Both bills double the personal exemption which would eliminate Federal income taxes for single residents who make up to $15,000 a year and married couples filing jointly who make up to $30,000 a year. At the same time, the bill retains the mortgage and charitable deductions and would allow a taxpayer to file under the old system, if preferred.

In contrast to Representative NORTON's bill, our legislation establishes a zero capital gains rate for D.C. investments held by D.C. or non-D.C. residents for 3 years. Representative NORTON's bill restricts this capital gains treatment to investments held by D.C. residents only. In crafting our version of this legislation, we were concerned this would limit potential investment in the District. For this reason, the Senate treatment is broader.

Also in contrast to the House DCERA, our bill includes a $5,000 credit for first time District home purchases and includes a provision to clean-up abandoned brownfields within the District. Members of Congress not representing the District could not take advantage of the tax incentives in the bill and we are working toward an explicit understanding that the District would not take advantage of the Federal tax incentives in this bill by raising local taxes.

I very much see this bill as a first step. Some of the urban problems Washington faces are unique to Washington because Washington has no State, no broader tax base, to draw on. At the same time, many of Washington's problems are problems that are faced by cities all across this country. If this approach works in Washington, I hope we can try it in Bridgeport, New Haven, and Hartford as well.

I should note that, unlike some proponents of this legislation, I am at best an agnostic on a flat tax. I believe progressivity in our tax rates is inherently fair and am pleased that the legislation we are introducing today has elements of that progressivity by providing such a generous personal exemption. At the same time, a good number of our cities are facing the loss of their middle-class population and the only way to rebuild that base may be through bold measures like a flat tax which has clear and compelling benefits for the middle class. The people we are really anxious to bring back to our cities are the 28 percenters. Under the current Tax Code a typical family in the 28-percent bracket would be a couple with two children who make roughly between $39,000 and $95,000 after deductions. Our bill would create a very favorable tax incentive for these people to stay in, or move to, the District.

Mr. President, the most important thing there is to say about urban policy in this country is that we really do not have an urban policy. We know what has not worked; today we are introducing legislation that we believe will work and there is no better place to start than in Washington, DC, a city that belongs to all Americans.

I urge my colleagues to join us in cosponsoring this important legislation.

Mr. HATCH. Mr. President, I rise today to join Senators MACK and LIEBERMAN in sponsoring legislation designed to spur economic growth in the District of Columbia. The economic circumstances in the District have eroded so significantly that they can no longer be casually dismissed. Failure to act now with investment incentives would cost the District even more in lost financial opportunities—financial opportunities the District, and indeed our entire Nation, cannot afford to miss.

Opponents of this legislation may be critical of the special treatment given to the District of Columbia as opposed to other areas of the country. Yet, this should be the greatest city in the world—east of Salt Lake City.

In all seriousness, however, I believe that it is imperative that the Capital of our Nation stand for democracy, economic development, and security. It is difficult for the District of Columbia to represent these qualities when it has become nearly unmanageable and is on the brink of financial ruin. Something must be done to breathe new life into Washington, DC. Otherwise, I've got some ghost towns in Utah I can show you.

And, I want to emphasize that we are not talking about an infusion of Federal funds. We are talking about encouraging private sector investment in the city. We are talking about incentives for people to live here. This legislation provides a way to bring both the capital and stability needed to start the healing process.

The components included in this bill are specifically designed to revitalize our Nation's Capital. First, the bill would tax all D.C. residents at a flat rate of 15 percent and significantly increase their standard deductions, yet retain both the charitable contribution deduction and the home mortgage deduction. This provision would give the middle class who left because of rising taxes a new incentive to return to the District and once again call it home. In fact, this recovery plan also establishes a $5,000 tax credit for first-time home buyers for residences purchased within the District of Columbia. These types of incentives would have a real and immediate impact on the District and would help replace the middle-class base that has slowly been eroding.

In addition to these provisions, Mr. President, this legislation eliminates the capital gains tax on any investment made within the District of Columbia by residents and greatly reduces it for nonresidents. This part of the bill provides the District access to a tremendous source of capital, otherwise unavailable.

Not only would this proposal begin to restore the financial viability of our Nation's capital city, it would also provide a testing ground for studying the effects of the basic principles of fundamental tax reform. Our current system of taxation has been much criticized over the past year and a half, and I agree that steps should be taken toward a fairer, simpler, and more efficient tax system. However, while change may be necessary, it must also be done carefully and deliberately. Initiating a flat tax system in the District of Columbia could give legislators much-needed insight into tax reform on a national scale. Success in the District would result in ideas that could be applied nationwide. Thus, this legislation would benefit the District of Columbia, as well as every citizen of America.

Mr. President, this bill is far from perfect. It is a bold idea designed to reverse the fall of a once-great city. Legitimate concerns about the impact of this bill have been raised in recent days by members of the House Ways and Means Committee and other. For one thing, skeptics of this idea worry that the provisions of this bill would give current residents of the District of Columbia a windfall. Other concerns that have been expressed include taxpayers moving into the District for only a short period to take advantage of the benefits of this proposal, then moving out again. Other critics contend that the root of the District's problems is not the lack of money, but poor management of the resources already present and that therefore, an infusion of new money and new residents would not change things significantly.

I agree that the bill we are sponsoring today will not, by itself, solve all of

the problems of the District of Columbia. I also agree that much work needs to be done in further crafting this bill as it goes through the legislative process to ensure that concerns about loopholes and unintended benefits are met. And, I also completely agree that the citizens of the District of Columbia must hold its elected leaders accountable for waste and mismanagement.

It is important, however, that the general concepts of this bill are put before the Congress. This bill is certainly not set in stone, and I would anticipate that many Members of Congress and outside groups will have a number of good ideas on how it can be improved. My goal is that Congress start taking a serious look at ways to solve the problems of our Nation's capital. One of these ways must include expanding the local economy and, therefore, the local tax base. And, serious problems often require bold solutions.

Washington, DC is the capital of the United States of America. Every day there are buses of people who come to view the monuments, study the historical treasures, and participate in their Federal Government. Every day there are people from foreign nations who may get their first and, in some cases, only taste of America from visiting our capital. Unfortunately, a city rife with pot holes, dilapidated police cars, and drug dealers and prostitutes openly offering their wares is not the impression of our country most Americans wish to leave with visitors from foreign countries, let alone tolerate themselves.

I quote Washington Post columnist James Glassman when I say that it is time to act courageously and adopt a proposal that could help save this city. I urge my colleagues to become actively involved in the debate and in searching for ways to revitalize and reinvigorate a city that is as important to Floridians as it is to Utahns, as important to Californians as to Pennsylvanians.

I urge my colleagues to join us in this bold effort to jump start both the economy and civic pride of the District of Columbia.

## ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HATFIELD, the names of the Senator from Utah [Mr. BENNETT] and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 864

At the request of Mr. GRASSLEY, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 864, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for nurse practitioners and clinical nurse specialists to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 949

At the request of Mr. GRAHAM, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 949, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the death of George Washington.

S. 1675

At the request of Mr. BIDEN, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1675, a bill to provide for the nationwide tracking of convicted sexual predators, and for other purposes.

S. 1965

At the request of Mr. BIDEN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1965, a bill to prevent the illegal manufacturing and use of methamphetamine.

## SENATE RESOLUTION 282 RELATIVE TO THE DAY OF NATIONAL CONCERN ABOUT YOUNG PEOPLE AND GUN VIOLENCE

Mr. BRADLEY (for himself, Mr. SPECTER, Mr. WELLSTONE, Mr. FRIST, Mr. LEVIN, Ms. SNOWE, Mr. AKAKA, Mr. DEWINE, Mrs. BOXER, Mr. THURMOND, Mr. MOYNIHAN, Mr. BIDEN, Mrs. MURRAY, Mr. GLENN, Mr. REID, Mr. SIMON, Mr. KOHL, Mr. LAUTENBERG, Mr. DODD, Mr. CHAFEE, Mr. BENNETT, Mr. MCCAIN, Mr. COATS, Mr. D'AMATO, Mr. BROWN, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. INOUYE, Mr. BURNS, Mr. GRAHAM, Mr. NICKLES, Mr. CONRAD, Mr. ROTH, Mr. DORGAN, Mrs. HUTCHISON, Mr. PRYOR, Mr. SIMPSON, Mr. LIEBERMAN, Mr. FAIRCLOTH, Mr. BUMPERS, Mr. MCCONNELL, Mr. ROCKEFELLER, Mr. THOMPSON, Mr. KERRY, Mr. COHEN, Mr. JOHNSTON, Mr. GORTON, Mr. KENNEDY, Mr. CRAIG, Mr. ROBB, Mr. KEMPTHORNE, Ms. MOSELEY-BRAUN, Mr. MACK, Mr. WYDEN, Mr. GRAMS, Mr. HOLLINGS, Mr. JEFFORDS, Mr. DASCHLE, Mr. CAMPBELL, Ms. MIKULSKI, Mr. COCHRAN, Mr. HEFLIN, Mrs. FRAHM, Mr. EXON, Mr. ABRAHAM, Mr. FORD, Mr. ASHCROFT, Mr. BYRD, Mr. GREGG, Mr. SARBANES, Mr. HATFIELD, Mrs. FEINSTEIN, Mr. LUGAR, Mr. KERREY, Mr. SANTORUM, Mr. NUNN, Mr. THOMAS, Mr. BINGAMAN, Mr. WARNER, Mr. LEAHY, Mr. HELMS, Mr. BREAUX, Mr. BRYAN, and Mr. PELL) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 282

Whereas violent crime among juveniles in American society has dramatically escalated in recent years;

Whereas between 1989 and 1994, juvenile arrest rates for murder in this country skyrocketed 42 percent;

Whereas in 1993, more than 10 children were murdered each day in America;

Whereas America's young people are this country's most important resource, and Americans have a vested interest in helping children survive, free from fear and violence, to become healthy adults;

Whereas America's young people can, by taking individual and collective responsibility for their own decisions and actions, help chart a new and less violent direction for the entire country;

Whereas American school children will be invited to participate in a national observance involving millions of their fellow students and will thereby be empowered to see themselves as the agents of positive social change; and

Whereas this observance will give American school children the opportunity to make a solemn decision about their future and control their destiny by voluntarily signing a pledge promising that they will never take a gun to school, will never use a gun to resolve a dispute, and will use their influence to prevent friends from using guns to settle disputes: Now, therefore, be it

Resolved, That the Senate designates October 10, 1996, as the ''Day of National Concern About Young People and Gun Violence''. The President is authorized and requested to issue a proclamation calling upon the school children of the United States to observe such day with appropriate activities.

Mr. BRADLEY. Mr. President, I rise today, along with my colleagues, Senator SPECTER and Senator WELLSTONE, who initially joined me to serve as original cosponsors, to submit a resolution designating October 10, 1996, as a day of national concern about young people and gun violence.

This resolution has enjoyed broad bipartisan support over the last several days. I have been asking other Members of the Senate if they would like to join as original cosponsors of this resolution. As of today, the date of its introduction, there are 81 additional cosponsors of this resolution to declare October 10 as a national day of concern about young people and gun violence.

Mr. President, we are in a crisis in this country. America is losing a generation of young people to crime and violence. Last July, Cindy Villalba, a 20-year-old Rutgers University student, was slain in Paterson, NJ, when a bullet from a .25-caliber semiautomatic pistol careened into her chest. The assailant, Corie Miller, was 17 years old.

The murder was a senseless tragedy. Ms. Villalba was sitting in a car talking to a friend, Julissa Vargas. Miller, along with two other teenagers, aged 19 and 18, approached the vehicle and demanded money. When the two women insisted they did not have any money and began screaming, Miller cocked the pistol and struck Vargas in the back of the head. The pistol then discharged, and a bullet struck Villalba in the chest, killing her instantly. Villalba, a catechism teacher at St. John the Baptist Cathedral, had just returned from Costa Rica, where she was teaching English to schoolchildren as a part of a Rutgers University program.

A few months after the murder of Ms. Villalba, Desmond Carberry, then 12 years old, took a loaded gun and pointed it at his 10-year-old neighborhood playmate's head. He squeezed the trigger, killing Noel DaRoja. The children were playing unsupervised with a .22-caliber handgun at a third friend's house in Berkeley Township, NJ, on a day when school was let out early because of teacher conferences. They had

a dispute, and use of the gun resulted from the dispute.

Mr. President, the common theme in the murders of Cindy Villalba and Noel DaRoja is that children are killing and being killed at an alarming rate in this country. The number of juveniles murdered in 1994 was 47 percent greater than the number in 1980.

Mr. President, juvenile homicides involving firearms tripled from 1980 to 1994. Ask any police chief of any major city in this country, and they will tell you the problem in violence is that now the weapons are more powerful and they are used more frequently.

Teenage violence is skyrocketing. In 1994, one in five murdered juveniles were known to be killed by a juvenile offender. Juveniles were responsible for 14 percent of all violent crimes cleared in 1994, and young people were 17 percent of all persons arrested for murder that same year. Among young African-American males, murder is the No. 1 cause of death.

Mr. President, young people in this country are understandably frightened. In 1993, 42 percent of students in grades 6 to 12 reported knowing of weapons in their school. That same year, nearly 75 percent of students were aware of incidents of physical attack, robbery or bullying. Almost one-third of the students had witnessed such attacks, and at least one-fourth were worried about being the victims of such attacks.

Mr. President, this is not simply an urban problem. It is a national problem. During the 3-month period between December 1995 and February of this year, 31 teenagers were murdered in the largely suburban New Jersey counties of Monmouth, Ocean, Middlesex, Somerset and Union.

In January, 18-year-old Torrance Turner of suburban Lakewood, NJ, died after being shot in the face after a confrontation outside an apartment complex.

In September 1994, 20-year-old George Corbett biked to a park in suburban Old Bridge with a .22-caliber rifle swung over his shoulder. Once at the park, he shot 14-year-old Christopher Shrimpton in the head, killing him instantly. This deadly confrontation resulted from a dispute between the boys after the Old Bridge police caught them trying to break into a car the summer before the shooting.

Mr. President, the epidemic of violence is ensnaring our children at an alarming rate. I could go on and I could go on and on with story after heartbreaking story about kids killing kids and being killed. It is time to reverse this deadly trend because, if we do not, the future of America will perish before our eyes.

It is time to make it unfashionable to carry a gun to school. It is time to make it unacceptable to resolve a dispute with a gun. It is time to give young people in this country a chance to stand up and retake their schools and their neighborhoods.

Mr. President, the resolution that I am introducing today is designed to give American young people a chance to stop the carnage that is taking place on the streets that they often frequent. The resolution designates October 10, 1996, as a day of national concern about young people and gun violence.

October 10 will mark a national observance, giving young people throughout the country the chance to sign a voluntary pledge. On this day young people will be asked to sign the pledge. Across this country, they will be asked to raise their hand in urban centers and small towns alike. They will be asked to raise their hand and say, ''I pledge that I will never bring a gun to school; that I will never use a gun to settle a dispute; and that I will use my influence with my friends to keep them from using guns to settle disputes.''

That is the pledge.

Mr. President, by taking individual and collective responsibility for their decisions and actions, American young people can help chart a less violent future. Through the power of their collective voices, young people can demonstrate that the country, through their initiative and resolve, has come to terms with a crisis.

A couple of years ago there was something called Hands Across America, where on one day, at one time, literally millions of Americans joined hands to make a very important point. It is my hope that every local television station, that local radio stations, that local institutions on that day, October 10, will cover young people in schools, raising their hand, and take this pledge.

Mr. President, the distribution of the national pledge will give local communities and residents of those communities the power to control their own destiny. Instead of looking to Washington to stop the scourge of violence, young people will take the pledge, and they themselves, by their action, will stop the violence.

Mr. President, this resolution does not concern the issue of gun control. It does not prevent someone from becoming a police officer, joining a State patrol, using a gun in hunting. It is designed simply for one purpose, and one purpose only. That is to curb the epidemic of gun violence and its deadly consequences for America's young people.

This bipartisan resolution is supported by the American Federation of Teachers, who frequently are the targets of some of this gun touting, the National Education Association, the Council of Great City Schools, the National League of Women Voters, Mothers Against Violence in America, the National Parent Teachers Association, Physicians for Social Responsibility, the National Association of Secondary School Principals, the American Association of School Administrators, the Presbyterian Church of the USA, United Church of Christ Office for Church in Society, the National School Board Association, the United Methodist Church and the General Board of Church and Society.

Mr. President, young people are our most important resource. As a society, we have a vested interest in helping people survive, free from fear and violence, and survive into healthy adulthood. It is my hope, my sincere hope that all 84 Senators who have supported this resolution and cosponsored it, will share in their communities and States on this day of October 10, 1996, and oversee and participate with young people taking this pledge.

Some people say, well, what is a little resolution, a little resolution designating a day? It is a focus, that is what it is. It is a focus. It is a focus that allows young people, wherever they are, to take some control over their school, to give those who want it to be a safer place a chance to organize around an action, a simple pledge. ''I pledge never to tell a lie''—we have all heard that before. It has some impact when it is taken seriously. ''I pledge never to take a gun to school, never to use a gun to resolve a dispute, and to use my influence to keep my friends from using a gun to resolve a dispute.'' A very simple idea. If adhered to, a very positive and successful idea.

Mr. WELLSTONE. Mr. President, we are here today simply to ask students to sign a pledge declaring that they will never bring a weapon to school, they will not use a weapon to settle disputes, and they will use their influence to prevent their friends from using weapons to settle disputes.

Mr. President, I am deeply disturbed that homicides and suicides are the leading causes of death for young people in Minnesota's largest county, Hennepin County. For teenagers between the ages of 15 and 19, 77 percent of the homicides involve guns.

I am deeply disturbed that juvenile aggravated assaults tripled in Minnesota in the 10 years between 1980 and 1990. Half of these crimes involve guns. I was horrified to find out that, of the 105 school-associated deaths between 1992 and 1994, 75 percent were committed with guns, according to the National School Safety Center.

Mr. President, I was dismayed to read in the Minneapolis Star Tribune, ''More children in Minnesota are going to school angry and armed.'' More than 3,700 students reported carrying a gun to school at least once during the month the survey was taken by the Department of Children, Families and Learning. One Minnesota official said that they are ''swimming upstream when it comes to growing violence among young people.''

Every State in the Nation, every school district whether rural, suburban or urban has these kinds of stories, these kinds of statistics. That's why we have got to urge students to sign a pledge declaring that they will never bring a weapon to school, they will not use a weapon to settle disputes, and they will use their influence to prevent their friends from using weapons to settle disputes.

Clearly, the pledge is only a small step in preventing gun violence. But we

have got to start with changing children's perceptions and helping them avoid crime and violence. If kids are using guns, if kids are bringing guns to school, those are signs of much deeper crises we have got to work hard to address.

One effort we have tried with great success is the Safe and Drug Free Schools initiative. This helps schools become safer, more disciplined and drug-free. Parents, teachers, and law enforcement officials tell us it is one of the most effective programs they have seen.

However, the extremist Republicans in the House want to spend $99 million less in 1997 nationwide, and $1.08 million less in Minnesota alone, than the President wants to spend to keep schools safe and drug free.

Earlier in June, I met with Chuck Anderson. He is a violence intervention trainer at Black Hawk Middle School in Eagan, MN. He has taught since 1970. The program that he coordinates, which is funded under Safe and Drug Free Schools, trains both teachers and students to effectively resolve conflicts in the school as an alternative to disciplinary policy. This program Mr. Anderson directs provides appropriate proactive plans for students to learn means by which to avoid violence and fighting through peaceful intervention. Along with this gun pledge, we have got to support teachers like Chuck Anderson if we truly want to reduce violence in our schools and our society.

## AMENDMENTS SUBMITTED

## THE AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

### BROWN AMENDMENT NO. 5002

Mr. BROWN proposed an amendment to the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

**"SEC. . INTERIM MORATORIUM ON BYPASS FLOWS.**

''(a) MORATORIUM.—Section 389(a) of P.L. 104–127 is amended by striking ''an 18-month'' after the word ''be'' and inserting ''a 20-month''.

''(b) REPORT.—Section 389(d)(4) of P.L. 104–127 is amended by striking ''1 year'' after the word ''than'' and inserting ''14-months''.

''(c) EXTENSION FOR DELAY.—Section 389 of P.L. 104–127 is amended by adding at the end the following new subsection:

'''(e) EXTENSION FOR DELAY.—There shall be a day-for-day extension to the 20-month moratorium required by subsection (a) and a day-for-day extension to the report required by subsection (d)(4)—

'''(1) for every day of delay in implementing or establishing the Water Rights Task Force caused by a failure to nominate Task Force members by the Administration or by the Congress; or

'''(2) for every day of delay caused by a failure by the Secretary of Agriculture to identify adequate resources to carry out this section.'''

### KENNEDY AMENDMENT NO. 5003

Mr. KENNEDY proposed an amendment to the bill, H.R. 3603, supra; as follows:

On page 59, line 6, after ''consumers).'' insert:

''(b) GOALS.—Goals consistent with the proposed rule described in subsection (a) are the distribution of useful written information to 75% of individuals receiving new prescriptions by the year 2000 and to 95% by the year 2006.''

On page 59, line 16 insert the following ''(4) contain elements necessary to ensure the transmittal of useful information to the consuming public, including being scientifically accurate, non-promotional in tone and content, sufficiently specific and comprehensive as to adequately inform consumers about the use of the product, and in an understandable, legible format that is readily comprehensible and not confusing to consumers expected to use the product.''

On page 60, line 5, insert after the word ''if'' the following: ''(1)''.

On page 60, line 8, strike the words ''and begin to implement'' and insert the following: ''and submit to the Secretary for Health and Human Services''.

On page 60, line 10, strike the words ''regarding the provision of oral and written prescription information.'' and insert the following: ''which shall be acceptable to the Secretary of Health and Human Services; (2) the aforementioned plan is submitted to the Secretary of Health and Human Services for review and acceptance (provided that the Secretary shall give due consideration to the submitted plan and that any such acceptance shall not be arbitrarily withheld); and (3) the implementation of (a) a plan accepted by the Secretary commences within 30 days of the Secretary's acceptance of such plan, or (b) the plan submitted to the Secretary commences within 60 days of the submission of such plan if the Secretary fails to take any action on the plan within 30 days of the submission of the plan. The Secretary shall accept, reject or suggest modifications to the plan submitted within 30 days of its submission. The Secretary may confer with and assist private parties in the development of the plan described in sub-sections (a) and (b).''

On page 60, line 20 through line 22, strike ''The Secretary shall not delegate such review authority to the Commissioner of the Food and Drug Administration.''

On page 59, line 7, re-letter sub-section (b) to sub-section (c), and on page 59, line 16, re-number subparagraph (4) to subparagraph (5), and on page 59, line 21, re-number subparagraph (5) to subparagraph (6), and on page 59, line 23, re-letter sub-section (c) to sub-section (d), and on page 60, line 12, re-letter subsection (d) to sub-section (e).

### BURNS (AND OTHERS) AMENDMENT NO. 5004

Mr. BURNS (for himself, Mr. BAUCUS, and Mr. CRAIG) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place in the bill, add the following new section.

**SEC. . BARLEY PAYMENTS.**

Section 113 of Public Law 104–127 is amended by inserting a new subsection (g) that reads:

''(g) ADJUSTMENT IN BARLEY ALLOCATION.—In addition to the adjustments required under subsection (c), the amount allocated under subsection (b) for barley contract payments shall be increased by $20,000,000 in fiscal year 1998, and shall be reduced by $5,000,000 in each of fiscal years 1999–2002.''

### SIMPSON AMENDMENT NO. 5005

Mr. COCHRAN (for Mr. SIMPSON) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the end of the bill, add the following:

**SEC. . EASEMENTS ON INVENTORIED PROPERTY**

None of the funds appropriated or otherwise made available by this Act may be used by the Secretary of Agriculture to establish a wetland conservation easement under section 335(g) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(g)) on an inventoried property that was used for farming (including haying and grazing) at any time during the period beginning on the date 5 years before the property entered the inventory of the Secretary and ending on the date the property entered the inventory of the Secretary. To the extent that land would otherwise be eligible for one easement haying and grazing must be done according to a plan approved by the Natural Resources Conservation Service.

### HATFIELD AMENDMENT NO. 5006

Mr. COCHRAN (for Mr. HATFIELD) proposed an amendment to the bill, H.R. 3603, supra; as follows:

On page 42, line 26 before the colon, insert the following: '': *Provided further,* That of the total amount appropriated, not less than $2 million shall be available for grants in accordance with section 310B(f) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(f))''

### KEMPTHORNE AMENDMENT NO. 5007

Mr. COCHRAN (for Mr. KEMPTHORNE) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place in the bill, add the following:

**SEC. . GRANTS FOR PRECISION AGRICULTURAL TECHNOLOGIES.**

Section 793(c)(2)(A) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(A)) is amended—

(1) in clause (vii), by striking ''and'' at the end;

(2) in clause (viii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(ix) develop and apply precision agricultural technologies.''.

### SHELBY AMENDMENT NO. 5008

Mr. COCHRAN (for Mr. SHELBY) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place in the bill, add the following:

TITLE VIII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

Salaries and Expenses

For an additional amount for ''Salaries and Expenses,'' to be used in connection with investigations of arson or violence against

religious institutions, $12,011,000, to remain available until expended.

INTERNAL REVENUE SERVICE

Information Systems

(Rescission)

Of the funds made available under this heading in Public Law 104–52, $16,500,000 are rescinded.

## DOMENICI (AND OTHERS) AMENDMENT NO. 5009

Mr. COCHRAN (for Mr. DOMENICI, for himself, Mr. HELMS, Mr. THURMOND, Mr. FAIRCLOTH, and Mr. BINGAMAN) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place in the bill, insert the following:

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

For an additional amount for the Agricultural Credit Insurance Fund Program Account for the additional cost of emergency insured loans authorized by 7 U.S.C. 1928–1929, including the cost of modifying such loans as defined in section 502 of the Congressional Budget Act of 1974, resulting from droughts in the western United States, Hurricane Bertha, and other natural disasters, to remain available until expended, $25,000,000: *Provided*, That these funds are available to subsidize additional gross obligations for the principal amount of direct loans of $85,208,000: *Provided further*, 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: *Provided further*, That the amount shall be available to the extent that the President notifies Congress of his designation of any or all of these amounts as an emergency requirement under section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

## KERREY AMENDMENT NO. 5010

Mr. BUMPERS (for Mr. KERREY) proposed an amendment to the bill, H.R. 3603, supra; as follows:

On page 23, line 8, strike ''$22,728,000'' and insert ''$23,928,000''.

On page 46, line 14, strike ''$657,942,000'' and insert ''$656,742,000''.

## DORGAN (AND CONRAD) AMENDMENT NO. 5011

Mr. BUMPERS (for Mr. DORGAN, for himself and Mr. CONRAD) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the end of the bill, add the following:

**SEC. . SENSE OF SENSE ON CANADIAN WHEAT AND BARLEY EXPORTS.**

It is the sense of the Senate that—

(1) the United States Trade Representative should continue to carefully monitor the export of wheat and barley from western Canada to the United States;

(2) the bilateral Memorandum of Understanding with Canada clearly states that the United States—

(A) will not accept market disruptions from imports of Canadian grains; and

(B) will use its trade laws if it appears likely that market disruptions will occur;

(3) the United States Trade Representative should monitor any policy changes by the Canadian Government, acting through the Canadian Wheat Board, that have the potential for increasing the exports of Canadian grains to the United States;

(4) family farmers of the United States should not be subjected to increases in the 1-way channel of Canadian grain exports to the United States that unfairly disrupt the grain transportation systems and depress the prices received by farmers; and

(5) the United States Trade Representative should be prepared to support the use of antidumping laws, countervailing duty laws, section 301 of the Trade Act of 1974 (19 U.S.C. 2411), and other United States laws consistent with the international obligations of the United States, if—

(A) the Canadian Government implements the changes described in paragraph (3) without a resolution of the underlying cross-border grain trading issues between the United States and Canada; and

(B) the changes lead to unfair and injurious exports of Canadian grain to the United States.

## MIKULSKI AMENDMENT NO. 5012

Mr. BUMPERS (for Ms. MIKULSKI) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place insert the following:

Not later than 180 days after enactment of this Act, the Administrator of the Food and Drug Administration, in consultation with the States and other appropriate Federal agencies shall report to the Chairman and Ranking Member of the Committee on Appropriations of the House and Senate on the feasibility of applying DNA testing or other testing procedures to determine the adulteration, blending, mixing or substitution of crab meat other than Callinectes Sapidus offered for sale in the United States. The Administrator also shall report on the feasibility of developing a database of imported crab meat shipments from port of entry to final wholesaler to be made available to State agencies to aid enforcement and public health protection.

## LEAHY AMENDMENT NO. 5013

Mr. BUMPERS (for Mr. LEAHY) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the appropriate place insert the following:

''No funds appropriated or otherwise made available to the Secretary of Agriculture may be used to administer Section 118(b)(2)(A) of the Agricultural Marketing Transition Act unless the planting of a fruit or vegetable on contract acreage, if planted subsequent to the failure of a contract commodity on the same acreage within the same crop year is permitted on contract acreage: Provided, That this provision shall take effect upon the date of enactment of this Act into law.''

## WELLSTONE (AND GRAMS) AMENDMENT NO. 5014

Mr. BUMPERS (for Mr. WELLSTONE, for himself and Mr. GRAMS) proposed an amendment to the bill, H.R. 3603, supra; as follows:

At the end of the bill, add the following:

**SEC. . PLANTING OF WILD RICE ON CONTRACT ACREAGE.**

None of the funds appropriated in this Act may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

## THE NUCLEAR WASTE POLICY ACT OF 1996

## MURKOWSKI AMENDMENTS NOS. 5015–5016

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted two amendments intended to be proposed by him to the bill (S. 1936) to amend the Nuclear Waste Policy Act of 1982; as follows:

AMENDMENT NO. 5015

Beginning on page 1, line 3, strike ''Nuclear'' and all that follows, and insert in lieu thereof the following: ''Nuclear Waste Policy Act of 1982 is amended to read as follows:

**''SECTION 1. SHORT TITLE AND TABLE OF CONTENTS''**

''(a) SHORT TITLE.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

''(b) TABLE OF CONTENTS.—

''Sec. 1. Short title and table of contents.
''Sec. 2. Definitions.

''TITLE I—OBLIGATIONS

''Sec. 101. Obligations of the Secretary of Energy.

''TITLE II—INTEGRATED MANAGEMENT SYSTEM

''Sec. 201. Intermodel transfer.
''Sec. 202. Transportation planning.
''Sec. 203. Transportation requirements.
''Sec. 204. Interim storage.
''Sec. 205. Permanent repository.
''Sec. 206. Land withdrawal.

''TITLE III—LOCAL RELATIONS

''Sec. 301. Financial assistance.
''Sec. 302. On-site representative.
''Sec. 303. Acceptance of benefits.
''Sec. 304. Restrictions on use of funds.
''Sec. 305. Land conveyances.

''TITLE IV—FUNDING AND ORGANIZATION

''Sec. 401. Program Funding.
''Sec. 402. Office of Civilian Radioactive Waste Management.
''Sec. 403. Federal contribution.

''TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

''Sec. 501. Compliance with other laws.
''Sec. 502. Judicial review of agency actions.
''Sec. 503. Licensing of facility expansions and transshipments.
''Sec. 504. Siting a second repository.
''Sec. 505. Financial arrangements for low-level radioactive waste site closure.
''Sec. 506. Nuclear Regulatory Commission training authority.
''Sec. 507. Emplacement schedule.
''Sec. 508. Transfer of title.
''Sec. 509. Decommissiong pilot program.
''Sec. 510. Water rights.

''TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

''Sec. 601. Definitions.
''Sec. 602. Nuclear Waste Technical Review Board.
''Sec. 603. Functions.
''Sec. 604. Investigatory powers.
''Sec. 605. Compensation of members.
''Sec. 606. Staff.
''Sec. 607. Support services.
''Sec. 608. Report.
''Sec. 609. Authorization of appropriations.
''Sec. 610. Termination of the board.

''TITLE VII—MANAGEMENT REFORM

''Sec. 701. Management reform initiatives.
''Sec. 702. Reporting.
''Sec. 703. Effective date.

**''SEC. 2. DEFINITIONS.**

''For purposes of this Act:

''(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

''(2) AFFECTED INDIAN TRIBE.—The term 'affected Indian tribe' means any Indian tribe—

''(A) whose reservation is surrounded by or borders an affected unit of local government, or

''(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

''(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

''(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

''(A) Naval reactors development.

''(B) Weapons activities including defense inertial confinement fusion.

''(C) Verification and control technology.

''(D) Defense nuclear materials production.

''(E) Defense nuclear waste and materials byproducts management.

''(F) Defense nuclear materials security and safeguards and security investigations.

''(G) Defense research and development.

''(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

''(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

''(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act.''

''(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

''(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

''(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

''(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

''(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

''(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEMS AND COMPONENTS.—The terms 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal sytem. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

''(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

''(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly in reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

''(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

''(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

''(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

''(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

''(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

''(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

''(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

''(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or byproduct material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)); and

''(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

''(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

''(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' mean the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

''(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

''(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

''(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

''(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

''(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

''(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

''(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

''(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

''(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

## ''TITLE I—OBLIGATIONS

### ''SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

''(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

''(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

''(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary

from such contract holders for use in the integrated management system.

''(d) INTEGRATED MANAGEMENT SYSTEM.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

''(e) PRIVATE SECTOR PARTICIPATION.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

''(f) PRE-EXISTING RIGHTS.—Nothing in this Act is intended to or shall be construed to modify—

''(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

''(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91–0054–S–EJL).

''(g) LIABILITY.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

''TITLE II—INTEGRATED MANAGEMENT SYSTEM

**''SEC. 201. INTERMODAL TRANSFER.**

''(a) ACCESS.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline at Caliente, Nevada, to the interim storage facility site.

''(b) CAPABILITY DATE.—The Secretary shall develop the capacity to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

''(c) ACQUISITIONS.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente, Nevada.

''(d) REPLACEMENTS.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facilitate replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

''(e) NOTICE AND MAP.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(1) publish in the Federal Resister a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

''(2) file copies of a map of such sites and right-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

''(f) IMPROVEMENTS.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

''(g) LOCAL GOVERNMENT INVOLVEMENT.—The Commission shall enter into a Memorandum of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

''(h) BENEFITS AGREEMENT.—

''(1) IN GENERAL.—The Secretary shall offer to enter into an agreement with Lincoln County, Nevada concerning the integrated management system.

''(2) AGREEMENT CONTENT.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln County, Nevada.

''(3) AMENDMENT.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

''(4) TERMINATION.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

''(5) LIMITATION.—Only 1 agreement may be in effect at any one time.

''(6) JUDICIAL REVIEW.—Decisions of the Secretary under this section are not subject to judicial review.

''(i) CONTENT OF AGREEMENT.—

''(1) SCHEDULE.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

| Event | Payment |
|---|---|
| (A) Annual payments prior to first receipt of spent fuel ..... | $2.5 |
| (B) Annual payments beginning upon first spent fuel receipt ..... | 5 |
| (C) Payment upon closure of the intermodal transfer facility ..... | 5 |

''(2) DEFINITIONS.—For purposes of this section, the term—

''(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

''(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

''(3) ANNUAL PAYMENTS.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

''(4) REDUCTION.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to 1/12 of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

''(5) RESTRICTIONS.—The Secretary may not restrict the purposes for which the payments under this section may be used.

''(6) DISPUTE.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

''(7) CONSTRUCTION.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

''(j) INITIAL LAND CONVEYANCES.—

''(1) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(2) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada;

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site.

''(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

**''SEC. 202. TRANSPORTATION PLANNING.**

''(a) TRANSPORTATION READINESS.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste

from the sites designated by the contract holders to the interim storage facility site beginning not later than November 30, 1999.

''(b) TRANSPORTATION PLANNING.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with Section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

**"SEC. 203. TRANSPORTATION REQUIREMENTS.**

''(a) PACKAGE CERTIFICATION.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

''(b) STATE NOTIFICATION.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

''(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

''(d) PUBLIC EDUCATION.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

''(e) COMPLIANCE WITH TRANSPORTATION REGULATIONS.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

''(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

''(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that evidence of satisfaction of the applicable training standard be provided to an employer before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

''(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provision—

''(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

''(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

''(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

**"SEC. 204. INTERIM STORAGE.**

''(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

''(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

''(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

''(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

''(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include—

''(i) the preliminary design concept for the critical elements of the repository and waste package,

''(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

''(iii) a plan and cost estimate for the remaining work required to complete a license application, and

''(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept.

''(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19) of this Act shall be deemed to be approved by law for purposes of this section.

''(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

''(c) DESIGN.—

''(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. the design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

''(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

''(d) LICENSING.—

''(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

''(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

''(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application to the Secretary.

''(e) ADDITIONAL AUTHORITY.—

''(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to climate such risk.

''(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

''(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (i), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW–0457), the Secretary shall accept, in an amount not less than 25% of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

''(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

''(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

''(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

''(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—

''(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

''(2) ENVIRONMENTAL IMPACT STATEMENT.—

''(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). In preparing such Environmental Impact Statement, the Commission—

''(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

''(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

''(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

''(i) the need for the interim storage facility, including any individual component thereof;

''(ii) the time of the initial availability of the interim storage facility;

''(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

''(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

''(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

''(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

''(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

''(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.).

''(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph (e)(3) (A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3) (A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

''(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

**''SEC. 205. PERMANENT REPOSITORY.**

''(a) REPOSITORY CHARACTERIZATION.—

''(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

''(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

''(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to

the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

''(4) MAXIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

''(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spent nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

''(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(2) LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

''(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

''(A) breaching the repository's engineered or geologic barriers; or

''(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

''(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

''(d) REPOSITORY LICENSING STANDARDS.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under others provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

''(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

''(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

''(3) FACTOR.—For purposes of making the finding in paragraph (2)—

''(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

''(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

''(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

''(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

''(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

''(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

''(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

''(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

''(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

''(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

''(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

**''SEC. 206. LAND WITHDRAWAL.**

''(a) WITHDRAWAL AND RESERVATION.—

''(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

''(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the

Secretary of the Interior or any other Federal officer is transferred to the Secretary.

''(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

''(b) LAND DESCRIPTION.—

''(1) BOUNDARIES.—The boundaries depicted on the map entitled ''Interim Storage Facility Site Withdrawal Map,'' dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

''(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

''(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

''(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

''(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

## ''TITLE III—LOCAL RELATIONS

**''SEC. 301. FINANCIAL ASSISTANCE.**

''(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

''(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

''(2) to develop a request for impact assistance under subsection (c);

''(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

''(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

''(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

''(b) SALARY AND TRAVEL EXPENSES.—Any salary and travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

''(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

''(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

''(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

''(d) OTHER ASSISTANCE.—

''(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant to any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

''(2) TERMINATION.—Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

''(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OF LOCAL GOVERNMENT.—

''(A) PERIOD.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

''(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

**''SEC. 302. ON-SITE REPRESENTATIVE.**

''The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

**''SEC. 303. ACCEPTANCE OF BENEFITS.**

''(A) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution of laws to the contrary notwithstanding.

''(b) ARGUMENTS.—Neither the United States nor any other entity many assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

''(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any governmental unit of Nevada premised solely upon the acceptance or use of benefits under this title.

**''SEC. 304. RESTRICTIONS ON USE OF FUNDS.**

''None of the funding provided under this title may be used—

''(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

''(2) for litigation purposes; and

''(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

**''SEC. 305. LAND CONVEYANCES.**

''(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of the Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

''Map 1: Proposed Pahrump Industrial Park Site

''Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

''Map 3: Pahrump Landfill Sites

''Map 4: Amargosa Valley Regional Landfill Site

''Map 5: Amargosa Valley Municipal Landfill Site

''Map 6: Beatty Landfill/Transfer Station Site

''Map 7: Round Mountain Landfill Site

''Map 8: Tonopah Landfill Site

''Map 9: Gabbs Landfill Site.

''(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

## ''TITLE IV—FUNDING AND ORGANIZATION

**''SEC. 401. PROGRAM FUNDING.**

''(a) CONTRACTS.—

''(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter

into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

''(2) ANNUAL FEES.—

''(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

''(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

''(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

''(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1966 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spend fuel or high-level radioactive waste derived from spent nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

''(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

''(b) ADVANCE CONTRACTING REQUIREMENT.—

''(1) IN GENERAL.—

''(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

''(i) such person has entered into a contract under subsection (a) with the Secretary; or

''(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

''(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

''(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

''(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

''(c) NUCLEAR WASTE FUND.—

''(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

''(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

''(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

''(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

''(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

''(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

''(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

''(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

''(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

''(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

''(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter II of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

''(e) APPROPRIATIONS.—The Secretary may make expenditures from the new Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

**''SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.**

''(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

**''SEC. 403. FEDERAL CONTRIBUTION.**

''(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of

managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

''(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

''(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

''(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

''(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, requiring management in the integrated management system.

''(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

## ''TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

### ''SEC. 501. COMPLIANCE WITH OTHER LAWS.

''If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system.

### ''SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

''(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

''(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

''(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

''(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

''(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

''(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

''(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

''(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

''(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

### ''SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

''(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the Commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

''(b) ADJUDICATORY HEARING.—

''(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing only if it determines that—

''(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

''(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

''(2) DETERMINATION.—In making a determination under this subsection, the Commission—

''(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

''(B) shall not consider—

''(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

''(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless

''(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

''(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered

''(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

''(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

''(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

''(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

''(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

### ''SEC. 504. SITING A SECOND REPOSITORY.

''(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

''(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

### ''SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

''(a) FINANCIAL ARRANGEMENTS.—

''(1) STANDARDS AND INSTRUCTIONS).—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of

sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

''(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

''(b) TITLE AND CUSTODY.—

''(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

''(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

''(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

''(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

''(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

''(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

**"SEC. 506 NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.**

''The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

**"SEC. 507. EMPLACEMENT SCHEDULE.**

''(a) The emplacement schedule shall be implemented in accordance with the following:

''(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

''(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

''(b) If the Secretary is unable to begin emplacement by January 31, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

''(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

''(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

**"SEC. 508. TRANSFER OF TITLE.**

''(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

''(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site.

**"SEC. 509. DECOMMISSIONING PILOT PROGRAM.**

''(a) AUTHORIZATION.—The Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

''(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

**"SEC. 510. WATER RIGHTS.**

''(a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

''(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

''(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

**"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD**

**"SEC. 601. DEFINITIONS.**

''For purposes of this title—

''(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

''(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

**"SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.**

''(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

''(b) MEMBERS.—

''(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the national Academy of Sciences in accordance with paragraph (3).

''(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

''(3) NATIONAL ACADEMY OF SCIENCES.—

''(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

''(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

''(C) NOMINEES.—

''(i) Each person nominated for appointment to the Board shall be—

''(I) eminent in a field of science or engineering, including environmental sciences; and

''(II) selected solely on the basis of established records of distinguished service.

''(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

''(iii) No person shall be nominated for appointment to the Board who is an employee of—

''(I) the Department of Energy;

''(II) a national laboratory under contract with Department of Energy; or

''(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

''(4) VACANCIES.—Any vacancy on the Board shall be filed by the nomination and appointment process described in paragraphs (1) and (3).

''(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

**"SEC. 603. FUNCTIONS.**

''The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

''(1) site characterization activities; and

''(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

**''SEC. 604. INVESTIGATORY POWERS.**

''(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not be required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

''(b) PRODUCTION OF DOCUMENTS.—

''(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

''(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

**''SEC. 605. COMPENSATION OF MEMBERS.**

''(A) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

''(b) TRAVEL EXPENSES.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

**''SEC. 606. STAFF.**

''(a) CLERICAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

''(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

''(b) PROFESSIONAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

''(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

''(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

**''SEC. 607. SUPPORT SERVICES.**

''GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

''(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

''(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

''(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

**''SEC. 608. REPORT.**

''The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

**''SEC. 609. AUTHORIZATION OF APPROPRIATIONS.**

''There are authorized to be appropriated for expenditures such sums as may be necessary to carry out the provisions of this title.

**''SEC. 610. TERMINATION OF THE BOARD.**

''The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

## ''TITLE VII—MANAGEMENT REFORM

**''SEC. 701. MANAGEMENT REFORM INITIATIVES.**

''(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, to the maximum extent practicable, in like manner as a private business.

''(b) AUDITS.—

''(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

''(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

''(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

''(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

''(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

''(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

''(e) SITE CHARACTERIZATION.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

**''SEC. 702. REPORTING.**

''(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

''(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

''(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

''(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to meet the planned schedule and timeline; and

''(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

''(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

''(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act.

''(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

''(3) the Secretary's analysis of its funding needs for the ensuing 5 fis cal years.

**''SEC. 703. EFFECTIVE DATE.**

''This Act shall become effective two days after enactment.''.

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AMENDMENT NO. 5016

Beginning on page 1, line 3, strike ''the Nuclear'' and all that follows and insert in lieu thereof the following: ''the Nuclear Waste Policy Act of 1982 is amended to read as follows:

**''SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

''(a) SHORT TITLE—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

''(b) TABLE OF CONTENTS.—

''Sec. 1. Short title and table of contents.
''Sec. 2. Definitions.
''TITLE I—OBLIGATIONS
''Sec. 101. Obligations of the Secretary of Energy.
''TITLE II—INTEGRATED MANAGEMENT SYSTEM
''Sec. 201. Intermodal transfer.
''Sec. 202. Transportation planning.

''Sec. 203. Transportation requirements.
''Sec. 204. Interim storage.
''Sec. 205. Permanent repository.
''Sec. 206. Land withdrawal.
''TITLE III—LOCAL RELATIONS
''Sec. 301. Financial assistance.
''Sec. 302. On-Site representative.
''Sec. 303. Acceptance of benefits.
''Sec. 304. Restrictions on use of funds.
''Sec. 305. Land conveyances.
''TITLE IV—FUNDING AND ORGANIZATION
''Sec. 401. Program funding.
''Sec. 402. Office of Civilian Radioactive Waste Management.
''Sec. 403. Federal contribution.
''TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS
''Sec. 501. Compliance with other laws.
''Sec. 502 Judicial review of agency actions.
''Sec. 503. Licensing of facility expansions and transshipments.
''Sec. 504. Siting a second repository.
''Sec. 505. Financial arrangements for low-level radioactive waste site closure.
''Sec. 506. Nuclear Regulatory Commission training authority.
''Sec. 507. Emplacement schedule.
''Sec. 508. Transfer of title.
''Sec. 509. Decommissioning pilot program.
''Sec. 510. Water rights.
''TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD
''Sec. 601. Definitions.
''Sec. 602. Nuclear Waste Technical Review Board.
''Sec. 603. Functions.
''Sec. 604. Investigatory powers.
''Sec. 605. Compensation of members.
''Sec. 606. Staff.
''Sec. 607. Support services.
''Sec. 608. Report.
''Sec. 609. Authorization of appropriations.
''Sec. 610. Termination of the board.
''TITLE VII—MANAGEMENT REFORM
''Sec. 701. Management reform initiatives.
''Sec. 702. Reporting.
''Sec. 703. Effective date.

**''SEC. 2. DEFINITIONS.**

''For purposes of this Act:

''(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

''(2) AFFECTED INDIAN TRIBE.—The term 'affected Indian tribe' means any Indian tribe—

''(A) whose reservation is surrounded by or borders an affected unit of local government, or

''(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

''(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

''(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

''(A) Naval reactors development.

''(B) Weapons activities including defense inertial confinement fusion.

''(C) Verification and control technology.

''(D) Defense nuclear materials production.

''(E) Defense nuclear waste and materials byproducts management.

''(F) Defense nuclear materials security and safeguards and security investigations.

''(G) Defense research and development.

''(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

''(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

''(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act.

''(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

''(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

''(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

''(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

''(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

''(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEM AND COMPONENTS.—The term 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

''(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

''(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly in reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

''(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

''(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

''(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

''(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

''(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

''(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for this location of the interim storage facility.

''(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

''(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or by-product material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)); and

''(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

''(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

''(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' means the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

''(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

''(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

''(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

''(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

''(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

''(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

''(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

''(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

''(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

## ''TITLE I—OBLIGATIONS

### ''SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

''(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

''(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

''(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

''(d) INTEGRATED MANAGEMENT SYSTEM.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

''(e) PRIVATE SECTOR PARTICIPATION.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

''(f) PRE-EXISTING RIGHTS.—Nothing in this Act is intended to or shall be construed to modify—

''(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

''(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91–0054–S–EJL).

''(g) LIABILITY.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

## ''TITLE II—INTEGRATED MANAGEMENT SYSTEM

### ''SEC. 201. INTERMODAL TRANSFER

''(a) ACCESS.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

''(b) CAPABILITY DATE.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

''(c) ACQUISITIONS.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente, Nevada.

''(d) REPLACEMENTS.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facilitate replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

''(e) NOTICE AND MAP.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

''(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

''(f) IMPROVEMENTS.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport and spent nuclear fuel and high-level radioactive waste.

''(g) LOCAL GOVERNMENT INVOLVEMENT.—The Commission shall enter into a Memorandum of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

''(h) BENEFITS AGREEMENT.—

''(1) IN GENERAL.—The Secretary shall offer to enter into an agreement with Lincoln County, Nevada concerning the integrated management system.

''(2) AGREEMENT CONTENT.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln County, Nevada.

''(3) AMENDMENT.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

''(4) TERMINATION.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

''(5) LIMITATION.—Only 1 agreement may be in effect at any one time.

''(6) JUDICIAL REVIEW.—Decisions of the Secretary under this section are not subject to judicial review.

''(i) CONTENT OF AGREEMENT.—

''(1) SCHEDULE.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

| Event | Payment |
|---|---|
| (A) Annual payments prior to first receipt of spent fuel ..... | $2.5 |
| (B) Annual payments beginning upon first spent fuel receipt ..... | 5 |
| (C) Payment upon closure of the intermodal transfer facility ..... | 5 |

''(2) DEFINITIONS.—For purposes of this section, the term—

''(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

''(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

''(3) ANNUAL PAYMENTS.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

''(4) REDUCTION.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first fuel payment under paragraph (1)(B) shall be reduced by an amount equal to 1/12 of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

''(5) RESTRICTIONS.—The Secretary may not restrict the purposes for which the payments under this section may be used.

''(6) DISPUTE.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

''(7) CONSTRUCTION.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

''(j) INITIAL LAND CONVEYANCES.—

''(1) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of the Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal

agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(2) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site

''(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

**"SEC. 202. TRANSPORTATION PLANNING.**

''(a) TRANSPORTATION READINESS.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not later than November 30, 1999.

''(b) TRANSPORTATION PLANNING.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

**"SEC. 203. TRANSPORTATION REQUIREMENTS.**

''(a) PACKAGE CERTIFICATION.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

''(b) STATE NOTIFICATION.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

''(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

''(d) PUBLIC EDUCATION.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

''(e) COMPLIANCE WITH TRANSPORTATION REGULATIONS.—Any person that transport spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

''(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

''(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that evidence of satisfaction of the applicable training standard be provided to an employer before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

''(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

''(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

''(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

''(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

''(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

**"SEC. 204. INTERIM STORAGE.**

''(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

''(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

''(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

''(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

''(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include—

''(i) the preliminary design concept for the critical elements of the repository and waste package,

''(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

''(iii) a plan and cost estimate for the remaining work required to complete a license application, and

''(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept.

''(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19) of this Act shall be deemed to be approved by law for purposes of this section.

''(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

''(c) DESIGN.—

''(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

''(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

''(d) LICENSING.—

''(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

''(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

''(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

''(e) ADDITIONAL AUTHORITY.—

''(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

''(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

''(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (i), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March 1995, (DOE/RW–0457), the Secretary shall accept, in an amount not less than 25% of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

''(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

''(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

''(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

''(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—

''(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

''(2) ENVIRONMENTAL IMPACT STATEMENT.—

''(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). In preparing such Environmental Impact Statement, the Commission—

''(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

''(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

''(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

''(i) the need for the interim storage facility, including any individual component thereof;

''(ii) the time of the initial availability of the interim storage facility;

''(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

''(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

''(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

''(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

''(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on the review of the Commission's licensing action.

''(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.).

''(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy

Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph (e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3)(A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

''(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

**"SEC. 205. PERMANENT REPOSITORY**

''(a) REPOSITORY CHARACTERIZATION.—

''(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

''(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

''(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

''(4) MAZIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

''(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spent nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

''(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(2) LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

''(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

''(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

''(B) without unreasonable risk to the health and safety of the public; and

''(C) consistent with the common defense and security.

''(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

''(A) breaching the repository's engineered or geologic barriers; or

''(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

''(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

''(d) REPOSITORY LICENSING STANDARDS.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under others provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

''(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

''(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

''(3) FACTORS.—For purposes of making the finding in paragraph (2)—

''(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

''(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

''(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site, in accordance with subsection (b)(4), shall be sufficient to—

''(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

''(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

''(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 yeas after the commencement of operation of the repository.

''(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

''(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to

the Commission with the license application and shall supplement such environmental impact statement as appropriate.

''(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

''(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

''(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

**''SEC. 206. LAND WITHDRAWAL.**

''(a) WITHDRAWAL AND RESERVATION.—

''(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

''(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

''(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

''(b) LAND DESCRIPTION.—

''(1) BOUNDARIES.—The boundaries depicted on the map entitled ''Interim Storage Facility Site Withdrawal Map,'' dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

''(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

''(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site, and

''(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

''(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

''(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

''(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

## ''TITLE III—LOCAL RELATIONS

**''SEC. 301. FINANCIAL ASSISTANCE.**

''(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

''(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

''(2) to develop a request for impact assistance under subsection (c);

''(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

''(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

''(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

''(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

''(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

''(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

''(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

''(d) OTHER ASSISTANCE.—

''(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant to any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

''(2) TERMINATION.—Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

''(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OR LOCAL GOVERNMENT.—

''(A) PERIOD.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the integrated management system.

''(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

**''SEC. 302. ON-SITE REPRESENTATIVE**

''The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

**''SEC. 303. ACCEPTANCE OF BENEFITS.**

''(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

''(b) ARGUMENT.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

''(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any governmental unit of Nevada premised solely upon the acceptance or use of benefits under this title.

**''SEC. 304. RESTRICTIONS ON USE OF FUNDS.**

''None of the funding provided under this title may be used—

''(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

''(2) for litigation purposes; and

''(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

**''SEC. 305. LAND CONVEYANCES.**

''(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the

County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

''(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

Map 1: Proposed Pahrump Industrial Park Site

Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

Map 3: Pahrump Landfill Sites

Map 4: Amargosa Valley Regional Landfill Site

Map 5: Amargosa Valley Municipal Landfill Site

Map 6: Beatty Landfill/Transfer Station Site

Map 7: Round Mountain Landfill Site

Map 8: Tonopah Landfill Site

Map 9: Gabbs Landfill Site.

''(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

''(4) EVIDENCE OF TITLE TRANSFERS.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

## ''TITLE IV—FUNDING AND ORGANIZATION

**''SEC. 401. PROGRAM FUNDING.**

''(a) CONTRACTS.—

''(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contract shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

''(2) ANNUAL FEES.—

''(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

''(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

''(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

''(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

''(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

''(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 10 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spent nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

''(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

''(b) ADVANCE CONTRACTING REQUIREMENT.—

''(1) IN GENERAL.—

''(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

''(i) such person has entered into a contract under subsection (a) with the Secretary; or

''(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

''(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

''(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

''(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

''(c) NUCLEAR WASTE FUND.—

''(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

''(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

''(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited to the Nuclear Waste Fund immediately upon their realization.

''(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

''(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

''(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

''(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

''(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

''(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such

investments shall not exceed the average interest rate applicable to existing borrowings.

''(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

''(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

''(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

**"SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.**

''(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

**"SEC. 403. FEDERAL CONTRIBUTION.**

''(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

''(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

''(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

''(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

''(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent fuel from foreign research reactors, requiring management in the integrated management system.

''(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

**"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS**

**"SEC. 501. COMPLIANCE WITH OTHER LAWS.**

''If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system.

**"SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.**

''(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

''(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

''(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

''(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

''(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

''(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

''(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

''(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

''(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

**"SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.**

''(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the Commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

''(b) ADJUDICATORY HEARING.—

''(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing only if it determines that—

''(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory Hearing, and

''(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

''(2) DETERMINATION.—In making a determination under this subsection, the Commission—

''(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

''(B) shall not consider—

''(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

''(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless

''(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

''(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

''(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 1005.

''(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

''(c) JUCIDICAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

''(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

''(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

**''SEC. 504. SITING A SECOND REPOSITORY.**

''(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

''(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

**''SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.**

''(a) FINANCIAL ARRANGEMENTS.—

''(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

''(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

''(b) TITLE AND CUSTODY.—

''(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

''(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

''(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

''(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

''(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

''(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

**''SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.**

''The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

**''SEC. 507. EMPLACEMENT SCHEDULE.**

''(a) The emplacement schedule shall be implemented in accordance with the following:

''(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

''(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

''(b) If the Secretary is unable to begin emplacement by January 31, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

''(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

''(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

**''SEC. 508. TRANSFER OF TITLE.**

''(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

''(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site.

**''SEC. 509. DECOMMISSIONING PILOT PROGRAM.**

''(a) AUTHORIZATION.—The Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

''(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

**''SEC. 510. WATER RIGHTS.**

''(a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

''(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

''(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws

## ''TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

**''SEC. 601. DEFINITIONS.**

''For purposes of this title—

''(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

''(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

**''SEC. 602. NULCEAR WASTE TECHNICAL REVIEW BOARD.**

''(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

''(b) MEMBERS.—

''(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

''(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

''(3) NATIONAL ACADEMY OF SCIENCES.—

''(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after

December 22, 1987, nominate not less than 22 percent for appointment to the Board from among persons who meet the qualifications described in subpagaraph (C).

(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacany on the Board from among persons who meet the qualifications described in subparagraph (C).

''(C) NOMINEES.—

''(i) Each person nominated for appointment for the Board shall be—

''(I) eminent in a field of science or engineering, including environmental sciences; and

''(II) selected swolely on the basis of established records of distinguished service.

''(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

''(iii) No person shall be nominated for appointment to the Board who is an employee of—

''(I) the Department of Energy;

''(II) a national laboratory under contract with the Department of Energy; or

''(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

''(4) VACANCIES.—Any vacancy on the Board shall be filed by the nomination and appointment process described in paragraphs (1) and (3).

''(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 22 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

**''SEC. 603 FUNCTIONS.**

''The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

''(1) site characterization activities; and

''(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

**''SEC. 604. INVESTIGATORY POWERS.**

''(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not be required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

''(b) PRODUCTION OF DOCUMENTS.—

''(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

''(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

**''SEC. 605. COMPENSATION OF MEMBERS.**

''(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay available for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

''(b) TRAVEL EXPENSES.—Each member of the Board may receive travel expenses, including per diem in lieu of subsistence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

**''SEC. 606. STAFF.**

''(a) CLERICAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

''(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

''(b) PROFESSIONAL STAFF.—

''(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

''(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

''(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

**''SEC. 607. SUPPORT SERVICES.**

''(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman the Administrator of General Services shall provide the Board with necessary administrative services. facilities, and support on a reimbursable basis.

''(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

''(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

''(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule

**''SEC. 608. REPORT.**

''The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

**''SEC. 609. AUTHORIZATION OF APPROPRIATIONS.**

''There are authorized to be appropriated for expenditures such sums as may be necessary to carry out the provisions of this title.

**''SEC. 610. TERMINATION OF THE BOARD.**

''The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

**''TITLE VII—MANAGEMENT REFORM**

**''SEC. 701. MANAGEMENT REFORM INITIATIVES.**

''(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, to the maximum extent practicable, in like manner as a private business.

''(b) AUDITS.—

''(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

''(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

''(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

''(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

''(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

''(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

''(e) Site Characterization.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

**''SEC. 702. REPORTING.**

''(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

''(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

''(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

''(3) a detailed description of the Secretary's contingency pans in the event that the Secretary is unable to meet the planned schedule and timeline; and

''(4) an analysis by the Secretary of its funding needs for fiscal year 1997 through 2001.

''(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual, reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

''(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

''(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plan; and

''(3) Secretary's analysis of its funding needs for the ensuing 5 fiscal years.

**''SEC. 703. EFFECTIVE DATE.**

''This Act shall become effective one day after enactment.''.

## THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

### MCCAIN (AND OTHERS) AMENDMENT NO. 5017

Mr. MCCAIN (for himself, Mr. COATS, Mr. CRAIG, Mr. D'AMATO, Mr. FAIRCLOTH, Mrs. FEINSTEIN, Mr. FRIST, Mr. GRAMS, Mr. INHOFE, Mr. LEVIN, Mr. LOTT, and Ms. MOSELEY-BRAUN) proposed an amendment to the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On page 198, between lines 17 and 18, insert the following:

INFORMATION ON COOPERATION WITH UNITED STATES ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY REPORTS ON TERRORISM

SEC. 580. Section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f) is amended—

(1) in subsection (a)—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

''(3) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the investigation or prosecution of an act of international terrorism against United States citizens or interests, the certification of the Secretary—

''(A) whether or not the government of the foreign country is cooperating fully with the United States Government in apprehending, convicting, and punishing the individual or individuals responsible for the act; and

''(B) whether or not the government of the foreign country is cooperating fully with the United States Government in preventing further acts of terrorism against United States citizens in the foreign country; and

''(4) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the prevention of an act of international terrorism against such citizens or interests, the certification of the Secretary described in paragraph (3)(B).''; and

(2) in subsection (c)—

(A) by striking ''The report'' and inserting ''(1) Except as provided in paragraph (2), the report'';

(B) by indenting the margin of paragraph (1), as so designated, 2 ems; and

(C) by adding at the end the following:

''(2) If the Secretary determines that the transmittal of a certification with respect to a foreign country under paragraph (3) or (4) of subsection (a) in classified form would make more likely the cooperation of the government of the foreign country as specified in such paragraph, the Secretary may transmit the certification under such paragraph in classified form.''.

### COVERDELL (AND OTHERS) AMENDMENT NO. 5018

Mr. COVERDELL (for himself, Mr. LOTT, Mr. HELMS, and Mr. GRASSLEY) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 104, line 19, strike ''$1,290,000,000'' and insert ''$1,262,000,000''.

On page 124, line 20, strike ''$160,000,000'' and insert ''$213,000,000''.

On page 138, line 5, strike ''$295,000,000'' and insert ''$270,000,000''.

## AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Wednesday, July 24, 1996, session of the Senate for the purpose of conducting an oversight hearing on NASA's Space Station and Space Shuttle Programs.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COCHRAN. Mr. President. I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet Wednesday, July 24, at 9:30 a.m. to consider pending business.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. COCHRAN. Mr. President. I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing Wednesday, July 24, immediately following the Committee's 9:30 Business Meeting, to receive testimony from Nils J. Diaz, nominated by the President to be a Member of the Nuclear Regulatory Commission, and Edward McGaffigan, Jr., nominated by the President to be a Member of the Nuclear Regulatory Commission.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. COCHRAN. Mr. President. I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 24, 1996, at 10:30 a.m. to conduct a Business Meeting.

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

COMMITTEE ON GOVERNMENT AFFAIRS

Mr. GREGG. Mr. President. I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, July 24, at 4:00 p.m. for a hearing on the nomination of Franklin D. Raines, to be Director of the Office of Management and Budget.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. COCHRAN. Mr. President. I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, July 24, 1996 at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct a markup on the following: Committee markup of S. 199, the trading with Indian Act, Repeal; H.R. 3068, to revoke the Charter of the Prairie Island Indian Community; S. 1962, the Indian Child Welfare Act Amendments of 1996, H.R. 2464, Utah Schools and Land Improvement Act, Amendment, and S. 1893, the Torres-Martinez Desert Cahuilla Indians Claims Settlement Act; S. 1970, the National Museum of the American Indian Act Amendments of 1996; S. 1973, the Navajo/Hopi Land Dispute Settlement Act of 1996; and S. 1972 the Older American Indian Technical Amendments Act.

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

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, July 24, 1996, at 10:00 a.m. to hold an executive business meeting.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Wednesday, July 24, 1996, at 9:30 a.m.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, July 24, 1996, beginning at 9:30 a.m. until business is completed, to hold a hearing on Public Access to Government Information in the 21st Century, Title 44/GPO—Government Input.

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

COMMITTEE ON SMALL BUSINESS

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for an oversight hearing on Wednesday, July 24, 1996, which will begin at 3:00

p.m. in room 428A of the Russell Senate Office Building. The hearing is entitled ''Implementation of the Small Business Regulatory Enforcement Fairness Act of 1996.''

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. COCHRAN. The Committee on Veterans' Affairs would like to request unanimous consent to hold a markup on pending legislation at 10:00 a.m., on Wednesday, July 24, 1996. The markup will be held in room 418 of the Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, July 24, 1996 at 9:30 a.m. to hold an open hearing on Intelligence Matters.

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

SUBCOMMITTEE ON THE CONSTITUTION, FEDERALISM, AND PROPERTY RIGHTS OF THE SENATE

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution, Federalism, and Property Rights of the Senate Committee on the Judiciary, be authorized to meet during a session of the Senate on Wednesday, July 24, 1996, at 2:00 p.m., in Senate Dirksen room 226, to hold a hearing on, ''Reauthorization of the U.S. Commission on Civil Rights.''

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

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND REGULATORY RELIEF

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Subcommittee on Financial Institutions and Regulatory Relief of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 24, 1996, to conduct a hearing regarding the condition of consumer credit, the implications of consumer credit trends and the risks they impose on financial institutions.

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

SUBCOMMITTEE ON FINANCIAL MANAGEMENT AND ACCOUNTABILITY

Mr. COCHRAN. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Subcommittee on Financial Management and Accountability to meet on Wednesday, July 24, at 10:00 a.m. for a hearing on the S. 1434, Biennial Budgeting Act of 1995.

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

## ADDITIONAL STATEMENTS

### ENDING WELFARE WITH COMPASSION

● Mrs. MURRAY. Mr. President, yesterday we debated a welfare bill that will have far-reaching impacts, and I'd like to draw your attention to the words used in the debate, and to a handful of them in particular. One word you heard is the word ''children.''

For quite a while now, I have been amazed at how many debates happen on the Senate floor in which we do not hear this word, and do not spend enough time considering the actual children the word represents. It's ironic to me that so much of our attention in the welfare debate has been focused on children. I know everyone here cares; I know we have all strived, and tried to protect children. I want to be able to say we've done everything we can—and we almost have gotten over that line, but it is with great personal regret that I say I think we could have done just a bit more.

The bill we sent out yesterday will change the lives of all children in this country, and could have dire implications for many of them. All of us were children, many of us have children, and some of us are currently raising children—I know this word is not exclusive or partisan.

I just hope after today each of us will continue to use this word in other debates, and always keep children in our thoughts.

Another word you've heard quite a bit is welfare. I think people in this country have varying levels of understanding about all the services we call ''welfare'' and what they do. But it's obvious from the bill we considered that many Americans these days share a wish to end welfare programs.

In my view, the welfare reform debate here in the Senate will officially end with the final passage of this bill. I hope that it will finally be a bill we can all support. However, a whole new discussion must now begin—a discussion about the needs of children in families from any income category, and about how we as adults will create new opportunities for them.

I think the welfare reform debate we've been having is really part of a larger discussion about something people often mention here—personal responsibility.

I am in favor—and I've said this many times before—of asking Americans to remember not only their rights, but also their responsibilities. What we are asking from people in this country who are on public assistance, is to do every thing they can to contribute to our society and economy, in exchange for the help all other taxpaying citizens are making possible. Whether it's work, or training for work, we need people to end their own dependency on outside assistance and contribute to the work of this great Nation.

But when we talk about personal responsibility, all Americans must recall those eloquent words from President John F. Kennedy on this topic. Each of us in this country must think about our own responsibility, whether we are on public assistance, or are calling for its reform.

Whether you ask the American public generally, or people on public assistance themselves, you will hear about the problems with welfare. Welfare has created a cycle of dependence. Welfare sets up perverse incentives, which actually discourage work. Welfare has been around long enough for everyone to see its effects, but though it has helped many people, it has not turned around the prospects of thousands of poor people living in a rich Nation.

As long as we all know what we mean by welfare, I agree with these statements, and I think we are obligated to change this system to address these problems.

When I say we need to agree about what welfare is, I'm thinking of the many stereotypes, attacks and characterizations we hear. I think welfare has become a negative word in this country people use to beat up on poor women and children. And, if this week we have stopped supporting programs that create that kind of thinking, and started to support individual people in ways that will make them more independent, then we've made a good first step.

I'm also thinking about the real picture—at least in my State—of who is on welfare. In my State, the most common profile is a single mother, age 29, with two children. Three-fourths of the time she is white, more than half of the time she became a mother as a teenager. Almost 60 percent of the time, her youngest child is more than 3 years old.

We know that getting a woman who fits this description into a job is a little easier in my State than many others, but we also know we need different strategies to get many different types of people back into work, or into work for the first time.

We know that each of these women has prior experiences that affect their reliance on public assistance. We know their experiences with work are important, as are their experiences with education and skill training, and other factors such as literacy, learning disability, and domestic violence. We need to remember this as localities design different strategies, or it just won't work.

Despite all we know about our welfare system and people who are on public assistance, I think most of us still agree that what we have now isn't doing the job.

So, the people of this country are demanding new tools that work better, and the demand has been heard here. The will of the Senate is to change, fundamentally, the way public assistance will work. I just worry that we have not adequately protected the ones who are not making the decisions—the kids.

The effect of last night's Senate action will be to put the brakes on our current system of public assistance, so we can embark in a new direction. This will be difficult. People will need all of our help making this transition.

This is not an ending; it is a beginning. We must remember that previous Senates designed our current system in response to problems of chronic poverty and joblessness in our past. Those problems have not gone away. But we need new solutions. We need to end welfare, or at least the negative welfare debate, as it stands. But the basic health and educational needs of children don't go away, just because of the votes we take here.

The Senate debated many amendments, some of which passed, and some of which did not. As we debated these, I was preparing to support the bill. I wanted to amend the bill to improve it the point I could lend my support. As it turned out, each time we were able to pass an amendment, we seemed to lose another that had far-reaching impacts.

I will highlight some of these amendments now because they are very important to whether we ultimately send a bill to the President he can sign. Some things that we fought for yesterday we should keep and improve as the bill moves forward:

First, I have fought very hard along with my Democratic colleagues to stave off repeal of American's guarantee of health services under Medicaid. In my State, over a third of the people who get medical assistance aren't on welfare—they're in low-income working families.

I want all people who are served by Medicaid to work, or be in training, or contribute what they can. We have many people in this country who are not on public assistance, who don't get health insurance where they work. I want to make that easier. All children, regardless of income, should be free from worry about health care coverage.

But, in this bill as it came to the floor, the Senate put at risk the health care of hundreds of Washington State citizens, just as they are trying to get into the work force—where they face the prospect of minimal or no health insurance coverage.

Fortunately, the Senate supported the Breaux-Chafee-Murray amendment continuing this health coverage. We need to support people, so they can make the transition, and can add to the economy instead of subtracting.

Second, when this bill came to the floor, it still had potential to seriously damage the nutrition of many children and families in my State. About 250,000 children in my State now receive some food stamp benefit—and today we passed the Conrad-Murray amendment so that we do not to jeopardize the nutrition of these families while they make the transition from welfare to work.

Third, when we think of child nutrition, we frequently think of our important program that helps provide school lunch and breakfast. A related program makes sure kids who need it also have access to meals in the summer—at their community center, at a school, or wherever children and adults gather for summer activities. This is the Summer Food Program. Under this bill, these children faced a 23-cent-per-meal cut to this service, which could have forced 60 percent of the programs in my State to close their doors.

We know that children's hunger doesn't stop just because it's summer and they can't get school lunch. Children who rely on school lunch get from one-third to one-half of their daily nutrition from that meal. So, I offered and passed an amendment to seek improvement for the Summer Food Program. My goal is to keep more of the 25,000 children in Washington State in line for a nutritious meal.

Fourth, we must provide educational opportunity to people if we are trying to get them off public assistance. To send people who cannot read out looking for jobs that are not there is just too much to expect. We must allow adults to complete their basic education or G.E.D. We must allow people to stay in training for 24 months—that's the length of most training programs. And we must let States have a larger percentage of people in training. The Simon-Murray literacy amendment does these things, and I'm happy the Senate chose to include it.

I was also glad we held off amendments and efforts to use lack of education as an excuse to penalize people on public assistance. We've got to get them educated. States know how to do this and will achieve great things.

Fifth, we must give parents the peace of mind that when they have taken their daughter or son to the child care center, that at least the minimum health and safety requirements are being followed. Also, parents want quality in child care, not just safety, so I'm glad the Senate bill's deficiencies on these two topics were remedied through amendments.

There are other improvements, made by the majority party, made in committee, and made yesterday on the floor. I hope the final bill retains them. I hope I get a chance to support them out of the Senate, so the President can sign a bill that is very close to wide bipartisan agreement. Such a bill won't be overly detrimental to children.

Unfortunately, there are other areas where this bill still just did not meet my internal test. With the kids in mind, I simply could not support the following:

Item A: We are trying to shift from reliance on cash assistance. In Washington State, 186,000 children receive basic assistance under AFDC. Under a 5-year time limit, 60,203 children would be eliminated from the program, and that number would increase to 118,915 under a 2-year limit.

What we do for these children instead of AFDC will make the difference in their well-being, because they are still going to need help after this welfare bill is signed. By rejecting attempts even to allow States to provide noncash assistance to kids, we made this bill impossible to support. I want the conference committee, when looking to create a bipartisan bill—at a minimum—to include provisions to allow States the flexibility denied them by one vote in the Senate yesterday.

Item B: Even with the Conrad-Murray amendment on food stamps, this bill cuts $4 billion deeper than the Senate-passed bill I supported. We've got to get people off public assistance, but the children must have food to eat, especially if the parents are in a struggle to change their entire way of life. The reality is, any deep cut to food stamps directly affects the children.

Item C: The bill's effects will fall on women 75 percent of the time.

Item D: Even legal immigrants face enormous challenges under this bill, and our communities will face similar challenges in assuring the public health because of it. These are people who are working toward citizenship, like all of our parents or ancestors. We should be firm about what we ask of people striving for American opportunity. But whatever we ask of these adults, we should have made allowances for their children, and so far, we have not.

Item E: As many as 300,000 American children with disabilities will lose social security income assistance under this bill.

Item F: The administration sent Chairman ROTH a letter predicting as many as 1.5 million children could be thrown into poverty under last year's bill. We don't know the exact number for this bill, but we can assume it would be a bit lower and in the same ballpark. I have asked the administration for updated figures. I just could not support doing this when we did not have very clear answers about what will happen for those children whose parents cannot find success under the new system. We need to provide a few more handles for the kids of those Americans struggling to end this dependence.

All of these facts are why this Senate must remain vigilant in talks with the House. I go on record saying that provisions in these essential areas—of noncash assistance, of child nutrition, of child health, of child care, of adult education and monitoring are make-or-break issues for ensuring a workable final product. I support welfare reform. I thought yesterday's bill was going to be it. But, I could not, and cannot vote for a bill that fails children in this way.

Many of you know that I supported the Senate welfare bill last year, and I wanted to do it yesterday. I am in favor of welfare reform, and I think we are very, very close. Let me emphasize this one more time. We have not debated the merits of limiting the time a person can be on welfare, because we agree there should be strict limits. What we have been debating is what we do while someone is on welfare to prepare that person to enter the work force. At the end of this debate, the answer is not clear one bit.

The Senate must remain vigilant about the effects of this bill in the real

world outside these walls. The States, localities, and individual people in this country who have asked for this fundamental change must now take on the hard work and the responsibility they have demanded.

States and local governments and—best of all—community groups of regular American citizens, are showing that much of the best work of government is done locally, with direct input from the people served.

I have no doubt that States will work to get people on the path to success. Just to be sure, I am glad the Senate adopted the amendment Senator KERRY and I worked on, requiring States to take corrective action as soon as indicators show effects from this bill that increase child poverty.

I just want to make sure we all understand—inside and outside this building today—exactly what we are doing here as we move ahead with this bill, and what that will mean. This bill today only tells the people what the Federal Government is not going to do any more. In its wake, we will be left with a clear picture of how much work all of us have left to do.

Localities are clearly the best places to make many decisions in our Government. The Federal Government should be the place where national standards are set—so that a child in any State in this country gets what she or he needs to grow up healthy, educated, and able to contribute to society as an adult.

Every child needs these things, and our country's economy and heritage cannot afford not to make this so. As we sent this bill out of the Senate, we have tried to retain as many national standards as possible, and even though we have had some success, we have failed on others—and we are going to have to come back here in January and get to work on new ways to improve the standards we have.

If you ask any CEO of any company what this country needs to thrive, they will tell you we need more highly skilled, highly educated people making good decisions in the workplace, and we need less people out on the street doing crimes.

I met with a high school assistant principal last week who has spent years working with children and young people with behavior problems, who do not do what adults want them to do. He has found successful ways of helping these students to learn how to behave in accordance with our expectations of them.

But he said to me, and I think he is absolutely right: ''You can pay me now, or you can pay them later.'' Because our young people would much rather be an asset to our country than a liability, and the vast majority of them are. But, they are bright young people, all of them. And if they do not find success in school and the economy, they will find it by getting really good at breaking into your house.

To avoid this, we must keep the Federal Government in the business of assuring standards, and must improve the ones we have today. On top of this, each and every American must invest the time and energy it takes to make sure every child is healthy enough to learn, and educated enough to contribute to her or his community.

So, since we have passed this welfare reform proposal, we must be aware that America had problems before we voted yesterday, and we will have problems afterward, and that this is only the first step. If we really want a country where every child's well-being is secure, where every person can be a contributing member of our society and economy, where the world around us is healthy and beautiful and a great place to live—then we must start a discussion in every community and around every dinner table—a discussion that just has not happened lately in this Nation.

What is important to us as Americans? What do we hold dear? What do our children mean to us, and what is each of us committed to do about it?

Every American must be part of the discussion to determine what we can each do, now, to make things better in this country. What can each person, in front of each television set, or in each car, or in the stands at each sporting event, do to get America on the right track? What can each person who gets any assistance from her or his Government—be it a welfare check or a paved road or a tax incentive or a safe hamburger or a bank that will not one day close its doors—what can each person do today to join us in making this country great?

People on this floor often talk about the old days, a simpler time, when things were better. Well, I am here to tell you that Americans today are just as capable of solving problems as any past generation—it is the American spirit that is going to make this happen.

People at home are now watching the Olympics, where the best athletes in our Nation will compete against athletes from the rest of the world. And they will win gold medals for their efforts, and for our Nation. These people are heroes, and we should all rally around them. But we can not forget the other heroism in this great country that we have seen in the old days and that we see today—the heroism of the American spirit.

Thousands of people in this country grew their own food during World War II, in victory gardens, to diminish the drain on our resources. They collected every piece of metal they could find, so our brave men and women could have the best tools with which to win the war. They went, especially the women, out of their homes and into the factories to work for this country.

Hundreds of thousands of Americans, like my parents and grandparents, gave of themselves, through the Great Depression, through war, through the war on poverty in the sixties, for our shared future.

Many of them have not stopped giving. There are senior citizens in my State who go to school every week to help children and to help each other to learn about and work with computers. There are hundreds of young people, sixth-graders and college students, going into the community with hard work and good ideas. There are also kids who are truly heroic for just making it to school each day, or for not letting a bad family situation crush their hopes for the future.

I want to caution you all that the American people have spoken and demanded change to public assistance, but they still want Government to play a role in helping people when they need help, and the American people are capable of speaking again, loudly and angrily, if we do not make this work.

We have sent a bill out of the Senate. We put the House on notice that this bill needs to be bipartisan, and needs to be the best bill possible under the circumstances, when it comes to children. I have made several attempts to improve this bill, and I will tell you, it can still use improvement.

I appreciate that the majority party has sought compromise in some areas, that they have made some improvements. But again, it is the nature of this debate that we are not foreseeing all the possible effects of this bill. We are entering uncharted territory. We must remain vigilant. And we here in this body must call upon every one of our constituents to join the fight to make this work for the people around them.

We are leaving the discussion about welfare reform. We are entering a discussion about different ways to make sure all children are healthy, despite the income of their family. Poor health, illiteracy, antisocial behavior—these are not the exclusive domain of the poor—all Americans are subject to the ravages of these problems, especially our children.

We are entering a time when we need to focus on creating opportunity for our children, and meeting their basic needs—health, nutrition, education, so as adults they will contribute positively to the economic and social structure of this country.

Our country, compared to other industrialized nations does a very shabby job of assuring the basics. If we are no longer going to do it through public assistance in the same way we have done—then we need to find new ways to do it.

I do not think this bill brings promise for the people it will affect. We have improved it for sure, but it could be better. But the fact is, the bill will soon be the law of the land. In the face of this, I challenge each American to help us put something in place to protect children, as we tear apart this system that has created such dependency.

Especially where children are concerned, this bill cannot be allowed to come back worse from the conference committee. It is our moral obligation

to hold the children as harmless as we can, no matter what we are asking of their parents.

After yesterday, I expect that all Senators will join in this new discussion—of what we must do to assure basic standards of health, education for children and all Americans.●

## MRS. GERTRUDE RAMSAY CRAIN

● Mr. ABRAHAM. Mr. President, I rise today to pay tribute to Gertrude Ramsay Crain. With her passing on July 20, America's publishing industry lost one of its most accomplished members. After 4 decades of dutifully covering the Detroit business community, Mrs. Crain's presence will certainly be missed.

In 1916, G.D. Crain, Jr., Mrs. Crain's late husband, founded Crain Communications. Eighty years later, this company employs 900 people worldwide. A leader in the area of business reporting, Crain Communications publishes 29 business newspapers and magazines. Among the most popular of these are Crain's Detroit Business, Automotive News, Auto Week, and Detroit Monthly.

This company is a testament to the American Dream. Crain Communications demonstrates that those who work hard and are passionate about their product can succeed. Prior to her retirement earlier this year, Mrs. Crain held a variety of positions within Crain Communications, from secretary to assistant treasurer to chairman.

During her tenure, Mrs. Crain's commitment to her craft did not go unnoticed. In addition to being the first woman inducted into the Junior Achievement of Chicago Business Hall of Fame, Mrs. Crain received an honorary doctor of humane letters degree from the University of Detroit, and was the 1993 recipient of the Magazine Publishers of America Henry Johnson Award, the highest honor given by the advertising and communications industry.

Although Mrs. Crain made Chicago her home, Detroit can consider itself a fortunate beneficiary of her life's work. An invaluable asset to both communities, the value of Mrs. Gertrude Crain's contributions will live on for quite some time. We in Michigan are fortunate, indeed, to have had this woman and her family's company in our midst.●

## THE 75TH ANNIVERSARY OF THE REHOBOTH BEACH, DE, BEACH PATROL

● Mr. BIDEN. Mr. President, many Members of this House and thousands of residents of this city are familiar with Rehoboth Beach, DE, as the Summer Capital of the United States—and there's more to that expression than merely a nickname.

The Delaware seashore resort has for decades welcomed vacationing Presidents, Cabinet Secretaries, Members of Congress, representatives of the diplomatic community, and thousands of other Washingtonians of every description. Rehoboth Beach's attractions include its sparkling Atlantic surf; broad beaches; a lively, multi-lingual boardwalk echoing languages from all over the world; a faithfully family-oriented atmosphere; and safety in the water for younger and older visitors alike.

Next Saturday, in fact, the Rehoboth Beach Patrol—the courteous and skillful young women and men who protect the resort's ocean swimmers—will hold its first lifeguards' reunion, celebrating not only 75 years of service to the community and its visitors, but a remarkable three-quarter-century record of perfect safety of the swimmers under their protection. Since 1921, when the Rehoboth Beach Patrol was established with just two lifeguards, until today, when as many as 37 guards are on duty during peak periods along the mile and a half of protected beach, the Rehoboth Beach lifeguards have never lost a swimmer.

That is a record any beach patrol would be proud of, and it was not achieved by accident. Guarding a crowded ocean beach is a constant challenge—every summer the Rehoboth Beach lifeguards pull scores of troubled swimmers from the surf, treat hundreds of injuries, and reunite more than 400 lost children with their parents. It is a task that requires ceaseless alertness, well-conditioned bodies and highly trained skills, and unflinching personal courage when the ocean attempts to claim a victim.

It is more than just a job to those who undertake it. It is a valued tradition that has sustained Rehoboth Beach as a desirable ocean resort for 7 decades and has called to its service generations of families—fathers, brothers and, since the late seventies, sisters—from Delaware, from its neighboring States of Maryland and Pennsylvania, and from this very city.

These young men and women are athletes who thrive on competition, and their competitive instincts pit them every day against the sea, and often, to heighten their morale and sharpen their skills, against other beach patrols in national and international contests. They train constantly; they dedicate their days to the safety of others, often at the risk of their own; and their service is vital to the pleasure and the security of the hundreds of thousands of vacationers who visit Rehoboth Beach every summer.

Mr. President, we Delawareans are very proud of the Rehoboth Beach Patrol and its 75-year record of perfect safety. We believe these brave young women and men represent the best that Delaware and the Nation have to offer in the way of idealism, energy and a willingness to risk all in the service of others. And we invite our neighbors in the Middle Atlantic States to join us in congratulating the Rehoboth Beach Patrol and its Alumni Association for calling together for the first time lifeguards who have served the resort over the past 75 years, including a 91-year-old who last mounted a guard stand in 1926 as well as the 46 current members of the patrol.

They deserve our admiration and our thanks, and we all wish them a successful and rewarding reunion this week.●

## TRIBUTE TO THE MEMORY OF CAPT. JOHN ''JACK'' KENNEDY UPON THE RETURN OF HIS REMAINS TO THE UNITED STATES ON AUGUST 1, 1996

● Mr. NUNN. Mr. President, many of my colleagues may remember an Air Force lieutenant colonel named Dan Kennedy who served in an outstanding fashion a number of years ago in the Senate Liaison Office. Some of us may also recall that Dan had a brother, Jack, who was an Air Force pilot who lost his life in the war in Southeast Asia.

Jack's remains returned to the United States in June of this year ending years of uncertainty and frustration for his family and loved ones. I think it is most appropriate that we pause for a moment to remember Capt. Jack Kennedy's sacrifice.

Some 25 years ago this August, Capt. Jack Kennedy was lost while flying a reconnaissance mission over South Vietnam. Jack was a forward air controller with the 20th Tactical Air Support Squadron based in Chu Lai in support of the 23d Infantry Division.

On August 16, 1971, he failed to check in during normal radio communications checks. Unfortunately, there were no radio calls from his aircraft and there were no eye witnesses.

There were, however, reports of a North Vietnamese regiment operating in the area over which Jack was flying that day. Although there was no crash site found, Jack was listed as missing in action, a status he carried until the Air Force moved to change it to presumed killed in action in July 1978.

In 1992, after several visits and discussions with Vietnamese villagers, a joint United States/Vietnamese team identified a possible crash site. At that time, no conclusive evidence was available to specifically identify the site as the one where Jack Kennedy's plane had crashed. In 1993, several bone fragments, reportedly from the pilot of that aircraft, were provided by villagers.

Recent advances in medical science fostered the development techniques that permit the comparison of DNA extracted from bone fragments with DNA from another family member for the purposes of identification.

In May of this year, the Air Force advised Jack's family that the bone fragments recovered at the crash site in 1992 had been positively identified as being Jack's.

Capt. Jack Kennedy's remains arrived at Travis Air Force Base in California in late June, and will be flown to

Washington, DC, on August 1. A funeral is scheduled for August 2 at 11 a.m. in the Old Post Chapel on Fort Myers followed by an internment with full military honors and flyover at Arlington National Cemetery.

Throughout this long ordeal, Jack's family has persevered. Jack's father, Daniel Kennedy, Sr., died in 1986—10 years before his son's remains would be returned to the country he loved so much.

Jack's brother, Dan, whom I mentioned earlier, his wife Tamara, and their six children reside in Dumfries, VA. Jack's mother, Mrs. Sally Kennedy, lives in Lake Ridge, VA. Today, I would like to offer her our most sincere appreciation for the sacrifice her son Jack made in the service of his country, and for the steadfast faith with which she has endured the tremendous sense of loss, the unparalleled uncertainty and the incomprehensible frustration that, in some small measure, will be lessened in the very near future.●

## LITERACY; ONE TOOL FOR ENDING WELFARE DEPENDENCE

Mrs. MURRAY. Mr. President, the welfare bill recently passed by the Senate provides that families may be denied cash assistance after receiving benefits for a cumulative period of 5 years. States are also required to have 15 percent of welfare recipients involved in work participation. By 2002, this percentage must increase to 50 percent of the people on assistance. The bill as it entered the Senate, however, would clearly have failed to prepare these people for the jobs that they are required to obtain.

The facts are clear—you are highly unlikely to get off assistance and into work if you are unable to read.

Vocational education under the bill as it came to the floor was limited to no more than 12 months for any individual. Most education and training programs have a 2-year duration, and therefore, cannot be completed within the bill's time allowance.

In addition, States are unable to incorporate adult basic education activities into the training programs. This, at a time when we know more than ever about the link between adult education and literacy and dependence on the welfare system.

Analysis by the Urban Institute shows that of people who have been AFDC recipients of less than 25 months, 34.8 percent have not obtained a high school degree or a GED. But, among recipients who receive AFDC assistance for 60 months or more, this number jumps to 62.8 percent. The less educated a person is, the longer he or she is likely to remain reliant on the welfare system.

A 1995 report released by the Policy Information Center at the Education Testing Service also notes that welfare recipients with higher literacy levels worked more weeks and earned higher average weekly wages in comparison with other recipients during the previous year. All this simply reinforces the importance of education and literacy in helping people get off, and stay off, the welfare system.

This bill as it came to the Senate did not provide enough flexibility, and did not allow the necessary education and training required to produce successful employees. In order to correct the inflexibility of this welfare bill, Senators SIMON, JEFFORDS, KERRY, SPECTER, and I yesterday proposed and passed a literacy amendment that will let states do what is needed.

This amendment has three basic provisions. The length of allowable educational training will be extended from 12 to 24 months; extending training period to permit the completion of training programs. The amendment also expands the definition of vocational training to include adult basic education, such as a GED completion course.

Without basic educational and literacy levels, people cannot perform job duties nor can they expand their skills through more advanced education. The amendment also allows States to increase people in educational programs from 20 to 30 percent of their participation percentages. States with high unemployment rates might otherwise find it difficult to place workers who have virtually no skills.

This amendment provides solutions to get people learning, and building skills. I want to thank Senators SIMON and JEFFORDS for their leadership on these efforts. With the adoption of this amendment, people on public assistance will be able to gain the basic skills they need to become productive workers and remain off the welfare system.●

## WELFARE REFORM

● Mr. PELL. Mr. President, like so many of my colleagues, I would like to reform the Nation's welfare system. I believe that able-bodied people should work and that our Nation's safety net should be just that: a safety net. But I cannot let my desire to vote for welfare reform cloud my judgment about the bill that the Senate passed yesterday. I have several major concerns about this bill:

First, this bill eliminates welfare as an entitlement and replaces it with a block grant. To some, the term entitlement has come to mean an expectation that some people have of support from the Government with no effort on their part to achieve self-sufficiency. Defined in those terms, I agree that any sense of entitlement must end. But what the word entitlement actually means here is that this Nation will respond to anyone in great need—that we will not cut off people in need simply because there are too many people in line before them. A block grant is almost guaranteed to cut off people in need, with children suffering the greatest harm. And while I reluctantly voted last year for the then pending welfare bill, which included a block grant, I did so primarily to strengthen the Senate's position in conference against a far more damaging House-passed bill.

Second, I believe that instead of giving people a hand up and out of the welfare system, we have limited their options and their opportunities further. For the most part, we have simply shifted this serious national problem to the States, and we have done so without providing them with adequate support to address the problem.

Third, I am concerned about the bill's harsh treatment of legal immigrants. More often than not, these individuals are hard working, taxpaying individuals who deeply appreciate and value the freedom and opportunity of the United States. I cannot agree to deny them so many of the benefits that they might legitimately need as they build a life here.

Finally, my deepest concern is for the children. No matter what the faults of the parent, we as a society must do all we can to protect and nurture the next generation. Otherwise, no matter how tough our welfare policy or how good our toughness makes us feel, we will raise a generation of children who are incapable of functioning in society, much less leading it. I simply cannot believe that eliminating an entitlement which ensures that all poor children get the food, clothing, and shelter that they need can move us individually or as a society down the path we all want to go.

Mr. President, it is with real regret, then, that I cast a ''no'' vote on this welfare reform legislation. I know that the will of the people demands action, and I very much want to be part of an effort to pass a quality welfare reform bill. And I have joined with many of my Senate colleagues in voting for amendments that, had they been approved, might have made the bill acceptable. But looking at the final product, I cannot say that what we have adopted is better than what we now have. The risk to our children's future is too great. I will not punish a child to teach its parent, and I believe that this is what this legislation, in the end, will do.

I regret that the Senate did not approve the work first proposal introduced by Senate DASCHLE. And I continue to support its emphasis on transitioning welfare recipients to work, its understanding that providing childcare is a linchpin of successful reform, and its premise that—despite very real abuses of the current system by some welfare recipients—most people want to get off welfare and work at a job that provides a living wage. In any effort to pass this kind of welfare reform legislation, I will cast a sure and solid ''yea'' vote.●

PERSONAL RESPONSIBILITY, WORK OPPORTUNITY, AND MEDICAID RESTRUCTURING ACT OF 1996

The text of the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, as passed by the Senate on July 23, 1996, is as follows:

*Resolved,* That the bill from the House of Representatives (H.R. 3734) entitled ''An Act to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

***SECTION 1. SHORT TITLE.***

*This Act may be cited as the ''Personal Responsibility, Work Opportunity, and Medicaid Restructuring Act of 1996''.*

***TITLE I—AGRICULTURE AND RELATED PROVISIONS***

***SEC. 1001. SHORT TITLE; TABLE OF CONTENTS.***

*(a) SHORT TITLE.—This title may be cited as the ''Agricultural Reconciliation Act of 1996''.*

*(b) TABLE OF CONTENTS.—The table of contents of this title is as follows:*


*TITLE I—AGRICULTURE AND RELATED PROVISIONS*

*Sec. 1001. Short title; table of contents.*

*Subtitle A—Food Stamps and Commodity Distribution*

*CHAPTER 1—FOOD STAMP PROGRAM*

*Sec. 1111. Definition of certification period.*
*Sec. 1112. Definition of coupon.*
*Sec. 1113. Treatment of children living at home.*
*Sec. 1114. Adjustment of thrifty food plan.*
*Sec. 1115. Definition of homeless individual.*
*Sec. 1116. State option for eligibility standards.*
*Sec. 1117. Earnings of students.*
*Sec. 1118. Energy assistance.*
*Sec. 1119. Deductions from income.*
*Sec. 1120. Vehicle allowance.*
*Sec. 1121. Vendor payments for transitional housing counted as income.*
*Sec. 1122. Simplified calculation of income for the self-employed.*
*Sec. 1123. Doubled penalties for violating food stamp program requirements.*
*Sec. 1124. Disqualification of convicted individuals.*
*Sec. 1125. Disqualification.*
*Sec. 1126. Employment and training.*
*Sec. 1127. Food stamp eligibility.*
*Sec. 1128. Comparable treatment for disqualification.*
*Sec. 1129. Disqualification for receipt of multiple food stamp benefits.*
*Sec. 1130. Disqualification of fleeing felons.*
*Sec. 1131. Cooperation with child support agencies.*
*Sec. 1132. Disqualification relating to child support arrears.*
*Sec. 1133. Work requirement.*
*Sec. 1134. Encouragement of electronic benefit transfer systems.*
*Sec. 1135. Value of minimum allotment.*
*Sec. 1136. Benefits on recertification.*
*Sec. 1137. Optional combined allotment for expedited households.*
*Sec. 1138. Failure to comply with other means-tested public assistance programs.*
*Sec. 1139. Allotments for households residing in centers.*
*Sec. 1140. Condition precedent for approval of retail food stores and wholesale food concerns.*
*Sec. 1141. Authority to establish authorization periods.*
*Sec. 1142. Information for verifying eligibility for authorization.*
*Sec. 1143. Waiting period for stores that fail to meet authorization criteria.*
*Sec. 1144. Operation of food stamp offices.*
*Sec. 1145. State employee and training standards.*
*Sec. 1146. Exchange of law enforcement information.*
*Sec. 1147. Withdrawing fair hearing requests.*
*Sec. 1148. Income, eligibility, and immigration status verification systems.*
*Sec. 1149. Disqualification of retailers who intentionally submit falsified applications.*
*Sec. 1150. Disqualification of retailers who are disqualified under the WIC program.*
*Sec. 1151. Collection of overissuances.*
*Sec. 1152. Authority to suspend stores violating program requirements pending administrative and judicial review.*
*Sec. 1153. Expanded criminal forfeiture for violations.*
*Sec. 1154. Limitation on Federal match.*
*Sec. 1155. Standards for administration.*
*Sec. 1156. Work supplementation or support program.*
*Sec. 1157. Response to waivers.*
*Sec. 1158. Employment initiatives program.*
*Sec. 1159. Reauthorization.*
*Sec. 1160. Simplified food stamp program.*

*CHAPTER 2—COMMODITY DISTRIBUTION PROGRAMS*

*Sec. 1171. Emergency food assistance program.*
*Sec. 1172. Food bank demonstration project.*
*Sec. 1173. Hunger prevention programs.*
*Sec. 1174. Report on entitlement commodity processing.*

*Subtitle B—Child Nutrition Programs*

*CHAPTER 1—AMENDMENTS TO THE NATIONAL SCHOOL LUNCH ACT*

*Sec. 1201. State disbursement to schools.*
*Sec. 1202. Nutritional and other program requirements.*
*Sec. 1203. Free and reduced price policy statement.*
*Sec. 1204. Special assistance.*
*Sec. 1205. Miscellaneous provisions and definitions.*
*Sec. 1206. Commodity distribution.*
*Sec. 1207. Child and adult care food program.*
*Sec. 1208. Pilot projects.*
*Sec. 1209. Reduction of paperwork.*
*Sec. 1210. Information on income eligibility.*
*Sec. 1211. Nutrition guidance for child nutrition programs.*

*CHAPTER 2—AMENDMENTS TO THE CHILD NUTRITION ACT OF 1966*

*Sec. 1251. Special milk program.*
*Sec. 1252. Free and reduced price policy statement.*
*Sec. 1253. School breakfast program authorization.*
*Sec. 1254. State administrative expenses.*
*Sec. 1255. Regulations.*
*Sec. 1256. Prohibitions.*
*Sec. 1257. Miscellaneous provisions and definitions.*
*Sec. 1258. Accounts and records.*
*Sec. 1259. Special supplemental nutrition program for women, infants, and children.*
*Sec. 1260. Cash grants for nutrition education.*
*Sec. 1261. Nutrition education and training.*
*Sec. 1262. Rounding rules.*


***Subtitle A—Food Stamps and Commodity Distribution***

***CHAPTER 1—FOOD STAMP PROGRAM***

***SEC. 1111. DEFINITION OF CERTIFICATION PERIOD.***

*Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by striking ''Except as provided'' and all that follows and inserting the following: ''The certification period shall not exceed 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. A State agency shall have at least 1 contact with each certified household every 12 months.''.*

***SEC. 1112. DEFINITION OF COUPON.***

*Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking ''or type of certificate'' and inserting ''type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number,''.*

***SEC. 1113. TREATMENT OF CHILDREN LIVING AT HOME.***

*The second sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended by striking ''(who are not themselves parents living with their children or married and living with their spouses)''.*

***SEC. 1114. ADJUSTMENT OF THRIFTY FOOD PLAN.***

*The second sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—*

*(1) by striking ''shall (1) make'' and inserting the following: ''shall—*

*''(1) make'';*

*(2) by striking ''scale, (2) make'' and inserting the following: ''scale;*

*''(2) make'';*

*(3) by striking ''Alaska, (3) make'' and inserting the following: ''Alaska;*

*''(3) make''; and*

*(4) by striking ''Columbia, (4) through'' and all that follows through the end of the subsection and inserting the following: ''Columbia; and*

*''(4) on October 1, 1996, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet in the preceding June, and round the result to the nearest lower dollar increment for each household size, except that on October 1, 1996, the Secretary may not reduce the cost of the diet in effect on September 30, 1996.''.*

***SEC. 1115. DEFINITION OF HOMELESS INDIVIDUAL.***

*Section 3(s)(2)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)(2)(C)) is amended by inserting ''for not more than 90 days'' after ''temporary accommodation''.*

***SEC. 1116. STATE OPTION FOR ELIGIBILITY STANDARDS.***

*Section 5(b) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking ''(b) The Secretary'' and inserting the following:*

*''(b) ELIGIBILITY STANDARDS.—Except as otherwise provided in this Act, the Secretary''.*

***SEC. 1117. EARNINGS OF STUDENTS.***

*Section 5(d)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(7)) is amended by striking ''21 years of age or younger'' and inserting ''19 years of age or younger (17 years of age or younger in fiscal year 2002)''.*

***SEC. 1118. ENERGY ASSISTANCE.***

*(a) IN GENERAL.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking paragraph (11) and inserting the following: ''(11)(A) any payments or allowances made for the purpose of providing energy assistance under any Federal law, or (B) a 1-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device,''.*

*(b) CONFORMING AMENDMENTS.—Section 5(k) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)) is amended—*

*(1) in paragraph (1)—*

*(A) in subparagraph (A), by striking ''plan for aid to families with dependent children approved'' and inserting ''program funded''; and*

*(B) in subparagraph (B), by striking '', not including energy or utility-cost assistance,'';*

*(2) in paragraph (2), by striking subparagraph (C) and inserting the following:*

*''(C) a payment or allowance described in subsection (d)(11);''; and*

*(3) by adding at the end the following:*

*''(4) THIRD PARTY ENERGY ASSISTANCE PAYMENTS.—*

*''(A) ENERGY ASSISTANCE PAYMENTS.—For purposes of subsection (d)(1), a payment made under a State law to provide energy assistance to a household shall be considered money payable directly to the household.*

*''(B) ENERGY ASSISTANCE EXPENSES.—For purposes of subsection (e)(7), an expense paid on behalf of a household under a State law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.''.*

***SEC. 1119. DEDUCTIONS FROM INCOME.***

*(a) IN GENERAL.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by striking subsection (e) and inserting the following:*

*''(e) DEDUCTIONS FROM INCOME.—*

*''(1) STANDARD DEDUCTION.—*

*''(A) IN GENERAL.—The Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States of—*

*''(i) for the period beginning October 1, 1995, and ending November 30, 1996, $134, $229, $189, $269, and $118, respectively;*

*''(ii) for the period beginning December 1, 1996, and ending September 30, 2001, $120, $206, $170, $242, and $106, respectively;*

*''(iii) for the period beginning October 1, 2001, and ending August 31, 2002, $113, $193, $159, $227, and $100, respectively; and*

*''(iv) for the period beginning September 1, 2002, and ending September 30, 2002, $120, $206, $170, $242, and $106, respectively.*

*''(B) ADJUSTMENT FOR INFLATION.—On October 1, 2002, and each October 1 thereafter, the Secretary shall adjust the standard deduction to the nearest lower dollar increment to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for items other than food, for the 12-month period ending the preceding June 30.*

*''(2) EARNED INCOME DEDUCTION.—*

*''(A) DEFINITION OF EARNED INCOME.—In this paragraph, the term 'earned income' does not include—*

*''(i) income excluded by subsection (d); or*

*''(ii) any portion of income earned under a work supplementation or support program, as defined under section 16(b), that is attributable to public assistance.*

*''(B) DEDUCTION.—Except as provided in subparagraph (C), a household with earned income shall be allowed a deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions from salary, and work expenses.*

*''(C) EXCEPTION.—The deduction described in subparagraph (B) shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.*

*''(3) DEPENDENT CARE DEDUCTION.—*

*''(A) IN GENERAL.—A household shall be entitled, with respect to expenses (other than excluded expenses described in subparagraph (B)) for dependent care, to a dependent care deduction, the maximum allowable level of which shall be $200 per month for each dependent child under 2 years of age and $175 per month for each other dependent, for the actual cost of payments necessary for the care of a dependent if the care enables a household member to accept or continue employment, or training or education that is preparatory for employment.*

*''(B) EXCLUDED EXPENSES.—The excluded expenses referred to in subparagraph (A) are—*

*''(i) expenses paid on behalf of the household by a third party;*

*''(ii) amounts made available and excluded, for the expenses referred to in subparagraph (A), under subsection (d)(3); and*

*''(iii) expenses that are paid under section 6(d)(4).*

*''(4) DEDUCTION FOR CHILD SUPPORT PAYMENTS.—*

*''(A) IN GENERAL.—A household shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.*

*''(B) METHODS FOR DETERMINING AMOUNT.—The Secretary may prescribe by regulation the methods, including calculation on a retrospective basis, that a State agency shall use to determine the amount of the deduction for child support payments.*

*''(5) HOMELESS SHELTER ALLOWANCE.—Under rules prescribed by the Secretary, a State agency may develop a standard homeless shelter allowance, which shall not exceed $143 per month, for such expenses as may reasonably be expected to be incurred by households in which all members are homeless individuals but are not receiving free shelter throughout the month. A State agency that develops the allowance may use the allowance in determining eligibility and allotments for the households. The State agency may make a household with extremely low shelter costs ineligible for the allowance.*

*''(6) EXCESS MEDICAL EXPENSE DEDUCTION.—*

*''(A) IN GENERAL.—A household containing an elderly or disabled member shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds $35 per month.*

*''(B) METHOD OF CLAIMING DEDUCTION.—*

*''(i) IN GENERAL.—A State agency shall offer an eligible household under subparagraph (A) a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction in lieu of submitting information on, or verification of, actual expenses on a monthly basis.*

*''(ii) METHOD.—The method described in clause (i) shall—*

*''(I) be designed to minimize the burden for the eligible elderly or disabled household member choosing to deduct the recurrent medical expenses of the member pursuant to the method;*

*''(II) rely on reasonable estimates of the expected medical expenses of the member for the certification period (including changes that can be reasonably anticipated based on available information about the medical condition of the member, public or private medical insurance coverage, and the current verified medical expenses incurred by the member); and*

*''(III) not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.*

*''(7) EXCESS SHELTER EXPENSE DEDUCTION.—*

*''(A) IN GENERAL.—A household shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.*

*''(B) MAXIMUM AMOUNT OF DEDUCTION.—*

*''(i) THROUGH DECEMBER 31, 1996.—In the case of a household that does not contain an elderly or disabled individual, during the 15-month period ending December 31, 1996, the excess shelter expense deduction shall not exceed—*

*''(I) in the 48 contiguous States and the District of Columbia, $247 per month; and*

*''(II) in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $429, $353, $300, and $182 per month, respectively.*

*''(i) AFTER DECEMBER 31, 1996.—In the case of a household that does not contain an elderly or disabled individual, after December 31, 1996, the excess shelter expense deduction shall not exceed—*

*''(I) in the 48 contiguous States and the District of Columbia, $342 per month; and*

*''(II) in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $594, $489, $415, and $252 per month, respectively.*

*''(C) STANDARD UTILITY ALLOWANCE.—*

*''(i) IN GENERAL.—In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.*

*''(ii) RESTRICTIONS ON HEATING AND COOLING EXPENSES.—An allowance for a heating or cooling expense may not be used in the case of a household that—*

*''(I) does not incur a heating or cooling expense, as the case may be;*

*''(II) does incur a heating or cooling expense but is located in a public housing unit that has central utility meters and charges households, with regard to the expense, only for excess utility costs; or*

*''(III) shares the expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.*

*''(iii) MANDATORY ALLOWANCE.—*

*''(I) IN GENERAL.—A State agency may make the use of a standard utility allowance mandatory for all households with qualifying utility costs if—*

*''(aa) the State agency has developed 1 or more standards that include the cost of heating and cooling and 1 or more standards that do not include the cost of heating and cooling; and*

*''(bb) the Secretary finds that the standards will not result in an increased cost to the Secretary.*

*''(II) HOUSEHOLD ELECTION.—A State agency that has not made the use of a standard utility allowance mandatory under subclause (I) shall allow a household to switch, at the end of a certification period, between the standard utility allowance and a deduction based on the actual utility costs of the household.*

*''(iv) AVAILABILITY OF ALLOWANCE TO RECIPIENTS OF ENERGY ASSISTANCE.—*

*''(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.*

*''(II) SEPARATE ALLOWANCE.—A State agency may use a separate standard utility allowance for households on behalf of which a payment described in subclause (I) is made, but may not be required to do so.*

*''(III) STATES NOT ELECTING TO USE SEPARATE ALLOWANCE.—A State agency that does not elect to use a separate allowance but makes a single standard utility allowance available to households incurring heating or cooling expenses (other than a household described in subclause (I) or (II) of clause (ii)) may not be required to reduce the allowance due to the provision (directly or indirectly) of assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).*

*''(IV) PRORATION OF ASSISTANCE.—For the purpose of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be prorated over the entire heating or cooling season for which the assistance was provided.''.*

*(b) CONFORMING AMENDMENT.—Section 11(e)(3) of the Food Stamp Act of 1977 (7 U.S.C.*

2020(e)(3)) is amended by striking ''. Under rules prescribed'' and all that follows through ''verifies higher expenses''.

**SEC. 1120. VEHICLE ALLOWANCE.**

Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by striking paragraph (2) and inserting the following:

''(2) INCLUDED ASSETS.—

''(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles and inaccessible resources).

''(B) ADDITIONAL INCLUDED ASSETS.—The Secretary shall include in financial resources—

''(i) any boat, snowmobile, or airplane used for recreational purposes;

''(ii) any vacation home;

''(iii) any mobile home used primarily for vacation purposes;

''(iv) subject to subparagraph (C), any licensed vehicle that is used for household transportation or to obtain or continue employment to the extent that the fair market value of the vehicle exceeds $4,600 through September 30, 1996, and $4,650 beginning October 1, 1996; and

''(v) any savings or retirement account (including an individual account), regardless of whether there is a penalty for early withdrawal.

''(C) EXCLUDED VEHICLES.—A vehicle (and any other property, real or personal, to the extent the property is directly related to the maintenance or use of the vehicle) shall not be included in financial resources under this paragraph if the vehicle is—

''(i) used to produce earned income;

''(ii) necessary for the transportation of a physically disabled household member; or

''(iii) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.''.

**SEC. 1121. VENDOR PAYMENTS FOR TRANSITIONAL HOUSING COUNTED AS INCOME.**

Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended—

(1) by striking subparagraph (F); and

(2) by redesignating subparagraphs (G) and (H) as subparagraphs (F) and (G), respectively.

**SEC. 1122. SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.**

Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by adding at the end the following:

''(n) SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish a procedure, designed to not increase Federal costs, by which a State may use a reasonable estimate of income excluded under subsection (d)(9) in lieu of calculating the actual cost of producing self-employment income.

''(2) INCLUSIVE OF ALL TYPES OF INCOME.—The procedure established under paragraph (1) shall allow a State to estimate income for all types of self-employment income.

''(3) DIFFERENCES FOR DIFFERENT TYPES OF INCOME.—The procedure established under paragraph (1) may differ for different types of self-employment income.''.

**SEC. 1123. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.**

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i), by striking ''six months'' and inserting ''1 year''; and

(2) in clause (ii), by striking ''1 year'' and inserting ''2 years''.

**SEC. 1124. DISQUALIFICATION OF CONVICTED INDIVIDUALS.**

Section 6(b)(1)(iii) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)(iii)) is amended—

(1) in subclause (II), by striking ''or'' at the end;

(2) in subclause (III), by striking the period at the end and inserting ''; or''; and

(3) by inserting after subclause (III) the following:

''(IV) a conviction of an offense under subsection (b) or (c) of section 15 involving an item covered by subsection (b) or (c) of section 15 having a value of $500 or more.''.

**SEC. 1125. DISQUALIFICATION.**

(a) IN GENERAL.—Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is amended by striking ''(d)(1) Unless otherwise exempted by the provisions'' and all that follows through the end of paragraph (1) and inserting the following:

''(d) CONDITIONS OF PARTICIPATION.—

''(1) WORK REQUIREMENTS.—

''(A) IN GENERAL.—No physically and mentally fit individual over the age of 15 and under the age of 60 shall be eligible to participate in the food stamp program if the individual—

''(i) refuses, at the time of application and every 12 months thereafter, to register for employment in a manner prescribed by the Secretary;

''(ii) refuses without good cause to participate in an employment and training program established under paragraph (4), to the extent required by the State agency;

''(iii) refuses without good cause to accept an offer of employment, at a site or plant not subject to a strike or lockout at the time of the refusal, at a wage not less than the higher of—

''(I) the applicable Federal or State minimum wage; or

''(II) 80 percent of the wage that would have governed had the minimum hourly rate under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) been applicable to the offer of employment;

''(iv) refuses without good cause to provide a State agency with sufficient information to allow the State agency to determine the employment status or the job availability of the individual;

''(v) voluntarily and without good cause—

''(I) quits a job; or

''(II) reduces work effort and, after the reduction, the individual is working less than 30 hours per week; or

''(vi) fails to comply with section 20.

''(B) HOUSEHOLD INELIGIBILITY.—If an individual who is the head of a household becomes ineligible to participate in the food stamp program under subparagraph (A), the household shall, at the option of the State agency, become ineligible to participate in the food stamp program for a period, determined by the State agency, that does not exceed the lesser of—

''(i) the duration of the ineligibility of the individual determined under subparagraph (C); or

''(ii) 180 days.

''(C) DURATION OF INELIGIBILITY.—

''(i) FIRST VIOLATION.—The first time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 1 month after the date the individual became ineligible; or

''(III) a date determined by the State agency that is not later than 3 months after the date the individual became ineligible.

''(ii) SECOND VIOLATION.—The second time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 3 months after the date the individual became ineligible; or

''(III) a date determined by the State agency that is not later than 6 months after the date the individual became ineligible.

''(iii) THIRD OR SUBSEQUENT VIOLATION.—The third or subsequent time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

''(I) the date the individual becomes eligible under subparagraph (A);

''(II) the date that is 6 months after the date the individual became ineligible;

''(III) a date determined by the State agency; or

''(IV) at the option of the State agency, permanently.

''(D) ADMINISTRATION.—

''(i) GOOD CAUSE.—The Secretary shall determine the meaning of good cause for the purpose of this paragraph.

''(ii) VOLUNTARY QUIT.—The Secretary shall determine the meaning of voluntarily quitting and reducing work effort for the purpose of this paragraph.

''(iii) DETERMINATION BY STATE AGENCY.—

''(I) IN GENERAL.—Subject to subclause (II) and clauses (i) and (ii), a State agency shall determine—

''(aa) the meaning of any term used in subparagraph (A);

''(bb) the procedures for determining whether an individual is in compliance with a requirement under subparagraph (A); and

''(cc) whether an individual is in compliance with a requirement under subparagraph (A).

''(II) NOT LESS RESTRICTIVE.—A State agency may not use a meaning, procedure, or determination under subclause (I) that is less restrictive on individuals receiving benefits under this Act than a comparable meaning, procedure, or determination under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

''(iv) STRIKE AGAINST THE GOVERNMENT.—For the purpose of subparagraph (A)(v), an employee of the Federal Government, a State, or a political subdivision of a State, who is dismissed for participating in a strike against the Federal Government, the State, or the political subdivision of the State shall be considered to have voluntarily quit without good cause.

''(v) SELECTING A HEAD OF HOUSEHOLD.—

''(I) IN GENERAL.—For purposes of this paragraph, the State agency shall allow the household to select any adult parent of a child in the household as the head of the household if all adult household members making application under the food stamp program agree to the selection.

''(II) TIME FOR MAKING DESIGNATION.—A household may designate the head of the household under subclause (I) each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household.

''(vi) CHANGE IN HEAD OF HOUSEHOLD.—If the head of a household leaves the household during a period in which the household is ineligible to participate in the food stamp program under subparagraph (B)—

''(I) the household shall, if otherwise eligible, become eligible to participate in the food stamp program; and

''(II) if the head of the household becomes the head of another household, the household that becomes headed by the individual shall become ineligible to participate in the food stamp program for the remaining period of ineligibility.''.

(b) CONFORMING AMENDMENT.—

(1) The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended by striking ''6(d)(1)(i)'' and inserting ''6(d)(1)(A)(i)''.

(2) Section 20 of the Food Stamp Act of 1977 (7 U.S.C. 2029) is amended by striking subsection (f) and inserting the following:

''(f) DISQUALIFICATION.—An individual or a household may become ineligible under section 6(d)(1) to participate in the food stamp program for failing to comply with this section.''.

***SEC. 1126. EMPLOYMENT AND TRAINING.***

*(a) IN GENERAL.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)) is amended—*

*(1) by striking ''(4)(A) Not later than April 1, 1987, each'' and inserting the following:*

*''(4) EMPLOYMENT AND TRAINING.—*

*''(A) IN GENERAL.—*

*''(i) IMPLEMENTATION.—Each'';*

*(2) in subparagraph (A)—*

*(A) by inserting ''work,'' after ''skills, training,''; and*

*(B) by adding at the end the following:*

*''(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Each component of an employment and training program carried out under this paragraph shall be delivered through a statewide workforce development system, unless the component is not available locally through such a system.'';*

*(3) in subparagraph (B)—*

*(A) in the matter preceding clause (i), by striking the colon at the end and inserting the following: '', except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:'';*

*(B) in clause (i), by striking ''with terms and conditions'' and all that follows through ''time of application''; and*

*(C) in clause (iv)—*

*(i) by striking subclauses (I) and (II); and*

*(ii) by redesignating subclauses (III) and (IV) as subclauses (I) and (II), respectively;*

*(4) in subparagraph (D)—*

*(A) in clause (i), by striking ''to which the application'' and all that follows through ''30 days or less'';*

*(B) in clause (ii), by striking ''but with respect'' and all that follows through ''child care''; and*

*(C) in clause (iii), by striking '', on the basis of'' and all that follows through ''clause (ii)'' and inserting ''the exemption continues to be valid'';*

*(5) in subparagraph (E), by striking the third sentence;*

*(6) in subparagraph (G)—*

*(A) by striking ''(G)(i) The State'' and inserting ''(G) The State''; and*

*(B) by striking clause (ii);*

*(7) in subparagraph (H), by striking ''(H)(i) The Secretary'' and all that follows through ''(ii) Federal funds'' and inserting ''(H) Federal funds'';*

*(8) in subparagraph (I)(i)(II), by striking '', or was in operation,'' and all that follows through ''Social Security Act'' and inserting the following: ''), except that no such payment or reimbursement shall exceed the applicable local market rate'';*

*(9)(A) by striking subparagraphs (K) and (L) and inserting the following:*

*''(K) LIMITATION ON FUNDING.—Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including funds used to carry out subparagraph (I)) for participants who are receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.).''; and*

*(B) by redesignating subparagraphs (M) and (N) as subparagraphs (L) and (M), respectively; and*

*(10) in subparagraph (L), as so redesignated—*

*(A) by striking ''(L)(i) The Secretary'' and inserting ''(L) The Secretary''; and*

*(B) by striking clause (ii).*

*(b) FUNDING.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended by striking ''(h)(1)(A) The Secretary'' and all that follows through the end of paragraph (1) and inserting the following:*

*''(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—*

*''(1) IN GENERAL.—*

*''(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies from funds made available for each fiscal year under section 18(a)(1) the amount of—*

*''(i) for fiscal year 1996, $75,000,000; and*

*''(ii) for each of fiscal years 1997 through 2002, $85,000,000.*

*''(B) ALLOCATION.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State agencies using a reasonable formula (as determined by the Secretary) that gives consideration to the population in each State affected by section 6(o).*

*''(C) REALLOCATION.—*

*''(i) NOTIFICATION.—A State agency shall promptly notify the Secretary if the State agency determines that the State agency will not expend all of the funds allocated to the State agency under subparagraph (B).*

*''(ii) REALLOCATION.—On notification under clause (i), the Secretary shall reallocate the funds that the State agency will not expend as the Secretary considers appropriate and equitable.*

*''(D) MINIMUM ALLOCATION.—Notwithstanding subparagraphs (A) through (C), the Secretary shall ensure that each State agency operating an employment and training program shall receive not less than $50,000 for each fiscal year.''.*

*(c) ADDITIONAL MATCHING FUNDS.—Section 16(h)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(2)) is amended by inserting before the period at the end the following: '', including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work''.*

*(d) REPORTS.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended—*

*(1) in paragraph (5)—*

*(A) by striking ''(5)(A) The Secretary'' and inserting ''(5) The Secretary''; and*

*(B) by striking subparagraph (B); and*

*(2) by striking paragraph (6).*

***SEC. 1127. FOOD STAMP ELIGIBILITY.***

*The third sentence of section 6(f) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f)) is amended by inserting '', at State option,'' after ''less''.*

***SEC. 1128. COMPARABLE TREATMENT FOR DISQUALIFICATION.***

*(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:*

*''(i) COMPARABLE TREATMENT FOR DISQUALIFICATION.—*

*''(1) IN GENERAL.—If a disqualification is imposed on a member of a household for a failure of the member to perform an action required under a Federal, State, or local law relating to a means-tested public assistance program, the State agency may impose the same disqualification on the member of the household under the food stamp program.*

*''(2) RULES AND PROCEDURES.—If a disqualification is imposed under paragraph (1) for a failure of an individual to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to impose the same disqualification under the food stamp program.*

*''(3) APPLICATION AFTER DISQUALIFICATION PERIOD.—A member of a household disqualified under paragraph (1) may, after the disqualification period has expired, apply for benefits under this Act and shall be treated as a new applicant, except that a prior disqualification under subsection (d) shall be considered in determining eligibility.''.*

*(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—*

*(1) in paragraph (24), by striking ''and'' at the end;*

*(2) in paragraph (25), by striking the period at the end and inserting a semicolon; and*

*(3) by adding at the end the following:*

*''(26) the guidelines the State agency uses in carrying out section 6(i); and''.*

*(c) CONFORMING AMENDMENT.—Section 6(d)(2)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)(A)) is amended by striking ''that is comparable to a requirement of paragraph (1)''.*

***SEC. 1129. DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.***

*Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 1129, is amended by adding at the end the following:*

*''(j) DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.—An individual shall be ineligible to participate in the food stamp program as a member of any household for a 10-year period if the individual is found by a State agency to have made, or is convicted in a Federal or State court of having made, a fraudulent statement or representation with respect to the identity or place of residence of the individual in order to receive multiple benefits simultaneously under the food stamp program.''.*

***SEC. 1130. DISQUALIFICATION OF FLEEING FELONS.***

*Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 1130, is amended by adding at the end the following:*

*''(k) DISQUALIFICATION OF FLEEING FELONS.—No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—*

*''(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the law of the place from which the individual is fleeing, for a crime, or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey; or*

*''(2) violating a condition of probation or parole imposed under a Federal or State law.''.*

***SEC. 1131. COOPERATION WITH CHILD SUPPORT AGENCIES.***

*Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 1131, is amended by adding at the end the following:*

*''(l) CUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—*

*''(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), no natural or adoptive parent or other individual (collectively referred to in this subsection as 'the individual') who is living with and exercising parental control over a child under the age of 18 who has an absent parent shall be eligible to participate in the food stamp program unless the individual cooperates with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—*

*''(A) in establishing the paternity of the child (if the child is born out of wedlock); and*

*''(B) in obtaining support for—*

*''(i) the child; or*

*''(ii) the individual and the child.*

*''(2) GOOD CAUSE FOR NONCOOPERATION.—Paragraph (1) shall not apply to the individual if good cause is found for refusing to cooperate, as determined by the State agency in accordance with standards prescribed by the Secretary in consultation with the Secretary of Health and Human Services. The standards shall take into consideration circumstances under which cooperation may be against the best interests of the child.*

*''(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).*

''(m) NONCUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

''(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), a putative or identified noncustodial parent of a child under the age of 18 (referred to in this subsection as 'the individual') shall not be eligible to participate in the food stamp program if the individual refuses to cooperate with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

''(A) in establishing the paternity of the child (if the child is born out of wedlock); and

''(B) in providing support for the child.

''(2) REFUSAL TO COOPERATE.—

''(A) GUIDELINES.—The Secretary, in consultation with the Secretary of Health and Human Services, shall develop guidelines on what constitutes a refusal to cooperate under paragraph (1).

''(B) PROCEDURES.—The State agency shall develop procedures, using guidelines developed under subparagraph (A), for determining whether an individual is refusing to cooperate under paragraph (1).

''(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

''(4) PRIVACY.—The State agency shall provide safeguards to restrict the use of information collected by a State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to purposes for which the information is collected.''.

**SEC. 1132. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS.**

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 1132, is amended by adding at the end the following:

''(n) DISQUALIFICATION FOR CHILD SUPPORT ARREARS.—

''(1) IN GENERAL.—At the option of a State agency, no individual shall be eligible to participate in the food stamp program as a member of any household during any month that the individual is delinquent in any payment due under a court order for the support of a child of the individual.

''(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

''(A) a court is allowing the individual to delay payment; or

''(B) the individual is complying with a payment plan approved by a court or the State agency designated under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to provide support for the child of the individual.''.

**SEC. 1133. WORK REQUIREMENT.**

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 1133, is amended by adding at the end the following:

''(o) WORK REQUIREMENT.—

''(1) DEFINITION OF WORK PROGRAM.—In this subsection, the term 'work program' means—

''(A) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

''(B) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or

''(C) a program of employment or training operated or supervised by a State or political subdivision of a State that meets standards approved by the Governor of the State, including a program under subsection (d)(4), other than a job search program or a job search training program.

''(2) WORK REQUIREMENT.—Subject to the other provisions of this subsection, no individual shall be eligible to participate in the food stamp program as a member of any household if, during the preceding 12-month period, the individual received food stamp benefits for not less than 4 months during which the individual did not—

''(A) work 20 hours or more per week, averaged monthly;

''(B) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the State agency;

''(C) participate in and comply with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State; or

''(D) receive an exemption under paragraph (6).

''(3) EXCEPTION.—Paragraph (2) shall not apply to an individual if the individual is—

''(A) under 18 or over 50 years of age;

''(B) medically certified as physically or mentally unfit for employment;

''(C) a parent or other member of a household with responsibility for a dependent child;

''(D) otherwise exempt under subsection (d)(2); or

''(E) a pregnant woman.

''(4) WAIVER.—

''(A) IN GENERAL.—On the request of a State agency, the Secretary may waive the applicability of paragraph (2) to any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside—

''(i) has an unemployment rate of over 10 percent; or

''(ii) does not have a sufficient number of jobs to provide employment for the individuals.

''(B) RESPONSE.—The Secretary shall respond to a request made pursuant to subparagraph (A) not later than 15 days after the State agency makes the request.

''(C) REPORT.—The Secretary shall report the basis for a waiver under subparagraph (A) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

''(5) SUBSEQUENT ELIGIBILITY.—

''(A) IN GENERAL.—An individual shall become eligible to participate in the food stamp program if, during a 30-day period, the individual—

''(i) works 80 or more hours;

''(ii) participates in and complies with the requirements of a work program for 80 or more hours, as determined by a State agency; or

''(iii) participates in and complies with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State.

''(B) AFTER BECOMING ELIGIBLE.—An individual shall remain subject to paragraph (2) during any 12-month period subsequent to becoming eligible to participate in the food stamp program under subparagraph (A), except that the term 'preceding 12-month period' in paragraph (2) shall mean the preceding period beginning on the date the individual most recently satisfied the requirements of subparagraph (A).

''(6) STATE AGENCY EXEMPTIONS.—

''(A) IN GENERAL.—A State agency may exempt an individual for purposes of paragraph (2)(D)—

''(i) by reason of hardship; or

''(ii) if the individual participates in and complies with the requirements of a program of job search or job search training under clauses (i) or (ii) of subsection (d)(4)(B) that requires an average of not less than 20 hours per week of participation.

''(B) LIMITATION ON HARDSHIP EXEMPTION.—The average monthly number of individuals receiving benefits due to a hardship exemption granted by a State agency under subparagraph (A)(i) for a fiscal year may not exceed 20 percent of the average monthly number of individuals receiving allotments during the fiscal year in the State who are not exempt from the requirements of this subsection under paragraph (3) or (4).

''(C) LIMITATION ON JOB SEARCH EXEMPTION.—A State agency may not exempt an individual under subparagraph (A)(ii) for more than 2 months during any 12-month period.''.

(b) TRANSITION PROVISION.—During the 1-year period beginning on the date of enactment of this Act, the term ''preceding 12-month period'' in section 6(o) of the Food Stamp Act of 1977, as added by subsection (a), means the preceding period that begins on the date of enactment of this Act.

**SEC. 1134. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS.**

(a) IN GENERAL.—Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) ELECTRONIC BENEFIT TRANSFERS.—

''(A) IMPLEMENTATION.—Not later than October 1, 2002, each State agency shall implement an electronic benefit transfer system under which household benefits determined under section 8(a) or 26 are issued from and stored in a central databank, unless the Secretary provides a waiver for a State agency that faces unusual barriers to implementing an electronic benefit transfer system.

''(B) TIMELY IMPLEMENTATION.—Each State agency is encouraged to implement an electronic benefit transfer system under subparagraph (A) as soon as practicable.

''(C) STATE FLEXIBILITY.—Subject to paragraph (2), a State agency may procure and implement an electronic benefit transfer system under the terms, conditions, and design that the State agency considers appropriate.

''(D) OPERATION.—An electronic benefit transfer system should take into account generally accepted standard operating rules based on—

''(i) commercial electronic funds transfer technology;

''(ii) the need to permit interstate operation and law enforcement monitoring; and

''(iii) the need to permit monitoring and investigations by authorized law enforcement agencies.'';

(2) in paragraph (2)—

(A) by striking ''effective no later than April 1, 1992,'';

(B) in subparagraph (A)—

(i) by striking '', in any 1 year,''; and

(ii) by striking ''on-line'';

(C) by striking subparagraph (D) and inserting the following:

''(D)(i) measures to maximize the security of a system using the most recent technology available that the State agency considers appropriate and cost effective and which may include personal identification numbers, photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse; and

''(ii) effective not later than 2 years after the date of enactment of this clause, to the extent practicable, measures that permit a system to differentiate items of food that may be acquired with an allotment from items of food that may not be acquired with an allotment;'';

(D) in subparagraph (G), by striking ''and'' at the end;

(E) in subparagraph (H), by striking the period at the end and inserting ''; and''; and

(F) by adding at the end the following:

''(I) procurement standards.''; and

(3) by adding at the end the following:

''(7) REPLACEMENT OF BENEFITS.—Regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an electronic benefit transfer system shall be similar to the regulations in effect for a paper-based food stamp issuance system.

''(8) REPLACEMENT CARD FEE.—A State agency may collect a charge for replacement of an electronic benefit transfer card by reducing the monthly allotment of the household receiving the replacement card.

''(9) OPTIONAL PHOTOGRAPHIC IDENTIFICATION.—

''(A) IN GENERAL.—A State agency may require that an electronic benefit card contain a photograph of 1 or more members of a household.

''(B) OTHER AUTHORIZED USERS.—If a State agency requires a photograph on an electronic benefit card under subparagraph (A), the State agency shall establish procedures to ensure that any other appropriate member of the household or any authorized representative of the household may utilize the card.

''(10) APPLICABLE LAW.—Disclosures, protections, responsibilities, and remedies established by the Federal Reserve Board under section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) shall not apply to benefits under this Act delivered through any electronic benefit transfer system.''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that a State that operates an electronic benefit transfer system under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) should operate the system in a manner that is compatible with electronic benefit transfer systems operated by other States.

**SEC. 1135. VALUE OF MINIMUM ALLOTMENT.**

The proviso in section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking '', and shall be adjusted'' and all that follows through ''$5''.

**SEC. 1136. BENEFITS ON RECERTIFICATION.**

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking ''of more than one month''.

**SEC. 1137. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.**

Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking paragraph (3) and inserting the following:

''(3) OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.—A State agency may provide to an eligible household applying after the 15th day of a month, in lieu of the initial allotment of the household and the regular allotment of the household for the following month, an allotment that is equal to the total amount of the initial allotment and the first regular allotment. The allotment shall be provided in accordance with section 11(e)(3) in the case of a household that is not entitled to expedited service and in accordance with paragraphs (3) and (9) of section 11(e) in the case of a household that is entitled to expedited service.''.

**SEC. 1138. FAILURE TO COMPLY WITH OTHER MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS.**

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (d) and inserting the following:

''(d) REDUCTION OF PUBLIC ASSISTANCE BENEFITS.—

''(1) IN GENERAL.—If the benefits of a household are reduced under a Federal, State, or local law relating to a means-tested public assistance program for the failure of a member of the household to perform an action required under the law or program, for the duration of the reduction—

''(A) the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction; and

''(B) the State agency may reduce the allotment of the household by not more than 25 percent.

''(2) RULES AND PROCEDURES.—If the allotment of a household is reduced under this subsection for a failure to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to reduce the allotment under the food stamp program.''.

**SEC. 1139. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.**

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by adding at the end the following:

''(f) ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.—

''(1) IN GENERAL.—In the case of an individual who resides in a center for the purpose of a drug or alcoholic treatment program described in the last sentence of section 3(i), a State agency may provide an allotment for the individual to—

''(A) the center as an authorized representative of the individual for a period that is less than 1 month; and

''(B) the individual, if the individual leaves the center.

''(2) DIRECT PAYMENT.—A State agency may require an individual referred to in paragraph (1) to designate the center in which the individual resides as the authorized representative of the individual for the purpose of receiving an allotment.''.

**SEC. 1140. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.**

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)) is amended by adding at the end the following: ''No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the food stamp program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.''.

**SEC. 1141. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.**

Section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)) is amended by adding at the end the following:

''(3) AUTHORIZATION PERIODS.—The Secretary shall establish specific time periods during which authorization to accept and redeem coupons, or to redeem benefits through an electronic benefit transfer system, shall be valid under the food stamp program.''.

**SEC. 1142. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION.**

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(c)) is amended—

(1) in the first sentence, by inserting '', which may include relevant income and sales tax filing documents,'' after ''submit information''; and

(2) by inserting after the first sentence the following: ''The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified.''.

**SEC. 1143. WAITING PERIOD FOR STORES THAT FAIL TO MEET AUTHORIZATION CRITERIA.**

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following: ''A retail food store or wholesale food concern that is denied approval to accept and redeem coupons because the store or concern does not meet criteria for approval established by the Secretary may not, for at least 6 months, submit a new application to participate in the program. The Secretary may establish a longer time period under the preceding sentence, including permanent disqualification, that reflects the severity of the basis of the denial.''.

**SEC. 1144. OPERATION OF FOOD STAMP OFFICES.**

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020), as amended by sections 1119(b) and 1129(b), is amended—

(1) in subsection (e)—

(A) by striking paragraph (2) and inserting the following:

''(2)(A) that the State agency shall establish procedures governing the operation of food stamp offices that the State agency determines best serve households in the State, including households with special needs, such as households with elderly or disabled members, households in rural areas with low-income members, homeless individuals, households residing on reservations, and households in areas in which a substantial number of members of low-income households speak a language other than English.

''(B) In carrying out subparagraph (A), a State agency—

''(i) shall provide timely, accurate, and fair service to applicants for, and participants in, the food stamp program;

''(ii) shall develop an application containing the information necessary to comply with this Act;

''(iii) shall permit an applicant household to apply to participate in the program on the same day that the household first contacts a food stamp office in person during office hours;

''(iv) shall consider an application that contains the name, address, and signature of the applicant to be filed on the date the applicant submits the application;

''(v) shall require that an adult representative of each applicant household certify in writing, under penalty of perjury, that—

''(I) the information contained in the application is true; and

''(II) all members of the household are citizens or are aliens eligible to receive food stamps under section 6(f);

''(vi) shall provide a method of certifying and issuing coupons to eligible homeless individuals, to ensure that participation in the food stamp program is limited to eligible households; and

''(vii) may establish operating procedures that vary for local food stamp offices to reflect regional and local differences within the State.

''(C) Nothing in this Act shall prohibit the use of signatures provided and maintained electronically, storage of records using automated retrieval systems only, or any other feature of a State agency's application system that does not rely exclusively on the collection and retention of paper applications or other records.

''(D) The signature of any adult under this paragraph shall be considered sufficient to comply with any provision of Federal law requiring a household member to sign an application or statement.'';

(B) in paragraph (3)—

(i) by striking ''shall—'' and all that follows through ''provide each'' and inserting ''shall provide each''; and

(ii) by striking ''(B) assist'' and all that follows through ''representative of the State agency;'';

(C) by striking paragraphs (14) and (25);

(D)(i) by redesignating paragraphs (15) through (24) as paragraphs (14) through (23), respectively; and

(ii) by redesignating paragraph (26), as paragraph (24); and

(2) in subsection (i)—

(A) by striking ''(i) Notwithstanding'' and all that follows through ''(2)'' and inserting the following:

''(i) APPLICATION AND DENIAL PROCEDURES.—

''(1) APPLICATION PROCEDURES.—Notwithstanding any other provision of law,''; and

(B) by striking ''; (3) households'' and all that follows through ''title IV of the Social Security Act. No'' and inserting a period and the following:

''(2) DENIAL AND TERMINATION.—Except in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no''.

**SEC. 1145. STATE EMPLOYEE AND TRAINING STANDARDS.**

Section 11(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking ''that (A) the'' and inserting ''that—

''(A) the'';

(2) by striking ''Act; (B) the'' and inserting ''Act; and

''(B) the'';

(3) in subparagraph (B), by striking ''United States Civil Service Commission'' and inserting ''Office of Personnel Management''; and

*(4) by striking subparagraphs (C) through (E).*

***SEC. 1146. EXCHANGE OF LAW ENFORCEMENT INFORMATION.***

*Section 11(e)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)) is amended—*

*(1) by striking ''that (A) such'' and inserting the following: ''that—*

*''(A) the'';*

*(2) by striking ''law, (B) notwithstanding'' and inserting the following: ''law;*

*''(B) notwithstanding'';*

*(3) by striking ''Act, and (C) such'' and inserting the following: ''Act;*

*''(C) the''; and*

*(4) by adding at the end the following:*

*''(D) notwithstanding any other provision of law, the address, social security number, and, if available, photograph of any member of a household shall be made available, on request, to any Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that—*

*''(i) the member—*

*''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime (or attempt to commit a crime) that, under the law of the place the member is fleeing, is a felony (or, in the case of New Jersey, a high misdemeanor), or is violating a condition of probation or parole imposed under Federal or State law; or*

*''(II) has information that is necessary for the officer to conduct an official duty related to subclause (I);*

*''(ii) locating or apprehending the member is an official duty; and*

*''(iii) the request is being made in the proper exercise of an official duty; and*

*''(E) the safeguards shall not prevent compliance with paragraph (16);''.*

***SEC. 1147. WITHDRAWING FAIR HEARING REQUESTS.***

*Section 11(e)(10) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(10)) is amended by inserting before the semicolon at the end a period and the following: ''At the option of a State, at any time prior to a fair hearing determination under this paragraph, a household may withdraw, orally or in writing, a request by the household for the fair hearing. If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the withdrawal request and providing the household with an opportunity to request a hearing''.*

***SEC. 1148. INCOME, ELIGIBILITY, AND IMMIGRATION STATUS VERIFICATION SYSTEMS.***

*Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended—*

*(1) in subsection (e)(18), as redesignated by section 1145(1)(D)—*

*(A) by striking ''that information is'' and inserting ''at the option of the State agency, that information may be''; and*

*(B) by striking ''shall be requested'' and inserting ''may be requested''; and*

*(2) by adding at the end the following:*

*''(p) STATE VERIFICATION OPTION.—Notwithstanding any other provision of law, in carrying out the food stamp program, a State agency shall not be required to use an income and eligibility or an immigration status verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7).''.*

***SEC. 1149. DISQUALIFICATION OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS.***

*Section 12(b) of the Food Stamp Act of 1977 (7 U.S.C. 2021(b)) is amended—*

*(1) in paragraph (2), by striking ''and'' at the end;*

*(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and*

*(3) by adding at the end the following:*

*''(4) for a reasonable period of time to be determined by the Secretary, including permanent disqualification, on the knowing submission of an application for the approval or reauthorization to accept and redeem coupons that contains false information about a substantive matter that was a part of the application.''.*

***SEC. 1150. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.***

*Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended by adding at the end the following:*

*''(g) DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.—*

*''(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this Act of an approved retail food store and a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (7 U.S.C. 1786).*

*''(2) TERMS.—A disqualification under paragraph (1)—*

*''(A) shall be for the same length of time as the disqualification from the program referred to in paragraph (1);*

*''(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and*

*''(C) notwithstanding section 14, shall not be subject to judicial or administrative review.''.*

***SEC. 1151. COLLECTION OF OVERISSUANCES.***

*(a) COLLECTION OF OVERISSUANCES.—Section 13 of the Food Stamp Act of 1977 (7 U.S.C. 2022) is amended—*

*(1) by striking subsection (b) and inserting the following:*

*''(b) COLLECTION OF OVERISSUANCES.—*

*''(1) IN GENERAL.—Except as otherwise provided in this subsection, a State agency shall collect any overissuance of coupons issued to a household by—*

*''(A) reducing the allotment of the household;*

*''(B) withholding amounts from unemployment compensation from a member of the household under subsection (c);*

*''(C) recovering from Federal pay or a Federal income tax refund under subsection (d); or*

*''(D) any other means.*

*''(2) COST EFFECTIVENESS.—Paragraph (1) shall not apply if the State agency demonstrates to the satisfaction of the Secretary that all of the means referred to in paragraph (1) are not cost effective.*

*''(3) MAXIMUM REDUCTION ABSENT FRAUD.—If a household received an overissuance of coupons without any member of the household being found ineligible to participate in the program under section 6(b)(1) and a State agency elects to reduce the allotment of the household under paragraph (1)(A), the State agency shall not reduce the monthly allotment of the household under paragraph (1)(A) by an amount in excess of the greater of—*

*''(A) 10 percent of the monthly allotment of the household; or*

*''(B) $10.*

*''(4) PROCEDURES.—A State agency shall collect an overissuance of coupons issued to a household under paragraph (1) in accordance with the requirements established by the State agency for providing notice, electing a means of payment, and establishing a time schedule for payment.''; and*

*(2) in subsection (d)—*

*(A) by striking ''as determined under subsection (b) and except for claims arising from an error of the State agency,'' and inserting '', as determined under subsection (b)(1),''; and*

*(B) by inserting before the period at the end the following: ''or a Federal income tax refund as authorized by section 3720A of title 31, United States Code''.*

*(b) CONFORMING AMENDMENTS.—Section 11(e)(8)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)(C)) is amended—*

*(1) by striking ''and excluding claims'' and all that follows through ''such section''; and*

*(2) by inserting before the semicolon at the end the following: ''or a Federal income tax refund as authorized by section 3720A of title 31, United States Code''.*

*(c) RETENTION RATE.—The proviso of the first sentence of section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking ''25 percent during the period beginning October 1, 1990'' and all that follows through ''section 13(b)(2) of this Act'' and inserting ''35 percent of the value of all funds or allotments recovered or collected pursuant to subsections (b)(1) and (c) of section 13 and 20 percent of the value of all funds or allotments recovered or collected pursuant to section 13(b)(2) of this Act''.*

***SEC. 1152. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW.***

*Section 14(a) of the Food Stamp Act of 1977 (7 U.S.C. 2023(a)) is amended—*

*(1) by redesignating the first through seventeenth sentences as paragraphs (1) through (17), respectively; and*

*(2) by adding at the end the following:*

*''(18) SUSPENSION OF STORES PENDING REVIEW.—Notwithstanding any other provision of this subsection, any permanent disqualification of a retail food store or wholesale food concern under paragraph (3) or (4) of section 12(b) shall be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary shall not be liable for the value of any sales lost during the disqualification period.''.*

***SEC. 1153. EXPANDED CRIMINAL FORFEITURE FOR VIOLATIONS.***

*(a) FORFEITURE OF ITEMS EXCHANGED IN FOOD STAMP TRAFFICKING.—The first sentence of section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended by striking ''or intended to be furnished''.*

*(b) CRIMINAL FORFEITURE.—Section 15 of the Food Stamp Act of 1977 (7 U.S.C. 2024) is amended by adding at the end the following:*

*''(h) CRIMINAL FORFEITURE.—*

*''(1) IN GENERAL.—In imposing a sentence on a person convicted of an offense in violation of subsection (b) or (c), a court shall order, in addition to any other sentence imposed under this section, that the person forfeit to the United States all property described in paragraph (2).*

*''(2) PROPERTY SUBJECT TO FORFEITURE.—All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of subsection (b) or (c), or proceeds traceable to a violation of subsection (b) or (c), shall be subject to forfeiture to the United States under paragraph (1).*

*''(3) INTEREST OF OWNER.—No interest in property shall be forfeited under this subsection as the result of any act or omission established by the owner of the interest to have been committed or omitted without the knowledge or consent of the owner.*

*''(4) PROCEEDS.—The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—*

*''(A) first, to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding;*

*''(B) second, to reimburse the Department of Agriculture Office of Inspector General for any costs the Office incurred in the law enforcement effort resulting in the forfeiture;*

*''(C) third, to reimburse any Federal or State law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and*

*''(D) fourth, by the Secretary to carry out the approval, reauthorization, and compliance investigations of retail stores and wholesale food concerns under section 9.''.*

***SEC. 1154. LIMITATION ON FEDERAL MATCH.***

*Section 16(a)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)(4)) is amended by inserting after the comma at the end the following: ''but not including recruitment activities,''.*

***SEC. 1155. STANDARDS FOR ADMINISTRATION.***

*(a) IN GENERAL.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by striking subsection (b).*

*(b) CONFORMING AMENDMENTS.—*

*(1) The first sentence of section 11(g) of the Food Stamp Act of 1977 (7 U.S.C. 2020(g)) is amended by striking ''the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) or''.*

*(2) Section 16(c)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)(1)(B)) is amended by striking ''pursuant to subsection (b)''.*

***SEC. 1156. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.***

*Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025), as amended by section 1157(a), is amended by inserting after subsection (a) the following:*

*''(b) WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—*

*''(1) DEFINITION OF WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—In this subsection, the term 'work supplementation or support program' means a program under which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a public assistance recipient who was not employed by the employer at the time the public assistance recipient entered the program.*

*''(2) PROGRAM.—A State agency may elect to use an amount equal to the allotment that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting a job under a work supplementation or support program established by the State.*

*''(3) PROCEDURE.—If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—*

*''(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;*

*''(B) the State agency shall expend the amount received under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;*

*''(C) for purposes of—*

*''(i) sections 5 and 8(a), the amount received under this subsection shall be excluded from household income and resources; and*

*''(ii) section 8(b), the amount received under this subsection shall be considered to be the value of an allotment provided to the household; and*

*''(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation or support program.*

*''(4) OTHER WORK REQUIREMENTS.—No individual shall be excused, by reason of the fact that a State has a work supplementation or support program, from any work requirement under section 6(d), except during the periods in which the individual is employed under the work supplementation or support program.*

*''(5) LENGTH OF PARTICIPATION.—A State agency shall provide a description of how the public assistance recipients in the program shall, within a specific period of time, be moved from supplemented or supported employment to employment that is not supplemented or supported.*

*''(6) DISPLACEMENT.—A work supplementation or support program shall not displace the employment of individuals who are not supplemented or supported.''.*

***SEC. 1157. RESPONSE TO WAIVERS.***

*Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)), as amended by section 1159, is amended by adding at the end the following:*

*''(D) RESPONSE TO WAIVERS.—*

*''(i) RESPONSE.—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—*

*''(I) approves the waiver request;*

*''(II) denies the waiver request and describes any modification needed for approval of the waiver request;*

*''(III) denies the waiver request and describes the grounds for the denial; or*

*''(IV) requests clarification of the waiver request.*

*''(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response in accordance with clause (i), the waiver shall be considered approved, unless the approval is specifically prohibited by this Act.*

*''(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and a description of the reasons for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.''.*

***SEC. 1158. EMPLOYMENT INITIATIVES PROGRAM.***

*Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (d) and inserting the following:*

*''(d) EMPLOYMENT INITIATIVES PROGRAM.—*

*''(1) ELECTION TO PARTICIPATE.—*

*''(A) IN GENERAL.—Subject to the other provisions of this subsection, a State may elect to carry out an employment initiatives program under this subsection.*

*''(B) REQUIREMENT.—A State shall be eligible to carry out an employment initiatives program under this subsection only if not less than 50 percent of the households in the State that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.*

*''(2) PROCEDURE.—*

*''(A) IN GENERAL.—A State that has elected to carry out an employment initiatives program under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).*

*''(B) PAYMENT.—The Secretary shall pay to each State that has elected to carry out an employment initiatives program under paragraph (1) an amount equal to the value of the allotment that each household participating in the program in the State would be eligible to receive under this Act but for the operation of this subsection.*

*''(C) OTHER PROVISIONS.—For purposes of the food stamp program (other than this subsection)—*

*''(i) cash assistance under this subsection shall be considered to be an allotment; and*

*''(ii) each household receiving cash benefits under this subsection shall not receive any other food stamp benefit during the period for which the cash assistance is provided.*

*''(D) ADDITIONAL PAYMENTS.—Each State that has elected to carry out an employment initiatives program under paragraph (1) shall—*

*''(i) increase the cash benefits provided to each household participating in the program in the State under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by the household, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and*

*''(ii) pay the cost of any increase in cash benefits required by clause (i).*

*''(3) ELIGIBILITY.—A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—*

*''(A) has worked in unsubsidized employment for not less than the preceding 90 days;*

*''(B) has earned not less than $350 per month from the employment referred to in subparagraph (A) for not less than the preceding 90 days;*

*''(C)(i) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or*

*''(ii) was receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;*

*''(D) is continuing to earn not less than $350 per month from the employment referred to in subparagraph (A); and*

*''(E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.*

*''(4) EVALUATION.—A State that operates a program under this subsection for 2 years shall provide to the Secretary a written evaluation of the impact of cash assistance under this subsection. The State agency, with the concurrence of the Secretary, shall determine the content of the evaluation.''.*

***SEC. 1159. REAUTHORIZATION.***

*The first sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended by striking ''1991 through 1997'' and inserting ''1996 through 2002''.*

***SEC. 1160. SIMPLIFIED FOOD STAMP PROGRAM.***

*(a) IN GENERAL.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:*

***''SEC. 26. SIMPLIFIED FOOD STAMP PROGRAM.***

*''(a) DEFINITION OF FEDERAL COSTS.—In this section, the term 'Federal costs' does not include any Federal costs incurred under section 17.*

*''(b) ELECTION.—Subject to subsection (d), a State may elect to carry out a Simplified Food Stamp Program (referred to in this section as a 'Program'), statewide or in a political subdivision of the State, in accordance with this section.*

*''(c) OPERATION OF PROGRAM.—If a State elects to carry out a Program, within the State or a political subdivision of the State—*

*''(1) only households in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall receive benefits under the Program;*

*''(2) a household in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall automatically be eligible to participate in the Program; and*

*''(3) subject to subsection (f), benefits under the Program shall be determined under rules and procedures established by the State under—*

*''(A) a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);*

*''(B) the food stamp program (other than section 27); or*

*''(C) a combination of a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and the food stamp program (other than section 27).*

*''(d) APPROVAL OF PROGRAM.—*

*''(1) STATE PLAN.—A State agency may not operate a Program unless the Secretary approves a State plan for the operation of the Program under paragraph (2).*

''(2) APPROVAL OF PLAN.—The Secretary shall approve any State plan to carry out a Program if the Secretary determines that the plan—

''(A) complies with this section; and

''(B) contains sufficient documentation that the plan will not increase Federal costs for any fiscal year.

''(e) INCREASED FEDERAL COSTS.—

''(1) DETERMINATION.—

''(A) IN GENERAL.—The Secretary shall determine whether a Program being carried out by a State agency is increasing Federal costs under this Act.

''(B) NO EXCLUDED HOUSEHOLDS.—In making a determination under subparagraph (A), the Secretary shall not require the State agency to collect or report any information on households not included in the Program.

''(C) ALTERNATIVE ACCOUNTING PERIODS.—The Secretary may approve the request of a State agency to apply alternative accounting periods to determine if Federal costs do not exceed the Federal costs had the State agency not elected to carry out the Program.

''(2) NOTIFICATION.—If the Secretary determines that the Program has increased Federal costs under this Act for any fiscal year or any portion of any fiscal year, the Secretary shall notify the State not later than 30 days after the Secretary makes the determination under paragraph (1).

''(3) ENFORCEMENT.—

''(A) CORRECTIVE ACTION.—Not later than 90 days after the date of a notification under paragraph (2), the State shall submit a plan for approval by the Secretary for prompt corrective action that is designed to prevent the Program from increasing Federal costs under this Act.

''(B) TERMINATION.—If the State does not submit a plan under subparagraph (A) or carry out a plan approved by the Secretary, the Secretary shall terminate the approval of the State agency operating the Program and the State agency shall be ineligible to operate a future Program.

''(f) RULES AND PROCEDURES.—

''(1) IN GENERAL.—In operating a Program, a State or political subdivision of a State may follow the rules and procedures established by the State or political subdivision under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under the food stamp program.

''(2) STANDARDIZED DEDUCTIONS.—In operating a Program, a State or political subdivision of a State may standardize the deductions provided under section 5(e). In developing the standardized deduction, the State shall consider the work expenses, dependent care costs, and shelter costs of participating households.

''(3) REQUIREMENTS.—In operating a Program, a State or political subdivision shall comply with the requirements of—

''(A) subsections (a) through (g) of section 7;

''(B) section 8(a) (except that the income of a household may be determined under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.));

''(C) subsection (b) and (d) of section 8;

''(D) subsections (a), (c), (d), and (n) of section 11;

''(E) paragraph (3) of section 11(e), to the extent that the paragraph requires that an eligible household be certified and receive an allotment for the period of application not later than 30 days after filing an application;

''(F) paragraphs (8), (12), (16), (18), (20), (24), and (25) of section 11(e);

''(G) section 11(e)(10) (or a comparable requirement established by the State under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

''(H) section 16.

''(4) LIMITATION ON ELIGIBILITY.—Notwithstanding any other provision of this section, a household may not receive benefits under this section as a result of the eligibility of the household under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless the Secretary determines that any household with income above 130 percent of the poverty guidelines is not eligible for the program.''.

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)), as amended by sections 1129(b) and 1145, is amended by adding at the end the following:

''(25) if a State elects to carry out a Simplified Food Stamp Program under section 26, the plans of the State agency for operating the program, including—

''(A) the rules and procedures to be followed by the State agency to determine food stamp benefits;

''(B) how the State agency will address the needs of households that experience high shelter costs in relation to the incomes of the households; and

''(C) a description of the method by which the State agency will carry out a quality control system under section 16(c).''.

(c) CONFORMING AMENDMENTS.—

(1) Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017), as amended by section 1140, is amended—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(2) Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended—

(A) by striking subsection (i); and

(B) by redesignating subsections (j) through (l) as subsections (i) through (k), respectively.

## CHAPTER 2—COMMODITY DISTRIBUTION PROGRAMS

### SEC. 1171. EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) DEFINITIONS.—Section 201A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

**''SEC. 201A. DEFINITIONS.**

''In this Act:

''(1) ADDITIONAL COMMODITIES.—The term 'additional commodities' means commodities made available under section 214 in addition to the commodities made available under sections 202 and 203D.

''(2) AVERAGE MONTHLY NUMBER OF UNEMPLOYED PERSONS.—The term 'average monthly number of unemployed persons' means the average monthly number of unemployed persons in each State during the most recent fiscal year for which information concerning the number of unemployed persons is available, as determined by the Bureau of Labor Statistics of the Department of Labor.

''(3) ELIGIBLE RECIPIENT AGENCY.—The term 'eligible recipient agency' means a public or nonprofit organization that—

''(A) administers—

''(i) an emergency feeding organization;

''(ii) a charitable institution (including a hospital and a retirement home, but excluding a penal institution) to the extent that the institution serves needy persons;

''(iii) a summer camp for children, or a child nutrition program providing food service;

''(iv) a nutrition project operating under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), including a project that operates a congregate nutrition site and a project that provides home-delivered meals; or

''(v) a disaster relief program;

''(B) has been designated by the appropriate State agency, or by the Secretary; and

''(C) has been approved by the Secretary for participation in the program established under this Act.

''(4) EMERGENCY FEEDING ORGANIZATION.—The term 'emergency feeding organization' means a public or nonprofit organization that administers activities and projects (including the activities and projects of a charitable institution, a food bank, a food pantry, a hunger relief center, a soup kitchen, or a similar public or private nonprofit eligible recipient agency) providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

''(5) FOOD BANK.—The term 'food bank' means a public or charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products of food or edible commodities, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis.

''(6) FOOD PANTRY.—The term 'food pantry' means a public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress.

''(7) POVERTY LINE.—The term 'poverty line' has the meaning provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

''(8) SOUP KITCHEN.—The term 'soup kitchen' means a public or charitable institution that, as an integral part of the normal activities of the institution, maintains an established feeding operation to provide food to needy homeless persons on a regular basis.

''(9) TOTAL VALUE OF ADDITIONAL COMMODITIES.—The term 'total value of additional commodities' means the actual cost of all additional commodities that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).

''(10) VALUE OF ADDITIONAL COMMODITIES ALLOCATED TO EACH STATE.—The term 'value of additional commodities allocated to each State' means the actual cost of additional commodities allocated to each State that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).''.

(b) STATE PLAN.—Section 202A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

**''SEC. 202A. STATE PLAN.**

''(a) IN GENERAL.—To receive commodities under this Act, a State shall submit a plan of operation and administration every 4 years to the Secretary for approval. The plan may be amended at any time, with the approval of the Secretary.

''(b) REQUIREMENTS.—Each plan shall—

''(1) designate the State agency responsible for distributing the commodities received under this Act;

''(2) set forth a plan of operation and administration to expeditiously distribute commodities under this Act;

''(3) set forth the standards of eligibility for recipient agencies; and

''(4) set forth the standards of eligibility for individual or household recipients of commodities, which shall require—

''(A) individuals or households to be comprised of needy persons; and

''(B) individual or household members to be residing in the geographic location served by the distributing agency at the time of applying for assistance.

''(c) STATE ADVISORY BOARD.—The Secretary shall encourage each State receiving commodities under this Act to establish a State advisory board consisting of representatives of all entities in the State, both public and private, interested in the distribution of commodities received under this Act.''.

(c) AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE FUNDS.—Section 204(a)(1) of

the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence, by striking ''for State and local'' and all that follows through ''under this title'' and inserting ''to pay for the direct and indirect administrative costs of the States related to the processing, transporting, and distributing to eligible recipient agencies of commodities provided by the Secretary under this Act and commodities secured from other sources''; and

(2) by striking the fourth sentence.

(d) DELIVERY OF COMMODITIES.—Section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) by striking subsections (a) through (e) and (j);

(2) by redesignating subsections (f) through (i) as subsections (a) through (d), respectively;

(3) in subsection (b), as redesignated by paragraph (2)—

(A) in the first sentence, by striking ''subsection (f) or subsection (j) if applicable,'' and inserting ''subsection (a),''; and

(B) in the second sentence, by striking ''subsection (f)'' and inserting ''subsection (a)'';

(4) by striking subsection (c), as redesignated by paragraph (2), and inserting the following:

''(c) ADMINISTRATION.—

''(1) IN GENERAL.—Commodities made available for each fiscal year under this section shall be delivered at reasonable intervals to States based on the grants calculated under subsection (a), or reallocated under subsection (b), before December 31 of the following fiscal year.

''(2) ENTITLEMENT.—Each State shall be entitled to receive the value of additional commodities determined under subsection (a).''; and

(5) in subsection (d), as redesignated by paragraph (2), by striking ''or reduce'' and all that follows through ''each fiscal year''.

(e) TECHNICAL AMENDMENTS.—The Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence of section 203B(a), by striking ''203 and 203A of this Act'' and inserting ''203A'';

(2) in section 204(a), by striking ''title'' each place it appears and inserting ''Act'';

(3) in the first sentence of section 210(e), by striking ''(except as otherwise provided for in section 214(j))''; and

(4) by striking section 212.

(f) REPORT ON EFAP.—Section 1571 of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 612c note) is repealed.

(g) AVAILABILITY OF COMMODITIES UNDER THE FOOD STAMP PROGRAM.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), as amended by section 1164(a), is amended by adding at the end the following:

**''SEC. 28. AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.**

''(a) PURCHASE OF COMMODITIES.—From amounts appropriated under this Act, for each of fiscal years 1997 through 2002, the Secretary shall purchase $100,000,000 of a variety of nutritious and useful commodities of the types that the Secretary has the authority to acquire through the Commodity Credit Corporation or under section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (7 U.S.C. 612c), and distribute the commodities to States for distribution in accordance with section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note).

''(b) BASIS FOR COMMODITY PURCHASES.—In purchasing commodities under subsection (a), the Secretary shall, to the extent practicable and appropriate, make purchases based on—

''(1) agricultural market conditions;

''(2) preferences and needs of States and distributing agencies; and

''(3) preferences of recipients.''.

(h) EFFECTIVE DATE.—The amendments made by subsection (d) shall become effective on October 1, 1996.

**SEC. 1172. FOOD BANK DEMONSTRATION PROJECT.**

Section 3 of the Charitable Assistance and Food Bank Act of 1987 (Public Law 100–232; 7 U.S.C. 612c note) is repealed.

**SEC. 1173. HUNGER PREVENTION PROGRAMS.**

The Hunger Prevention Act of 1988 (Public Law 100–435; 7 U.S.C. 612c note) is amended—

(1) by striking section 110;

(2) by striking subtitle C of title II; and

(3) by striking section 502.

**SEC. 1174. REPORT ON ENTITLEMENT COMMODITY PROCESSING.**

Section 1773 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 612c note) is amended by striking subsection (f).

## Subtitle B—Child Nutrition Programs

### CHAPTER 1—AMENDMENTS TO THE NATIONAL SCHOOL LUNCH ACT

**SEC. 1201. STATE DISBURSEMENT TO SCHOOLS.**

(a) IN GENERAL.—Section 8 of the National School Lunch Act (42 U.S.C. 1757) is amended—

(1) in the third sentence, by striking ''Nothing'' and all that follows through ''educational agency to'' and inserting ''The State educational agency may'';

(2) by striking the fourth and fifth sentences;

(3) by redesignating the first through seventh sentences, as amended by paragraph (2), as subsections (a) through (g), respectively;

(4) in subsection (b), as redesignated by paragraph (3), by striking ''the preceding sentence'' and inserting ''subsection (a)''; and

(5) in subsection (d), as redesignated by paragraph (3), by striking ''Such food costs'' and inserting ''Use of funds paid to States''.

(b) DEFINITION OF CHILD.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)) is amended by adding at the end the following:

''(9) CHILD.—

''(A) IN GENERAL.—The term 'child' includes an individual, regardless of age, who—

''(i) is determined by a State educational agency, in accordance with regulations prescribed by the Secretary, to have 1 or more mental or physical disabilities; and

''(ii) is attending any institution, as defined in section 17(a), or any nonresidential public or nonprofit private school of high school grade or under, for the purpose of participating in a school program established for individuals with mental or physical disabilities.

''(B) RELATIONSHIP TO CHILD AND ADULT CARE FOOD PROGRAM.—No institution that is not otherwise eligible to participate in the program under section 17 shall be considered eligible because of this paragraph.''.

**SEC. 1202. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.**

(a) NUTRITIONAL STANDARDS.—Section 9(a) of the National School Lunch Act (42 U.S.C. 1758(a)) is amended—

(1) in paragraph (2)—

(A) by striking ''(2)(A) Lunches'' and inserting ''(2) Lunches'';

(B) by striking subparagraph (B); and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) UTILIZATION OF AGRICULTURAL COMMODITIES.—Section 9(c) of the National School Lunch Act (42 U.S.C. 1758(c)) is amended—

(1) in the fifth sentence, by striking ''of the provisions of law referred to in the preceding sentence'' and inserting ''provision of law''; and

(2) by striking the second, fourth, and sixth sentences.

(c) CONFORMING AMENDMENT.—The last sentence of section 9(d)(1) of the National School Lunch Act (42 U.S.C. 1758(d)(1)) is amended by striking ''subsection (b)(2)(C)'' and inserting ''subsection (b)(2)(B)''.

(d) NUTRITIONAL INFORMATION.—Section 9(f) of the National School Lunch Act (42 U.S.C. 1758(f)) is amended—

(1) by striking paragraph (1);

(2) by striking ''(2)'';

(3) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively;

(4) by striking paragraph (1), as redesignated by paragraph (3), and inserting the following:

''(1) NUTRITIONAL REQUIREMENTS.—Except as provided in paragraph (2), not later than the first day of the 1996–1997 school year, each school that is participating in the school lunch or school breakfast program shall serve lunches and breakfasts under the program that—

''(A) are consistent with the goals of the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

''(B) provide, on the average over each week, at least—

''(i) with respect to school lunches, ⅓ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences; and

''(ii) with respect to school breakfasts, ¼ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences.'';

(5) in paragraph (3), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A), as so redesignated, by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(6) in paragraph (4), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A), as so redesignated—

(i) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(ii) in clause (ii), as so redesignated, by striking ''subparagraph (C)'' and inserting ''paragraph (3)''.

(e) USE OF RESOURCES.—Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended by striking subsection (h).

**SEC. 1203. FREE AND REDUCED PRICE POLICY STATEMENT.**

Section 9(b)(2) of the National School Lunch Act (42 U.S.C. 1758(b)(2)), as amended by section 1202(b)(1), is amended by adding at the end the following:

''(C) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient

cause for requiring the school food authority to submit a policy statement.''.

**SEC. 1204. SPECIAL ASSISTANCE.**

(a) EXTENSION OF PAYMENT PERIOD.—Section 11(a)(1)(D)(i) of the National School Lunch Act (42 U.S.C. 1759a(a)(1)(D)(i)) is amended by striking '', on the date of enactment of this subparagraph,''.

(b) APPLICABILITY OF OTHER PROVISIONS.—Section 11 of the National School Lunch Act (42 U.S.C. 1759a) is amended—

(1) by striking subsection (d);

(2) in subsection (e)(2)—

(A) by striking ''The'' and inserting ''On request of the Secretary, the''; and

(B) by striking ''each month''; and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

**SEC. 1205. MISCELLANEOUS PROVISIONS AND DEFINITIONS.**

(a) ACCOUNTS AND RECORDS.—The second sentence of section 12(a) of the National School Lunch Act (42 U.S.C. 1760(a)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

(b) RESTRICTION ON REQUIREMENTS.—Section 12(c) of the National School Lunch Act (42 U.S.C. 1760(c)) is amended by striking ''neither the Secretary nor the State shall'' and inserting ''the Secretary shall not''.

(c) DEFINITIONS.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)), as amended by section 1201(b), is amended—

(1) in paragraph (1), by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands'';

(2) by striking paragraphs (3) and (4); and

(3) by redesignating paragraphs (1), (2), and (5) through (9) as paragraphs (6), (7), (3), (4), (2), (5), and (1), respectively, and rearranging the paragraphs so as to appear in numerical order.

(d) ADJUSTMENTS TO NATIONAL AVERAGE PAYMENT RATES.—Section 12(f) of the National School Lunch Act (42 U.S.C. 1760(f)) is amended by striking ''the Trust Territory of the Pacific Islands,''.

(e) EXPEDITED RULEMAKING.—Section 12(k) of the National School Lunch Act (42 U.S.C. 1760(k)) is amended—

(1) by striking paragraphs (1), (2), and (5); and

(2) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

(f) WAIVER.—Section 12(l) of the National School Lunch Act (42 U.S.C. 1760(l)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (iii), by adding ''and'' at the end;

(B) in clause (iv), by striking the semicolon at the end and inserting a period; and

(C) by striking clauses (v) through (vii);

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''(A)''; and

(B) by striking subparagraphs (B) through (D);

(3) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking ''of any requirement relating'' and inserting ''that increases Federal costs or that relates'';

(B) by striking subparagraph (D);

(C) by redesignating subparagraphs (E) through (N) as subparagraphs (D) through (M), respectively; and

(D) in subparagraph (L), as redesignated by subparagraph (C), by striking ''and'' at the end and inserting ''or''; and

(4) in paragraph (6)—

(A) by striking ''(A)(i)'' and all that follows through ''(B)''; and

(B) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively.

(g) SIMPLIFIED ADMINISTRATION OF SCHOOL MEAL AND OTHER NUTRITION PROGRAMS.—Section 12 of the National School Lunch Act (42 U.S.C. 1760), as amended by subsection (g), is amended by adding at the end the following:

''(m) SIMPLIFIED ADMINISTRATION OF SCHOOL MEAL AND OTHER NUTRITION PROGRAMS.—Notwithstanding any other provision of law, no assistance or benefits provided under the programs established under the following provisions of law shall be contingent on the citizenship or immigration status of any applicant or recipient:

''(1) This Act.

''(2) The Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

''(3) Section 4 of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–86; 7 U.S.C. 612c note).

''(4) The Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note).

''(5) The food distribution program on Indian reservations established under section 4(b) of Public Law 88–525 (7 U.S.C. 2013(b)).''.

**SEC. 1206. COMMODITY DISTRIBUTION.**

(a) CEREAL AND SHORTENING IN COMMODITY DONATIONS.—Section 14(b) of the National School Lunch Act (42 U.S.C. 1762a(b)) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) ADVISORY COUNCIL.—Section 14(e) of the National School Lunch Act (42 U.S.C. 1762a(e)) is amended by striking ''educational''.

(c) CASH COMPENSATION FOR PILOT PROJECT SCHOOLS.—Section 14(g) of the National School Lunch Act (42 U.S.C. 1762a(g)) is amended by striking paragraph (3).

**SEC. 1207. CHILD AND ADULT CARE FOOD PROGRAM.**

(a) ESTABLISHMENT OF PROGRAM.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended in the first sentence of subsection (a), by striking ''initiate, maintain, and expand'' and inserting ''initiate and maintain''.

(b) PAYMENTS TO SPONSOR EMPLOYEES.—Paragraph (2) of the last sentence of section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) in subparagraph (B), by striking ''and'' at the end;

(2) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(D) in the case of a family or group day care home sponsoring organization that employs more than 1 employee, the organization does not base payments to an employee of the organization on the number of family or group day care homes recruited.''.

(c) TECHNICAL ASSISTANCE.—The last sentence of section 17(d)(1) of the National School Lunch Act (42 U.S.C. 1766(d)(1)) is amended by striking '', and shall provide technical assistance'' and all that follows through ''its application''.

(d) REIMBURSEMENT OF CHILD CARE INSTITUTIONS.—Section 17(f)(2)(B) of the National School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by striking ''two meals and two supplements or three meals and one supplement'' and inserting ''2 meals and 1 supplement''.

(e) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—

(1) RESTRUCTURED DAY CARE HOME REIMBURSEMENTS.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by striking ''(3)(A) Institutions'' and all that follows through the end of subparagraph (A) and inserting the following:

''(3) REIMBURSEMENT OF FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

''(A) REIMBURSEMENT FACTOR.—

''(i) IN GENERAL.—An institution that participates in the program under this section as a family or group day care home sponsoring organization shall be provided, for payment to a home sponsored by the organization, reimbursement factors in accordance with this subparagraph for the cost of obtaining and preparing food and prescribed labor costs involved in providing meals under this section.

''(ii) TIER I FAMILY OR GROUP DAY CARE HOMES.—

''(I) DEFINITION OF TIER I FAMILY OR GROUP DAY CARE HOME.—In this paragraph, the term 'tier I family or group day care home' means—

''(aa) a family or group day care home that is located in a geographic area, as defined by the Secretary based on census data, in which at least 50 percent of the children residing in the area are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9;

''(bb) a family or group day care home that is located in an area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

''(cc) a family or group day care home that is operated by a provider whose household meets the income eligibility guidelines for free or reduced price meals under section 9 and whose income is verified by the sponsoring or organization of the home under regulations established by the Secretary.

''(II) REIMBURSEMENT.—Except as provided in subclause (III), a tier I family or group day care home shall be provided reimbursement factors under this clause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

''(III) FACTORS.—Except as provided in subclause (IV), the reimbursement factors applied to a home referred to in subclause (II) shall be the factors in effect on July 1, 1996.

''(IV) ADJUSTMENTS.—The reimbursement factors under this subparagraph shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this subparagraph shall be rounded to the nearest lower cent increment and based on the unrounded adjustment in effect on June 30 of the preceding school year.

''(iii) TIER II FAMILY OR GROUP DAY CARE HOMES.—

''(I) IN GENERAL.—

''(aa) FACTORS.—Except as provided in subclause (II), with respect to meals or supplements served under this clause by a family or group day care home that does not meet the criteria set forth in clause (ii)(I), the reimbursement factors shall be $1 for lunches and suppers, 30 cents for breakfasts, and 15 cents for supplements.

''(bb) ADJUSTMENTS.—The factors shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this item shall be rounded down to the nearest lower cent increment

and based on the unrounded adjustment for the preceding 12-month period.

''(cc) REIMBURSEMENT.—A family or group day care home shall be provided reimbursement factors under this subclause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

''(II) OTHER FACTORS.—A family or group day care home that does not meet the criteria set forth in clause (ii)(I) may elect to be provided reimbursement factors determined in accordance with the following requirements:

''(aa) CHILDREN ELIGIBLE FOR FREE OR REDUCED PRICE MEALS.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9, the family or group day care home shall be provided reimbursement factors set by the Secretary in accordance with clause (ii)(III).

''(bb) INELIGIBLE CHILDREN.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes do not meet the income eligibility guidelines, the family or group day care home shall be provided reimbursement factors in accordance with subclause (I).

''(III) INFORMATION AND DETERMINATIONS.—

''(aa) IN GENERAL.—If a family or group day care home elects to claim the factors described in subclause (II), the family or group day care home sponsoring organization serving the home shall collect the necessary income information, as determined by the Secretary, from any parent or other caretaker to make the determinations specified in subclause (II) and shall make the determinations in accordance with rules prescribed by the Secretary.

''(bb) CATEGORICAL ELIGIBILITY.—In making a determination under item (aa), a family or group day care home sponsoring organization may consider a child participating in or subsidized under, or a child with a parent participating in or subsidized under, a federally or State supported child care or other benefit program with an income eligibility limit that does not exceed the eligibility standard for free or reduced price meals under section 9 to be a child who is a member of a household whose income meets the income eligibility guidelines under section 9.

''(cc) FACTORS FOR CHILDREN ONLY.—A family or group day care home may elect to receive the reimbursement factors prescribed under clause (ii)(III) solely for the children participating in a program referred to in item (bb) if the home elects not to have income statements collected from parents or other caretakers.

''(IV) SIMPLIFIED MEAL COUNTING AND REPORTING PROCEDURES.—The Secretary shall prescribe simplified meal counting and reporting procedures for use by a family or group day care home that elects to claim the factors under subclause (II) and by a family or group day care home sponsoring organization that sponsors the home. The procedures the Secretary prescribes may include 1 or more of the following:

''(aa) Setting an annual percentage for each home of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under clause (ii)(III) and an annual percentage of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under subclause (I), based on the family income of children enrolled in the home in a specified month or other period.

''(bb) Placing a home into 1 of 2 or more reimbursement categories annually based on the percentage of children in the home whose households have incomes that meet the income eligibility guidelines under section 9, with each such reimbursement category carrying a set of reimbursement factors such as the factors prescribed under clause (ii)(III) or subclause (I) or factors established within the range of factors prescribed under clause (ii)(III) and subclause (I).

''(cc) Such other simplified procedures as the Secretary may prescribe.

''(V) MINIMUM VERIFICATION REQUIREMENTS.—The Secretary may establish any minimum verification requirements that are necessary to carry out this clause.''.

(2) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by adding at the end the following:

''(D) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—

''(i) IN GENERAL.—

''(I) RESERVATION.—From amounts made available to carry out this section, the Secretary shall reserve $5,000,000 of the amount made available for fiscal year 1997.

''(II) PURPOSE.—The Secretary shall use the funds made available under subclause (I) to provide grants to States for the purpose of providing—

''(aa) assistance, including grants, to family and day care home sponsoring organizations and other appropriate organizations, in securing and providing training, materials, automated data processing assistance, and other assistance for the staff of the sponsoring organizations; and

''(bb) training and other assistance to family and group day care homes in the implementation of the amendment to subparagraph (A) made by section 1208(e)(1) of the Agricultural Reconciliation Act of 1996.

''(ii) ALLOCATION.—The Secretary shall allocate from the funds reserved under clause (i)(I)—

''(I) $30,000 in base funding to each State; and

''(II) any remaining amount among the States, based on the number of family day care homes participating in the program in a State during fiscal year 1995 as a percentage of the number of all family day care homes participating in the program during fiscal year 1995.

''(iii) RETENTION OF FUNDS.—Of the amount of funds made available to a State for fiscal year 1997 under clause (i), the State may retain not to exceed 30 percent of the amount to carry out this subparagraph.

''(iv) ADDITIONAL PAYMENTS.—Any payments received under this subparagraph shall be in addition to payments that a State receives under subparagraph (A).''.

(3) PROVISION OF DATA.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)), as amended by paragraph (2), is amended by adding at the end the following:

''(E) PROVISION OF DATA TO FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

''(i) CENSUS DATA.—The Secretary shall provide to each State agency administering a child and adult care food program under this section data from the most recent decennial census survey or other appropriate census survey for which the data are available showing which areas in the State meet the requirements of subparagraph (A)(ii)(I)(aa). The State agency shall provide the data to family or group day care home sponsoring organizations located in the State.

''(ii) SCHOOL DATA.—

''(I) IN GENERAL.—A State agency administering the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide to approved family or group day care home sponsoring organizations a list of schools serving elementary school children in the State in which not less than ½ of the children enrolled are certified to receive free or reduced price meals. The State agency shall collect the data necessary to create the list annually and provide the list on a timely basis to any approved family or group day care home sponsoring organization that requests the list.

''(II) USE OF DATA FROM PRECEDING SCHOOL YEAR.—In determining for a fiscal year or other annual period whether a home qualifies as a tier I family or group day care home under subparagraph (A)(ii)(I), the State agency administering the program under this section, and a family or group day care home sponsoring organization, shall use the most current available data at the time of the determination.

''(iii) DURATION OF DETERMINATION.—For purposes of this section, a determination that a family or group day care home is located in an area that qualifies the home as a tier I family or group day care home (as the term is defined in subparagraph (A)(ii)(I)), shall be in effect for 3 years (unless the determination is made on the basis of census data, in which case the determination shall remain in effect until more recent census data are available) unless the State agency determines that the area in which the home is located no longer qualifies the home as a tier I family or group day care home.''.

(4) CONFORMING AMENDMENTS.—Section 17(c) of the National School Lunch Act (42 U.S.C. 1766(c)) is amended by inserting ''except as provided in subsection (f)(3),'' after ''For purposes of this section,'' each place it appears in paragraphs (1), (2), and (3).

(f) REIMBURSEMENT.—Section 17(f) of the National School Lunch Act (42 U.S.C. 1766(f)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (B), by striking the third and fourth sentences; and

(B) in subparagraph (C)(ii), by striking ''conduct outreach'' and all that follows through ''may become'' and inserting ''assist unlicensed family or group day care homes in becoming''; and

(2) in the first sentence of paragraph (4), by striking ''shall'' and inserting ''may''.

(g) NUTRITIONAL REQUIREMENTS.—Section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)) is amended—

(1) in subparagraph (A), by striking the second sentence; and

(2) in subparagraph (B), by striking the second sentence.

(h) ELIMINATION OF STATE PAPERWORK AND OUTREACH BURDEN.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (k) and inserting the following:

''(k) TRAINING AND TECHNICAL ASSISTANCE.—A State participating in the program established under this section shall provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the program. The Secretary shall assist the State in developing plans to fulfill the requirements of this subsection.''.

(i) RECORDS.—The second sentence of section 17(m) of the National School Lunch Act (42 U.S.C. 1766(m)) is amended by striking ''at all times'' and inserting ''at any reasonable time''.

(j) INFORMATION FOR PARENTS.—Section 17 of the National School Lunch Act (42 U.S.C.

1766) is amended by striking subsection (q) and inserting the following:

''(q) INFORMATION FOR PARENTS.—The State agency shall ensure that, at least once a year, child care institutions provide written information to parents that includes—

''(1) basic information on the benefits of the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

''(2) information on the maximum income limits, according to family size, applicable to the program; and

''(3) information on where parents may apply to participate in the program.''.

(k) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on the date of enactment of this Act.

(2) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—The amendments made by paragraphs (1) and (4) of subsection (e) shall become effective on July 1, 1997.

(3) REGULATIONS.—

(A) INTERIM REGULATIONS.—Not later than January 1, 1997, the Secretary of Agriculture shall issue interim regulations to implement—

(i) the amendments made by paragraphs (1), (3), and (4) of subsection (e); and

(ii) section 17(f)(3)(C) of the National School Lunch Act (42 U.S.C. 1766(f)(3)(C)).

(B) FINAL REGULATIONS.—Not later than July 1, 1997, the Secretary of Agriculture shall issue final regulations to implement the provisions of law referred to in subparagraph (A).

(l) STUDY OF IMPACT OF AMENDMENTS ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING.—

(1) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of Health and Human Services, shall study the impact of the amendments made by this section on—

(A) the number of family day care homes participating in the child and adult care food program established under section 17 of the National School Lunch Act (42 U.S.C. 1766);

(B) the number of day care home sponsoring organizations participating in the program;

(C) the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary;

(D) the rate of growth of the numbers referred to in subparagraphs (A) through (C);

(E) the nutritional adequacy and quality of meals served in family day care homes that—

(i) received reimbursement under the program prior to the amendments made by this section but do not receive reimbursement after the amendments made by this section; or

(ii) received full reimbursement under the program prior to the amendments made by this section but do not receive full reimbursement after the amendments made by this section; and

(F) the proportion of low-income children participating in the program prior to the amendments made by this section and the proportion of low-income children participating in the program after the amendments made by this section.

(2) REQUIRED DATA.—Each State agency participating in the child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766) shall submit to the Secretary of Agriculture data on—

(A) the number of family day care homes participating in the program on June 30, 1997, and June 30, 1998;

(B) the number of family day care homes licensed, certified, registered, or approved for service on June 30, 1997, and June 30, 1998; and

(C) such other data as the Secretary may require to carry out this subsection.

(3) SUBMISSION OF REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary of Agriculture shall submit the study required under this subsection to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

**SEC. 1208. PILOT PROJECTS.**

(a) UNIVERSAL FREE PILOT.—Section 18(d) of the National School Lunch Act (42 U.S.C. 1769(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) DEMONSTRATION PROJECT OUTSIDE SCHOOL HOURS.—Section 18(e) of the National School Lunch Act (42 U.S.C. 1769(e)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''(A)''; and

(ii) by striking ''shall'' and inserting ''may''; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (5) and inserting the following:

''(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 1997 and 1998.''.

(c) CONFORMING AMENDMENT.—Section 17B(d)(1)(A) of the National School Lunch Act (42 U.S.C. 1766b(d)(1)(A)) is amended by striking ''18(c)'' and inserting ''18(b)''.

**SEC. 1209. REDUCTION OF PAPERWORK.**

Section 19 of the National School Lunch Act (42 U.S.C. 1769a) is repealed.

**SEC. 1210. INFORMATION ON INCOME ELIGIBILITY.**

Section 23 of the National School Lunch Act (42 U.S.C. 1769d) is repealed.

**SEC. 1211. NUTRITION GUIDANCE FOR CHILD NUTRITION PROGRAMS.**

Section 24 of the National School Lunch Act (42 U.S.C. 1769e) is repealed.

## CHAPTER 2—AMENDMENTS TO THE CHILD NUTRITION ACT OF 1966

**SEC. 1251. SPECIAL MILK PROGRAM.**

Section 3(a)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)(3)) is amended by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''.

**SEC. 1252. FREE AND REDUCED PRICE POLICY STATEMENT.**

Section 4(b)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)) is amended by adding at the end the following:

''(E) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school food authority to submit a policy statement.''.

**SEC. 1253. SCHOOL BREAKFAST PROGRAM AUTHORIZATION.**

(a) TRAINING AND TECHNICAL ASSISTANCE IN FOOD PREPARATION.—Section 4(e)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)(1)(B)) is amended by striking the second sentence.

(b) EXPANSION OF PROGRAM; STARTUP AND EXPANSION COSTS.—

(1) IN GENERAL.—Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsections (f) and (g).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall become effective on October 1, 1996.

**SEC. 1254. STATE ADMINISTRATIVE EXPENSES.**

(a) USE OF FUNDS FOR COMMODITY DISTRIBUTION ADMINISTRATION; STUDIES.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking subsections (e) and (h); and

(2) by redesignating subsections (f), (g), and (i) as subsections (e), (f), and (g), respectively.

(b) APPROVAL OF CHANGES.—Section 7(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(e)), as so redesignated, is amended—

(1) by striking ''each year an annual plan'' and inserting ''the initial fiscal year a plan''; and

(2) by adding at the end the following: ''After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.''.

**SEC. 1255. REGULATIONS.**

Section 10(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1779(b)) is amended—

(1) in paragraph (1), by striking ''(1)''; and

(2) by striking paragraphs (2) through (4).

**SEC. 1256. PROHIBITIONS.**

Section 11(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1780(a)) is amended by striking ''neither the Secretary nor the State shall'' and inserting ''the Secretary shall not''.

**SEC. 1257. MISCELLANEOUS PROVISIONS AND DEFINITIONS.**

Section 15 of the Child Nutrition Act of 1966 (42 U.S.C. 1784) is amended—

(1) in paragraph (1), by striking ''the Trust Territory of the Pacific Islands'' and inserting ''the Commonwealth of the Northern Mariana Islands''; and

(2) in the first sentence of paragraph (3)—

(A) in subparagraph (A), by inserting ''and'' at the end; and

(B) by striking '', and (C)'' and all that follows through ''Governor of Puerto Rico''.

**SEC. 1258. ACCOUNTS AND RECORDS.**

The second sentence of section 16(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1785(a)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

**SEC. 1259. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.**

(a) DEFINITIONS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended—

(1) in paragraph (15)(B)(iii), by inserting ''of not more than 365 days'' after ''accommodation''; and

(2) in paragraph (16)—

(A) in subparagraph (A), by adding ''and'' at the end; and

(B) in subparagraph (B), by striking ''; and'' and inserting a period; and

(C) by striking subparagraph (C).

(b) SECRETARY'S PROMOTION OF WIC.—Section 17(c) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)) is amended by striking paragraph (5).

(c) ELIGIBLE PARTICIPANTS.—Section 17(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)) is amended by striking paragraph (4).

(d) STATE PLAN.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''annually to the Secretary, by a date specified by the Secretary, a'' and

inserting ''to the Secretary, by a date specified by the Secretary, an initial''; and

(ii) by adding at the end the following: ''After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.'';

(B) in subparagraph (C)—

(i) by striking clause (iii) and inserting the following:

''(iii) a plan to coordinate operations under the program with other services or programs that may benefit participants in, and applicants for, the program;'';

(ii) in clause (vi), by inserting after ''in the State'' the following: ''(including a plan to improve access to the program for participants and prospective applicants who are employed, or who reside, in rural areas)'';

(iii) in clause (vii), by striking ''to provide program benefits'' and all that follows through ''emphasis on'' and inserting ''for'';

(iv) by striking clauses (ix), (x), and (xii);

(v) in clause (xiii), by striking ''may require'' and inserting ''may reasonably require'';

(vi) by redesignating clauses (xi) and (xiii), as so amended, as clauses (ix) and (x), respectively; and

(vii) in clause (ix), as so redesignated, by adding ''and'' at the end;

(C) by striking subparagraph (D); and

(D) by redesignating subparagraph (E) as subparagraph (D);

(2) in the second sentence of paragraph (5), by striking ''at all times be available'' and inserting ''be available at any reasonable time'';

(3) in paragraph (9)(B), by striking the second sentence;

(4) in the first sentence of paragraph (11), by striking '', including standar5s that will ensure sufficient State agency staff'';

(5) in paragraph (12), by striking the third sentence;

(6) in paragraph (17), by striking ''and to accommodate'' and all that follows through ''facilities'';

(7) in paragraph (19), by striking ''shall'' and inserting ''may''; and

(8) by redesignating paragraphs (3), (4), (5), (7), (9) through (21), (23), and (24) as paragraphs (2), (3), (4), (5), (6) through (18), (19), and (20), respectively.

(e) INFORMATION.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended—

(1) in paragraph (5), by striking ''the report required under subsection (d)(4)'' and inserting ''reports on program participant characteristics''; and

(2) by striking paragraph (6).

(f) PROCUREMENT OF INFANT FORMULA.—

(1) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended—

(A) in paragraph (4)(E), by striking ''and, on'' and all that follows through ''(d)(4)'';

(B) in paragraph (8)—

(i) by striking subparagraphs (A), (C), and (M);

(ii) in subparagraph (G)—

(I) in clause (i), by striking ''(i)''; and

(II) by striking clauses (ii) through (ix);

(iii) in subparagraph (I), by striking ''Secretary—'' and all that follows through ''(v) may'' and inserting ''Secretary may'';

(iv) by redesignating subparagraphs (B) and (D) through (L) as subparagraphs (A) and (B) through (J), respectively;

(v) in subparagraph (A)(i), as so redesignated, by striking ''subparagraphs (C), (D), and (E)(iii), in carrying out subparagraph (A),'' and inserting ''subparagraphs (B) and (C)(iii),'';

(vi) in subparagraph (B)(i), as so redesignated, by striking ''subparagraph (B)'' each place it appears and inserting ''subparagraph (A)''; and

(vii) in subparagraph (C)(iii), as so redesignated, by striking ''subparagraph (B)'' and inserting ''subparagraph (A)''; and

(2) APPLICATION.—The amendments made by paragraph (1) shall not apply to a contract for the procurement of infant formula under section 17(h)(8) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)) that is in effect on the date of enactment of this subsection.

(g) NATIONAL ADVISORY COUNCIL ON MATERNAL, INFANT, AND FETAL NUTRITION.—Section 17(k)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(k)(3)) is amended by striking ''Secretary shall designate'' and inserting ''Council shall elect''.

(h) COMPLETED STUDY; COMMUNITY COLLEGE DEMONSTRATION; GRANTS FOR INFORMATION AND DATA SYSTEM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsections (n), (o), and (p).

(i) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), as amended by subsection (i), is amended by adding at the end the following:

''(n) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—

''(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this section of an approved vendor that is disqualified from accepting benefits under the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

''(2) TERMS.—A disqualification under paragraph (1)—

''(A) shall be for the same period as the disqualification from the program referred to in paragraph (1);

''(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

''(C) shall not be subject to judicial or administrative review.''.

**SEC. 1260. CASH GRANTS FOR NUTRITION EDUCATION.**

Section 18 of the Child Nutrition Act of 1966 (42 U.S.C. 1787) is repealed.

**SEC. 1261. NUTRITION EDUCATION AND TRAINING.**

(a) FINDINGS.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended—

(1) in subsection (a), by striking ''that—'' and all that follows through the period at the end and inserting ''that effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged.''; and

(2) in the first sentence of subsection (b), by striking ''encourage'' and all that follows through ''establishing'' and inserting ''establish''.

(b) USE OF FUNDS.—Section 19(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(f)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B); and

(B) in subparagraph (A)—

(i) by striking ''(A)'';

(ii) by striking clauses (ix) through (xix);

(iii) by redesignating clauses (i) through (viii) and (xx) as subparagraphs (A) through (H) and (I), respectively;

(iv) in subparagraph (I), as so redesignated, by striking the period at the end and inserting ''; and''; and

(v) by adding at the end the following:

''(J) other appropriate related activities, as determined by the State.'';

(2) by striking paragraphs (2) and (4); and

(3) by redesignating paragraph (3) as paragraph (2).

(c) ACCOUNTS, RECORDS, AND REPORTS.—The second sentence of section 19(g)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(g)(1)) is amended by striking ''at all times be available'' and inserting ''be available at any reasonable time''.

(d) STATE COORDINATORS FOR NUTRITION; STATE PLAN.—Section 19(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(h)) is amended—

(1) in the second sentence of paragraph (1)—

(A) by striking ''as provided in paragraph (2) of this subsection''; and

(B) by striking ''as provided in paragraph (3) of this subsection'';

(2) in paragraph (2), by striking the second and third sentences; and

(3) by striking paragraph (3).

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 19(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)) is amended—

(1) in the first sentence of paragraph (2)(A), by striking ''and each succeeding fiscal year'';

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by inserting after paragraph (2) the following:

''(3) FISCAL YEARS 1997 THROUGH 2002.—

''(A) IN GENERAL.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 1997 through 2002.

''(B) GRANTS.—

''(i) IN GENERAL.—Grants to each State from the amounts made available under subparagraph (A) shall be based on a rate of 50 cents for each child enrolled in schools or institutions within the State, except that no State shall receive an amount less than $75,000 per fiscal year.

''(ii) INSUFFICIENT FUNDS.—If the amount made available for any fiscal year is insufficient to pay the amount to which each State is entitled under clause (i), the amount of each grant shall be ratably reduced.''.

(f) ASSESSMENT.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended by striking subsection (j).

(g) EFFECTIVE DATE.—The amendments made by subsection (e) shall become effective on October 1, 1996.

**SEC. 1262. ROUNDING RULES.**

(a) SPECIAL MILK PRICE PROGRAM RATES.—Section 3(a)(8) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)(8)) is amended by striking ''one-fourth cent'' and inserting ''lower cent increment''.

(b) REDUCED PRICE BREAKFAST RATES.—Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended—

(1) in the second sentence of paragraph (1)(B), by striking ''one-fourth cent'' and inserting ''lower cent increment''; and

(2) in paragraph (2)(B)(ii), by striking ''one-fourth cent'' and inserting ''lower cent increment''.

(c) COMMODITY RATE.—The second sentence of section 6(e)(1)(B) of the National School Lunch Act (42 U.S.C. 1755(e)(1)(B)) is amended by striking ''¼ cent'' and inserting ''lower cent increment''.

(d) LUNCH, BREAKFAST, AND SUPPLEMENT RATES.—The third sentence of section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C. 1759a(a)(3)(B)) is amended by striking ''one-fourth cent'' and inserting ''lower cent increment''.

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective on July 1, 1996.

**TITLE II—COMMITTEE ON FINANCE**

**Subtitle A—Welfare Reform**

**SEC. 2001. SHORT TITLE OF SUBTITLE.**

This subtitle may be cited as the ''Personal Responsibility and Work Opportunity Act of 1996''.

**SEC. 2002. TABLE OF CONTENTS OF SUBTITLE.**

The table of contents for this subtitle is as follows:


*TITLE II—COMMITTEE ON FINANCE*

*Subtitle A—Welfare Reform*

*Sec. 2001. Short title.*
*Sec. 2002. Table of contents.*

*CHAPTER 1—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES*

*Sec. 2101. Findings.*
*Sec. 2102. Reference to Social Security Act.*
*Sec. 2103. Block grants to States.*
*Sec. 2104. Services provided by charitable, religious, or private organizations.*
*Sec. 2105. Census data on grandparents as primary caregivers for their grandchildren.*
*Sec. 2106. Report on data processing.*
*Sec. 2107. Study on alternative outcomes measures.*
*Sec. 2108. Welfare Formula Fairness Commission.*
*Sec. 2109. Conforming amendments to the Social Security Act.*
*Sec. 2110. Conforming amendments to the Food Stamp Act of 1977 and related provisions.*
*Sec. 2111. Conforming amendments to other laws.*
*Sec. 2112. Development of prototype of counterfeit-resistant social security card required.*
*Sec. 2113. Modifications to the job opportunities for certain low-income individuals program.*
*Sec. 2114. Secretarial submission of legislative proposal for technical and conforming amendments.*
*Sec. 2115. Effective date; transition rule.*
*Sec. 2116. Community Steering Committees demonstration projects.*
*Sec. 2117. Denial of benefits for certain drug related convictions.*

*CHAPTER 2—SUPPLEMENTAL SECURITY INCOME*

*Sec. 2200. Reference to Social Security Act.*

*SUBCHAPTER A—ELIGIBILITY RESTRICTIONS*

*Sec. 2201. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.*
*Sec. 2202. Denial of SSI benefits for fugitive felons and probation and parole violators.*
*Sec. 2203. Treatment of prisoners.*
*Sec. 2204. Effective date of application for benefits.*

*SUBCHAPTER B—BENEFITS FOR DISABLED CHILDREN*

*Sec. 2211. Definition and eligibility rules.*
*Sec. 2212. Eligibility redeterminations and continuing disability reviews.*
*Sec. 2213. Additional accountability requirements.*
*Sec. 2214. Reduction in cash benefits payable to institutionalized individuals whose medical costs are covered by private insurance.*
*Sec. 2215. Regulations.*

*SUBCHAPTER C—ADDITIONAL ENFORCEMENT PROVISION*

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## CHAPTER 1—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

### SEC. 2101. FINDINGS.

The Congress makes the following findings:

(1) Marriage is the foundation of a successful society.

(2) Marriage is an essential institution of a successful society which promotes the interests of children.

(3) Promotion of responsible fatherhood and motherhood is integral to successful child rearing and the well-being of children.

(4) In 1992, only 54 percent of single-parent families with children had a child support order established and, of that 54 percent, only about one-half received the full amount due. Of the cases enforced through the public child support enforcement system, only 18 percent of the caseload has a collection.

(5) The number of individuals receiving aid to families with dependent children (in this section referred to as ''AFDC'') has more than tripled since 1965. More than two-thirds of these recipients are children. Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

(A)(i) The average monthly number of children receiving AFDC benefits—

(I) was 3,300,000 in 1965;

(II) was 6,200,000 in 1970;

(III) was 7,400,000 in 1980; and

(IV) was 9,300,000 in 1992.

(ii) While the number of children receiving AFDC benefits increased nearly threefold between 1965 and 1992, the total number of children in the United States aged 0 to 18 has declined by 5.5 percent.

(B) The Department of Health and Human Services has estimated that 12,000,000 children will receive AFDC benefits within 10 years.

(C) The increase in the number of children receiving public assistance is closely related to the increase in births to unmarried women. Between 1970 and 1991, the percentage of live births to unmarried women increased nearly threefold, from 10.7 percent to 29.5 percent.

(6) The increase of out-of-wedlock pregnancies and births is well documented as follows:

(A) It is estimated that the rate of nonmarital teen pregnancy rose 23 percent from 54 pregnancies per 1,000 unmarried teenagers in 1976 to 66.7 pregnancies in 1991. The overall rate of nonmarital pregnancy rose 14 percent from 90.8 pregnancies per 1,000 unmarried women in 1980 to 103 in both 1991 and 1992. In contrast, the overall pregnancy rate for married couples decreased 7.3 percent between 1980 and 1991, from 126.9 pregnancies per 1,000 married women in 1980 to 117.6 pregnancies in 1991.

(B) The total of all out-of-wedlock births between 1970 and 1991 has risen from 10.7 percent to 29.5 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock.

(7) An effective strategy to combat teenage pregnancy must address the issue of male responsibility, including statutory rape culpability and prevention. The increase of teenage pregnancies among the youngest girls is particularly severe and is linked to predatory sexual practices by men who are significantly older.

(A) It is estimated that in the late 1980's, the rate for girls age 14 and under giving birth increased 26 percent.

(B) Data indicates that at least half of the children born to teenage mothers are fathered by adult men. Available data suggests that almost 70 percent of births to teenage girls are fathered by men over age 20.

(C) Surveys of teen mothers have revealed that a majority of such mothers have histories of sexual and physical abuse, primarily with older adult men.

(8) The negative consequences of an out-of-wedlock birth on the mother, the child, the family, and society are well documented as follows:

(A) Young women 17 and under who give birth outside of marriage are more likely to go on public assistance and to spend more years on welfare once enrolled. These combined effects of ''younger and longer'' increase total AFDC costs per household by 25 percent to 30 percent for 17-year-olds.

(B) Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight.

(C) Children born out-of-wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect.

(D) Children born out-of-wedlock were more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(E) Being born out-of-wedlock significantly reduces the chances of the child growing up to have an intact marriage.

(F) Children born out-of-wedlock are 3 times more likely to be on welfare when they grow up.

(9) Currently 35 percent of children in single-parent homes were born out-of-wedlock, nearly the same percentage as that of children in single-parent homes whose parents are divorced (37 percent). While many parents find themselves, through divorce or tragic circumstances beyond their control, facing the difficult task of raising children alone, nevertheless, the negative consequences of raising children in single-parent homes are well documented as follows:

(A) Only 9 percent of married-couple families with children under 18 years of age have income below the national poverty level. In contrast, 46 percent of female-headed households with children under 18 years of age are below the national poverty level.

(B) Among single-parent families, nearly ½ of the mothers who never married received AFDC while only ⅕ of divorced mothers received AFDC.

(C) Children born into families receiving welfare assistance are 3 times more likely to be on welfare when they reach adulthood than children not born into families receiving welfare.

(D) Mothers under 20 years of age are at the greatest risk of bearing low-birth-weight babies.

(E) The younger the single parent mother, the less likely she is to finish high school.

(F) Young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time.

(G) Between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000.

(H) The absence of a father in the life of a child has a negative effect on school performance and peer adjustment.

(I) Children of teenage single parents have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(J) Children of single-parent homes are 3 times more likely to fail and repeat a year in grade school than are children from intact 2-parent families.

(K) Children from single-parent homes are almost 4 times more likely to be expelled or suspended from school.

(L) Neighborhoods with larger percentages of youth aged 12 through 20 and areas with higher percentages of single-parent households have higher rates of violent crime.

(M) Of those youth held for criminal offenses within the State juvenile justice system, only 29.8 percent lived primarily in a home with both parents. In contrast to these incarcerated youth, 73.9 percent of the 62,800,000 children in the Nation's resident population were living with both parents.

(10) Therefore, in light of this demonstration of the crisis in our Nation, it is the sense of the Congress that prevention of out-of-wedlock pregnancy and reduction in out-of-wedlock birth and protection of teenage girls from pregnancy as well as predatory sexual behavior are very important Government interests and the policy contained in part A of title IV of the Social Security Act (as amended by section 2103(a) of this Act) is intended to address the crisis.

### SEC. 2102. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this chapter an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

### SEC. 2103. BLOCK GRANTS TO STATES.

(a) IN GENERAL.—Part A of title IV (42 U.S.C. 601 et seq.) is amended—

(1) by striking all that precedes section 418 (as added by section 2803(b)(2) of this Act) and inserting the following:

### ''PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

### ''SEC. 401. PURPOSE.

''(a) IN GENERAL.—The purpose of this part is to increase the flexibility of States in operating a program designed to—

''(1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

''(2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

*''(3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and*

*''(4) encourage the formation and maintenance of two-parent families.*

*''(b) NO INDIVIDUAL ENTITLEMENT.—This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.*

***''SEC. 402. ELIGIBLE STATES; STATE PLAN.***

*''(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that, during the 2-year period immediately preceding the fiscal year, has submitted to the Secretary a plan that the Secretary has found includes the following:*

*''(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—*

*''(A) GENERAL PROVISIONS.—A written document that outlines how the State intends to do the following:*

*''(i) Conduct a program, designed to serve all political subdivisions in the State (not necessarily in a uniform manner), that provides assistance to needy families with (or expecting) children and provides parents with job preparation, work, and support services to enable them to leave the program and become self-sufficient.*

*''(ii) Require a parent or caretaker receiving assistance under the program to engage in work (as defined by the State) once the State determines the parent or caretaker is ready to engage in work, or once the parent or caretaker has received assistance under the program for 24 months (whether or not consecutive), whichever is earlier.*

*''(iii) Ensure that parents and caretakers receiving assistance under the program engage in work activities in accordance with section 407.*

*''(iv) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government.*

*''(v) Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies, and establish numerical goals for reducing the illegitimacy ratio of the State (as defined in section 403(a)(2)(B)) for calendar years 1996 through 2005.*

*''(vi) Conduct a program, designed to reach State and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded in scope to include men.*

*''(vii) Determine, on an objective and equitable basis, the needs of and the amount of assistance to be provided to needy families, and, except as provided in subparagraph (B), treat families of similar needs and circumstances similarly.*

*''(viii) Grant an opportunity for a fair hearing before the appropriate State agency to any individual to whom assistance under the program has been denied, reduced, or terminated, or whose request for such assistance is not acted on with reasonable promptness.*

*''(B) SPECIAL PROVISIONS.—*

*''(i) The document shall indicate whether the State intends to treat families moving into the State from another State differently than other families under the program, and if so, how the State intends to treat such families under the program.*

*''(ii) The document shall indicate whether the State intends to provide assistance under the program to individuals who are not citizens of the United States, and if so, shall include an overview of such assistance.*

*''(iii) Not later than one year after the date of enactment of this Act, unless the State opts out of this provision by notifying the Secretary, a State shall, consistent with the exception provided in section 407(e)(2), require a parent or caretaker receiving assistance under the program who, after receiving such assistance for two months is not exempt from work requirements and is not engaged in work, as determined under section 407(c), to participate in community service employment, with minimum hours per week and tasks to be determined by the State.*

*''(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.*

*''(3) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State plan under title XIX (or XV, if applicable).*

*''(4) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—A certification by the chief executive officer of the State specifying which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations—*

*''(A) have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and*

*''(B) have had at least 45 days to submit comments on the plan and the design of such services.*

*''(5) CERTIFICATION THAT THE STATE WILL PROVIDE INDIANS WITH EQUITABLE ACCESS TO ASSISTANCE.—A certification by the chief executive officer of the State that, during the fiscal year, the State will provide each Indian who is a member of an Indian tribe in the State that does not have a tribal family assistance plan approved under section 412 with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.*

*''(6) CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE AGAINST PROGRAM FRAUD AND ABUSE.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.*

*''(7) CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE THAT THE STATE WILL SCREEN FOR AND IDENTIFY DOMESTIC VIOLENCE.—*

*''(A) IN GENERAL.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to—*

*''(i) screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;*

*''(ii) refer such individuals to counseling and supportive services; and*

*''(iii) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.*

*''(B) DOMESTIC VIOLENCE DEFINED.—For purposes of this paragraph, the term 'domestic violence' has the same meaning as the term 'battered or subjected to extreme cruelty', as defined in section 408(a)(8)(C)(iii).*

''(8) CERTIFICATION REGARDING ELIGIBILITY OF INDIVIDUAL WHO HAS BEEN BATTERED OR SUBJECTED TO EXTREME CRUELTY.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure that in the case of an individual who has been battered or subjected to extreme cruelty, as determined under section 408(a)(8)(C)(iii), the State will determine the eligibility of such individual for assistance under this part based solely on such individual's income.

''(b) PUBLIC AVAILABILITY OF STATE PLAN SUMMARY.—The State shall make available to the public a summary of any plan submitted by the State under this section.

**''SEC. 403. GRANTS TO STATES.**

''(a) GRANTS.—

''(1) FAMILY ASSISTANCE GRANT.—

''(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary, for each of fiscal years 1996, 1997, 1998, 1999, 2000, and 2001 a grant in an amount equal to the State family assistance grant.

''(B) STATE FAMILY ASSISTANCE GRANT DEFINED.—As used in this part, the term 'State family assistance grant' means the greatest of—

''(i) ⅓ of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for fiscal years 1992, 1993, and 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect));

''(ii)(I) the total amount required to be paid to the State under former section 403 for fiscal year 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect)); plus

''(II) an amount equal to 85 percent of the amount (if any) by which the total amount required to be paid to the State under former section 403(a)(5) for emergency assistance for fiscal year 1995 exceeds the total amount required to be paid to the State under former section 403(a)(5) for fiscal year 1994, if, during fiscal year 1994 or 1995, the Secretary approved under former section 402 an amendment to the former State plan to allow the provision of emergency assistance in the context of family preservation; or

''(iii) ⅔ of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for the 1st 3 quarters of fiscal year 1995 (other than with respect to amounts expended by the State under the State plan approved under part F (as so in effect) or for child care under subsection (g) or (i) of former section 402 (as so in effect)), plus the total amount required to be paid to the State for fiscal year 1995 under former section 403(l) (as so in effect).

''(C) TOTAL AMOUNT REQUIRED TO BE PAID TO THE STATE UNDER FORMER SECTION 403 DEFINED.—As used in this part, the term 'total amount required to be paid to the State under former section 403' means, with respect to a fiscal year—

''(i) in the case of a State to which section 1108 does not apply, the sum of—

''(I) the Federal share of maintenance assistance expenditures for the fiscal year, before reduction pursuant to subparagraph (B) or (C) of section 403(b)(2) (as in effect on September 30, 1995), as reported by the State on ACF Form 231;

''(II) the Federal share of administrative expenditures (including administrative expenditures for the development of management information systems) for the fiscal year, as reported by the State on ACF Form 231;

''(III) the Federal share of emergency assistance expenditures for the fiscal year, as reported by the State on ACF Form 231;

''(IV) the Federal share of expenditures for the fiscal year with respect to child care pursuant to subsections (g) and (i) of former section 402 (as in effect on September 30, 1995), as reported by the State on ACF Form 231; and

''(V) the aggregate amount required to be paid to the State for the fiscal year with respect to the State program operated under part F (as in effect on September 30, 1995), as determined by the Secretary, including additional obligations or reductions in obligations made after the close of the fiscal year; and

''(ii) in the case of a State to which section 1108 applies, the lesser of—

''(I) the sum described in clause (i); or

''(II) the total amount certified by the Secretary under former section 403 (as in effect during the fiscal year) with respect to the territory.

''(D) INFORMATION TO BE USED IN DETERMINING AMOUNTS.—

''(i) FOR FISCAL YEARS 1992 AND 1993.—

''(I) In determining the amounts described in subclauses (I) through (IV) of subparagraph (C)(i) for any State for each of fiscal years 1992 and 1993, the Secretary shall use information available as of April 28, 1995.

''(II) In determining the amount described in subparagraph (C)(i)(V) for any State for each of fiscal years 1992 and 1993, the Secretary shall use information available as of January 6, 1995.

''(ii) FOR FISCAL YEAR 1994.—In determining the amounts described in subparagraph (C)(i) for any State for fiscal year 1994, the Secretary shall use information available as of April 28, 1995.

''(iii) FOR FISCAL YEAR 1995.—

''(I) In determining the amount described in subparagraph (B)(ii)(II) for any State for fiscal year 1995, the Secretary shall use the information which was reported by the States and estimates made by the States with respect to emergency assistance expenditures and was available as of August 11, 1995.

''(II) In determining the amounts described in subclauses (I) through (III) of subparagraph (C)(i) for any State for fiscal year 1995, the Secretary shall use information available as of October 2, 1995.

''(III) In determining the amount described in subparagraph (C)(i)(IV) for any State for fiscal year 1995, the Secretary shall use information available as of February 28, 1996.

''(IV) In determining the amount described in subparagraph (C)(i)(V) for any State for fiscal year 1995, the Secretary shall use information available as of October 5, 1995.

''(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1996, 1997, 1998, 1999, 2000, and 2001 such sums as are necessary for grants under this paragraph.

''(2) GRANT TO REWARD STATES THAT REDUCE OUT-OF-WEDLOCK BIRTHS.—

''(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary for fiscal year 1998 or any succeeding fiscal year, an illegitimacy reduction bonus if—

''(i) the State demonstrates that the number of out-of-wedlock births that occurred in the State during the most recent 2-year period for which such information is available decreased as compared to the number of such births that occurred during the previous 2-year period; and

''(ii) the rate of induced pregnancy terminations in the State for the fiscal year is less than the rate of induced pregnancy terminations in the State for fiscal year 1995.

''(B) PARTICIPATION IN ILLEGITIMACY BONUS.—A State that demonstrates a decrease under subparagraph (A)(i) shall be eligible for a grant under paragraph (5).

''(II) the rate of induced pregnancy terminations in the State for the fiscal year is less than the rate of induced pregnancy terminations in the State for fiscal year 1995.

''(C) ILLEGITIMACY RATIO.—As used in this paragraph, the term 'illegitimacy ratio' means, with respect to a State and a fiscal year—

''(i) the number of out-of-wedlock births that occurred in the State during the most recent fiscal year for which such information is available; divided by

''(ii) the number of births that occurred in the State during the most recent fiscal year for which such information is available.

''(D) DISREGARD OF CHANGES IN DATA DUE TO CHANGED REPORTING METHODS.—For purposes of subparagraph (A), the Secretary shall disregard—

''(i) any difference between the illegitimacy ratio of a State for a fiscal year and the illegitimacy ratio of the State the preceding 2 fiscal years which is attributable to a change in State methods of reporting data used to calculate the illegitimacy ratio; and

''(ii) any difference between the rate of induced pregnancy terminations in a State for a fiscal year and such rate for fiscal year 1995 which is attributable to a change in State methods of reporting data used to calculate such rate.

''(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 1998 and for each succeeding fiscal year such sums as are necessary for grants under this paragraph.

''(3) SUPPLEMENTAL GRANT FOR POPULATION INCREASES IN CERTAIN STATES.—

''(A) IN GENERAL.—Each qualifying State shall, subject to subparagraph (F), be entitled to receive from the Secretary—

''(i) for fiscal year 1998 a grant in an amount equal to 2.5 percent of the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(ii) for each of fiscal years 1999, 2000, and 2001, a grant in an amount equal to the sum of—

''(I) the amount (if any) required to be paid to the State under this paragraph for the immediately preceding fiscal year; and

''(II) 2.5 percent of the sum of—

''(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(bb) the amount (if any) required to be paid to the State under this paragraph for the fiscal year preceding the fiscal year for which the grant is to be made.

''(B) PRESERVATION OF GRANT WITHOUT INCREASES FOR STATES FAILING TO REMAIN QUALIFYING STATES.—Each State that is not a qualifying State for a fiscal year specified in subparagraph (A)(ii) but was a qualifying State for a prior fiscal year shall, subject to subparagraph (F), be entitled to receive from the Secretary for the specified fiscal year, a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year for which the State was a qualifying State.

''(C) QUALIFYING STATE.—

''(i) IN GENERAL.—For purposes of this paragraph, a State is a qualifying State for a fiscal year if—

''(I) the level of welfare spending per poor person by the State for the immediately preceding fiscal year is less than the national average level of State welfare spending per poor person for such preceding fiscal year; and

''(II) the population growth rate of the State (as determined by the Bureau of the Census) for the most recent fiscal year for which information is available exceeds the average population growth rate for all States (as so determined) for such most recent fiscal year.

''(ii) STATE MUST QUALIFY IN FISCAL YEAR 1998.—Notwithstanding clause (i), a State shall not be a qualifying State for any fiscal year after 1998 by reason of clause (i) if the State is not a qualifying State for fiscal year 1998 by reason of clause (i).

''(iii) CERTAIN STATES DEEMED QUALIFYING STATES.—For purposes of this paragraph, a State is deemed to be a qualifying State for fiscal years 1998, 1999, 2000, and 2001 if—

''(I) the level of welfare spending per poor person by the State for fiscal year 1997 is less than 35 percent of the national average level of State welfare spending per poor person for fiscal year 1996; or

''(II) the population of the State increased by more than 10 percent from April 1, 1990 to July 1, 1994, according to the population estimates in publication CB94-204 of the Bureau of the Census.

''(D) DEFINITIONS.—As used in this paragraph:

''(i) LEVEL OF WELFARE SPENDING PER POOR PERSON.—The term 'level of State welfare spending per poor person' means, with respect to a State and a fiscal year—

''(I) the sum of—

''(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

''(bb) the amount (if any) paid to the State under this paragraph for the immediately preceding fiscal year; divided by

''(II) the number of individuals, according to the 1990 decennial census, who were residents of the State and whose income was below the poverty line.

''(ii) NATIONAL AVERAGE LEVEL OF STATE WELFARE SPENDING PER POOR PERSON.—The term 'national average level of State welfare spending per poor person' means, with respect to a fiscal year, an amount equal to—

''(I) the total amount required to be paid to the States under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; divided by

''(II) the number of individuals, according to the 1990 decennial census, who were residents of any State and whose income was below the poverty line.

''(iii) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

''(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1998, 1999, 2000, and 2001 such sums as are necessary for grants under this paragraph, in a total amount not to exceed $800,000,000.

''(F) GRANTS REDUCED PRO RATA IF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated pursuant to this paragraph for a fiscal year is less than the total amount of payments otherwise required to be made under this paragraph for the fiscal year, then the amount otherwise payable to any State for the fiscal year under this paragraph shall be reduced by a percentage equal to the amount so appropriated divided by such total amount.

''(G) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the

baseline shall assume that no grant shall be made under this paragraph after fiscal year 2000.

''(4) BONUS TO REWARD HIGH PERFORMANCE STATES.—

''(A) IN GENERAL.—The Secretary shall make a grant pursuant to this paragraph to each State for each bonus year for which the State is a high performing State.

''(B) AMOUNT OF GRANT.—

''(i) IN GENERAL.—Subject to clause (ii) of this subparagraph, the Secretary shall determine the amount of the grant payable under this paragraph to a high performing State for a bonus year, which shall be based on the score assigned to the State under subparagraph (D)(i) for the fiscal year that immediately precedes the bonus year.

''(ii) LIMITATION.—The amount payable to a State under this paragraph for a bonus year shall not exceed 5 percent of the State family assistance grant.

''(C) FORMULA FOR MEASURING STATE PERFORMANCE.—Not later than 1 year after the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, the Secretary, in consultation with the National Governors' Association and the American Public Welfare Association, shall develop a formula for measuring State performance in operating the State program funded under this part so as to achieve the goals set forth in section 401(a). Such formula shall emphasize the extent to which the State increases the number of families that become ineligible for assistance under the State program funded under this part as a result of unsubsidized employment.

''(D) SCORING OF STATE PERFORMANCE; SETTING OF PERFORMANCE THRESHOLDS.—For each bonus year, the Secretary shall—

''(i) use the formula developed under subparagraph (C) to assign a score to each eligible State for the fiscal year that immediately precedes the bonus year; and

''(ii) prescribe a performance threshold in such a manner so as to ensure that—

''(I) the average annual total amount of grants to be made under this paragraph for each bonus year equals the amount specified for such bonus year in subparagraph (E)(ii); and

''(II) the total amount of grants to be made under this paragraph for all bonus years equals $1,000,000,000.

''(E) DEFINITIONS.—As used in this paragraph:

''(i) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, 2002, and 2003.

''(ii) THE AMOUNT SPECIFIED FOR SUCH BONUS YEAR.—The term 'the amount specified for such bonus year' means the following:

''(I) For fiscal years 1999, 2000, 2001, and 2002, $175,000,000.

''(II) For fiscal year 2003, $300,000,000.

''(iii) HIGH PERFORMING STATE.—The term 'high performing State' means, with respect a bonus year, an eligible State whose score assigned pursuant to subparagraph (D)(i) for the fiscal year immediately preceding the bonus year equals or exceeds the performance threshold prescribed under subparagraph (D)(ii) for such preceding fiscal year.

''(F) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2003 $1,000,000,000 for grants under this paragraph.

''(5) BONUS TO REWARD DECREASE IN ILLEGITIMACY.—

''(A) IN GENERAL.—The Secretary shall make a grant pursuant to this paragraph to each State determined eligible under paragraph (2)(B) for each bonus year for which the State demonstrates a net decrease in out-of-wedlock births.

''(B) AMOUNT OF GRANT.—

''(i) IN GENERAL.—Subject to this subparagraph, the Secretary shall determine the amount of the grant payable under this paragraph to a low illegitimacy State for a bonus year.

''(ii) TOP FIVE STATES.—With respect to States determined eligible under paragraph (2)(B) for a fiscal year, the Secretary shall determine which five of such States demonstrated the greatest decrease in out-of-wedlock births under such paragraph for the period involved. Each of such five States shall receive a grant of equal amount under this paragraph for such fiscal year but such amount shall not exceed $20,000,000 for any single State.

''(iii) LESS THAN FIVE STATES.—With respect to a fiscal year, if the Secretary determines that there are less than five States eligible under paragraph (2)(B) for a fiscal year, the grants under this paragraph shall be awarded to each such State in an equal amount but such amount shall not exceed $25,000,000 for any single State.

''(C) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, 2002, and 2003.

''(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2003, such sums as are necessary for grants under this paragraph.

''(b) CONTINGENCY FUND.—

''(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the 'Contingency Fund for State Welfare Programs' (in this section referred to as the 'Fund').

''(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1998, 1999, 2000, and 2001 such sums as are necessary for payment to the Fund in a total amount not to exceed $2,000,000,000.

''(3) GRANTS.—

''(A) PROVISIONAL PAYMENTS.—If an eligible State submits to the Secretary a request for funds under this paragraph during an eligible month, the Secretary shall, subject to this paragraph, pay to the State, from amounts appropriated pursuant to paragraph (2), an amount equal to the amount of funds so requested.

''(B) PAYMENT PRIORITY.—The Secretary shall make payments under subparagraph (A) in the order in which the Secretary receives requests for such payments.

''(C) LIMITATIONS.—

''(i) MONTHLY PAYMENT TO A STATE.—The total amount paid to a single State under subparagraph (A) during a month shall not exceed 1/12 of 20 percent of the State family assistance grant.

''(ii) PAYMENTS TO ALL STATES.—The total amount paid to all States under subparagraph (A) during fiscal years 1998 through 2001 shall not exceed the total amount appropriated pursuant to paragraph (2).

''(4) ANNUAL RECONCILIATION.—Notwithstanding paragraph (3), at the end of each fiscal year, each State shall remit to the Secretary an amount equal to the amount (if any) by which the total amount paid to the State under paragraph (3) during the fiscal year exceeds—

''(A) the Federal medical assistance percentage for the State for the fiscal year (as defined in section 1905(b), as in effect on September 30, 1995) of the amount (if any) by which the expenditures under the State program funded under this part for the fiscal year exceed historic State expenditures (as defined in section 409(a)(7)(B)(iii)); multiplied by

''(B) 1/12 times the number of months during the fiscal year for which the Secretary makes a payment to the State under this subsection.

''(5) ELIGIBLE MONTH.—As used in paragraph (3)(A), the term 'eligible month' means, with respect to a State, a month in the 2-month period that begins with any month for which the State is a needy State.

''(6) NEEDY STATE.—For purposes of paragraph (5), a State is a needy State for a month if—

''(A) the average rate of—

''(i) total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent; and

''(ii) total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; or

''(B) as determined by the Secretary of Agriculture (in the discretion of the Secretary of Agriculture), the monthly average number of individuals (as of the last day of each month) participating in the food stamp program in the State in the then most recently concluded 3-month period for which data are available exceeds by not less than 10 percent the lesser of—

''(i) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1994 if the amendments made by chapter 4 of the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by chapter 1 of subtitle A of title I of the Agricultural Reconciliation Act of 1996 had been in effect throughout fiscal year 1994; or

''(ii) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1995 if the amendments made by chapter 4 of the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by chapter 1 of subtitle A of title I of the Agricultural Reconciliation Act of 1996 had been in effect throughout fiscal year 1995.

''(7) OTHER TERMS DEFINED.—As used in this subsection:

''(A) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

''(B) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

''(8) ANNUAL REPORTS.—The Secretary shall annually report to the Congress on the status of the Fund.

**''SEC. 404. USE OF GRANTS.**

''(a) GENERAL RULES.—Subject to this part, a State to which a grant is made under section 403 may use the grant—

''(1) in any manner that is reasonably calculated to accomplish the purpose of this part, including to provide low income households with assistance in meeting home heating and cooling costs; or

''(2) in any manner that the State was authorized to use amounts received under part A or F, as such parts were in effect on September 30, 1995.

''(b) LIMITATION ON USE OF GRANT FOR ADMINISTRATIVE PURPOSES.—

''(1) LIMITATION.—A State to which a grant is made under section 403 shall not expend more than 15 percent of the grant for administrative purposes.

''(2) EXCEPTION.—Paragraph (1) shall not apply to the use of a grant for information technology and computerization needed for

tracking or monitoring required by or under this part.

''(c) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State operating a program funded under this part may apply to a family the rules (including benefit amounts) of the program funded under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

''(d) AUTHORITY TO USE PORTION OF GRANT FOR OTHER PURPOSES.—

''(1) IN GENERAL.—A State may use not more than 30 percent of the amount of the grant made to the State under section 403 for a fiscal year to carry out a State program pursuant to the Child Care and Development Block Grant Act of 1990.

''(2) APPLICABLE RULES.—Any amount paid to the State under this part that is used to carry out a State program pursuant to a provision of law specified or described in paragraph (1) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program.

''(e) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program funded under this part.

''(f) AUTHORITY TO OPERATE EMPLOYMENT PLACEMENT PROGRAM.—A State to which a grant is made under section 403 may use the grant to make payments (or provide job placement vouchers) to State-approved public and private job placement agencies that provide employment placement services to individuals who receive assistance under the State program funded under this part.

''(g) IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—A State to which a grant is made under section 403 is encouraged to implement an electronic benefit transfer system for providing assistance under the State program funded under this part, and may use the grant for such purpose.

''(h) USE OF FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS.—

''(1) IN GENERAL.—A State operating a program funded under this part may use amounts received under a grant under section 403 to carry out a program to fund individual development accounts (as defined in paragraph (2)) established by individuals eligible for assistance under the State program under this part.

''(2) INDIVIDUAL DEVELOPMENT ACCOUNTS.—

''(A) ESTABLISHMENT.—Under a State program carried out under paragraph (1), an individual development account may be established by or on behalf of an individual eligible for assistance under the State program operated under this part for the purpose of enabling the individual to accumulate funds to for a qualified purpose described in subparagraph (B).

''(B) QUALIFIED PURPOSE.—A qualified purpose described in this subparagraph is 1 or more of the following, as provided by the qualified entity providing assistance to the individual under this subsection:

''(i) POSTSECONDARY EDUCATIONAL EXPENSES.—Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution.

''(ii) FIRST-HOME PURCHASE.—Qualified acquisition costs with respect to a qualified principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due.

''(iii) BUSINESS CAPITALIZATION.—Amounts paid from an individual development account directly to a business capitalization account which is established in a federally insured financial institution and is restricted to use solely for qualified business capitalization expenses.

''(C) CONTRIBUTIONS TO BE FROM EARNED INCOME.—An individual may only contribute to an individual development account such amounts as are derived from earned income, as defined in section 911(d)(2) of the Internal Revenue Code of 1986.

''(D) WITHDRAWAL OF FUNDS.—The Secretary shall establish such regulations as may be necessary to ensure that funds held in an individual development account are not withdrawn except for 1 or more of the qualified purposes described in subparagraph (B).

''(3) REQUIREMENTS.—

''(A) IN GENERAL.—An individual development account established under this subsection shall be a trust created or organized in the United States and funded through periodic contributions by the establishing individual and matched by or through a qualified entity for a qualified purpose (as described in paragraph (2)(B).

''(B) QUALIFIED ENTITY.—For purposes of this subsection, the term 'qualified entity' means either—

''(i) a not-for-profit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

''(ii) a State or local government agency acting in cooperation with an organization described in clause (i).

''(4) NO REDUCTION IN BENEFITS.—Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this subsection shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.

''(5) DEFINITIONS.—For purposes of this subsection—

''(A) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means the following:

''(i) An institution described in section 481(a)(1) or 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1) or 1141(a)), as such sections are in effect on the date of the enactment of this subsection.

''(ii) An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of the enactment of this subsection.

''(B) POST-SECONDARY EDUCATIONAL EXPENSES.—The term 'post-secondary educational expenses' means—

''(i) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution, and

''(ii) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

''(C) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

''(D) QUALIFIED BUSINESS.—The term 'qualified business' means any business that does not contravene any law or public policy (as determined by the Secretary).

''(E) QUALIFIED BUSINESS CAPITALIZATION EXPENSES.—The term 'qualified business capitalization expenses' means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

''(F) QUALIFIED EXPENDITURES.—The term 'qualified expenditures' means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

''(G) QUALIFIED FIRST-TIME HOMEBUYER.—

''(i) IN GENERAL.—The term 'qualified first-time homebuyer' means a taxpayer (and, if married, the taxpayer's spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this subsection applies.

''(ii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

''(H) QUALIFIED PLAN.—The term 'qualified plan' means a business plan which—

''(i) is approved by a financial institution, or by a nonprofit loan fund having demonstrated fiduciary integrity,

''(ii) includes a description of services or goods to be sold, a marketing plan, and projected financial statements, and

''(iii) may require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

''(I) QUALIFIED PRINCIPAL RESIDENCE.—The term 'qualified principal residence' means a principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986), the qualified acquisition costs of which do not exceed 100 percent of the average area purchase price applicable to such residence (determined in accordance with paragraphs (2) and (3) of section 143(e) of such Code).

**''SEC. 405. ADMINISTRATIVE PROVISIONS.**

''(a) QUARTERLY.—The Secretary shall pay each grant payable to a State under section 403 in quarterly installments.

''(b) NOTIFICATION.—Not later than 3 months before the payment of any such quarterly installment to a State, the Secretary shall notify the State of the amount of any reduction determined under section 412(a)(1)(B) with respect to the State.

''(c) COMPUTATION AND CERTIFICATION OF PAYMENTS TO STATES.—

''(1) COMPUTATION.—The Secretary shall estimate the amount to be paid to each eligible State for each quarter under this part, such estimate to be based on a report filed by the State containing an estimate by the State of the total sum to be expended by the State in the quarter under the State program funded under this part and such other information as the Secretary may find necessary.

''(2) CERTIFICATION.—The Secretary of Health and Human Services shall certify to the Secretary of the Treasury the amount estimated under paragraph (1) with respect to a State, reduced or increased to the extent of any overpayment or underpayment which the Secretary of Health and Human Services determines was made under this part to the State for any prior quarter and with respect to which adjustment has not been made under this paragraph.

''(d) PAYMENT METHOD.—Upon receipt of a certification under subsection (c)(2) with respect to a State, the Secretary of the Treasury shall, through the Fiscal Service of the Department of the Treasury and before audit or settlement by the General Accounting Office, pay to the State, at the time or times

fixed by the Secretary of Health and Human Services, the amount so certified.

**"SEC. 406. FEDERAL LOANS FOR STATE WELFARE PROGRAMS.**

''(a) LOAN AUTHORITY.—

''(1) IN GENERAL.—The Secretary shall make loans to any loan-eligible State, for a period to maturity of not more than 3 years.

''(2) LOAN-ELIGIBLE STATE.—As used in paragraph (1), the term 'loan-eligible State' means a State against which a penalty has not been imposed under section 409(a)(1).

''(b) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under this section at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

''(c) USE OF LOAN.—A State shall use a loan made to the State under this section only for any purpose for which grant amounts received by the State under section 403(a) may be used, including—

''(1) welfare anti-fraud activities; and

''(2) the provision of assistance under the State program to Indian families that have moved from the service area of an Indian tribe with a tribal family assistance plan approved under section 412.

''(d) LIMITATION ON TOTAL AMOUNT OF LOANS TO A STATE.—The cumulative dollar amount of all loans made to a State under this section during fiscal years 1997 through 2001 shall not exceed 10 percent of the State family assistance grant.

''(e) LIMITATION ON TOTAL AMOUNT OF OUTSTANDING LOANS.—The total dollar amount of loans outstanding under this section may not exceed $1,700,000,000.

''(f) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated such sums as may be necessary for the cost of loans under this section.

**"SEC. 407. MANDATORY WORK REQUIREMENTS.**

''(a) PARTICIPATION RATE REQUIREMENTS.—

''(1) ALL FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part:

| *"If the fiscal year is:* | *The minimum participation rate is:* |
|---|---|
| *1996* | *15* |
| *1997* | *25* |
| *1998* | *30* |
| *1999* | *35* |
| *2000* | *40* |
| *2001* | *45* |
| *2002 and thereafter* | *50.* |

*''(2) 2-PARENT FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part:*

| *"If the fiscal year is:* | *The minimum participation rate is:* |
|---|---|
| *1996* | *50* |
| *1997* | *75* |
| *1998* | *75* |
| *1999 and thereafter* | *90.* |

*''(b) CALCULATION OF PARTICIPATION RATES.—*

*''(1) ALL FAMILIES.—*

*''(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(1), the participation rate for all families of a State for a fiscal year is the average of the participation rates for all families of the State for each month in the fiscal year.*

*''(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for all families of the State for a month, expressed as a percentage, is—*

*''(i) the number of families receiving assistance under the State program funded under this part that include an adult who is engaged in work for the month; divided by*

*''(ii) the amount by which—*

*''(I) the number of families receiving such assistance during the month that include an adult receiving such assistance; exceeds*

*''(II) the number of families receiving such assistance that are subject in such month to a penalty described in subsection (e)(1) but have not been subject to such penalty for more than 3 months within the preceding 12-month period (whether or not consecutive).*

*''(2) 2-PARENT FAMILIES.—*

*''(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(2), the participation rate for 2-parent families of a State for a fiscal year is the average of the participation rates for 2-parent families of the State for each month in the fiscal year.*

*''(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for 2-parent families of the State for a month shall be calculated by use of the formula set forth in paragraph (1)(B), except that in the formula the term 'number of 2-parent families' shall be substituted for the term 'number of families' each place such latter term appears.*

*''(3) PRO RATA REDUCTION OF PARTICIPATION RATE DUE TO CASELOAD REDUCTIONS NOT REQUIRED BY FEDERAL LAW.—*

*''(A) IN GENERAL.—The Secretary shall prescribe regulations for reducing the minimum participation rate otherwise required by this section for a fiscal year by the number of percentage points equal to the number of percentage points (if any) by which—*

*''(i) the average monthly number of families receiving assistance during the fiscal year under the State program funded under this part is less than*

*''(ii) the average monthly number of families that received aid under the State plan approved under part A (as in effect on September 30, 1995) during fiscal year 1995.*

*The minimum participation rate shall not be reduced to the extent that the Secretary determines that the reduction in the number of families receiving such assistance is required by Federal law.*

*''(B) ELIGIBILITY CHANGES NOT COUNTED.—The regulations described in subparagraph (A) shall not take into account families that are diverted from a State program funded under this part as a result of differences in eligibility criteria under a State program funded under this part and eligibility criteria under the State program operated under the State plan approved under part A (as such plan and such part were in effect on September 30, 1995). Such regulations shall place the burden on the Secretary to prove that such families were diverted as a direct result of differences in such eligibility criteria.*

*''(4) STATE OPTION TO INCLUDE INDIVIDUALS RECEIVING ASSISTANCE UNDER A TRIBAL FAMILY ASSISTANCE PLAN.—For purposes of paragraphs (1)(B) and (2)(B), a State may, at its option, include families receiving assistance under a tribal family assistance plan approved under section 412.*

*''(5) STATE OPTION FOR PARTICIPATION REQUIREMENT EXEMPTIONS.—*

*''(A) IN GENERAL.—For any fiscal year, a State may, at its option, not require an individual who is a single custodial parent caring for a child who has not attained 12 months of age to engage in work and may disregard such an individual in determining the participation rates under subsection (a).*

*''(B) LIMITATION.—The exemption described in subparagraph (A) may only be applied to a single custodial parent for a total of 12 months (whether or not consecutive).*

*''(c) ENGAGED IN WORK.—*

*''(1) ALL FAMILIES.—For purposes of subsection (b)(1)(B)(i), a recipient is engaged in work for a month in a fiscal year if the recipient is participating in work activities for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), or (8) of subsection (d):*

| *"If the month is in fiscal year:* | *The minimum average number of hours per week is:* |
|---|---|
| *1996* | *20* |
| *1997* | *20* |
| *1998* | *20* |
| *1999* | *25* |
| *2000* | *30* |
| *2001* | *30* |
| *2002 and thereafter* | *35.* |

*''(2) 2-PARENT FAMILIES.—For purposes of subsection (b)(2)(B)(i)—*

*''(A) an adult is engaged in work for a month in a fiscal year if the adult is making progress in work activities for at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), or (8) of subsection (d); and*

*''(B) if the family of such adult receives federally-funded child care assistance, if the adult's spouse is making progress in work activities for at least 20 hours per week during the month which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), or (7) of subsection (d).*

*''(3) LIMITATION ON NUMBER OF WEEKS FOR WHICH JOB SEARCH COUNTS AS WORK.—Notwithstanding paragraphs (1) and (2), an individual shall not be considered to be engaged in work by virtue of participation in an activity described in subsection (d)(6), after the individual has participated in such an activity for 4 weeks (except if the unemployment rate in the State is above the national average, in which case, 12 weeks) in a fiscal year. An individual shall be considered to be participating in such an activity for a week if the individual participates in such an activity at any time during the week.*

*''(4) LIMITATION ON EDUCATION ACTIVITIES COUNTED AS WORK.—For purposes of determining monthly participation rates under paragraphs (1)(B)(i) and (2)(B)(i) of subsection (b), not more than 30 percent of adults in all families and in 2-parent families determined to be engaged in work in the State for a month may meet the work activity requirement through participation in vocational educational training.*

*''(5) SINGLE PARENT WITH CHILD UNDER AGE 6 DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS IF PARENT IS ENGAGED IN WORK FOR 20 HOURS PER WEEK.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient in a 1-parent family who is the parent of a child who has not attained 6 years of age is deemed to be engaged in work for a month if the recipient is engaged in work for an average of at least 20 hours per week during the month.*

*''(6) TEEN HEAD OF HOUSEHOLD WHO MAINTAINS SATISFACTORY SCHOOL ATTENDANCE DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient who is a single head of household and has not attained 20 years of age is deemed to be engaged in work for a month in a fiscal year if the recipient—*

*''(A) maintains satisfactory attendance at secondary school or the equivalent during the month; or*

*''(B) participates in education directly related to employment for at least the minimum average*

number of hours per week specified in the table set forth in paragraph (1).

''(d) WORK ACTIVITIES DEFINED.—As used in this section, the term 'work activities' means—

''(1) unsubsidized employment;

''(2) subsidized private sector employment;

''(3) subsidized public sector employment;

''(4) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

''(5) on-the-job training;

''(6) job search and job readiness assistance;

''(7) community service programs;

''(8) educational training (not to exceed 24 months with respect to any individual);

''(9) job skills training directly related to employment;

''(10) education directly related to employment, in the case of a recipient who has not attained 20 years of age, and has not received a high school diploma or a certificate of high school equivalency; and

''(11) satisfactory attendance at secondary school, in the case of a recipient who—

''(A) has not completed secondary school; and

''(B) is a dependent child, or a head of household who has not attained 20 years of age.

''(e) PENALTIES AGAINST INDIVIDUALS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if an adult in a family receiving assistance under the State program funded under this part refuses to engage in work required in accordance with this section, the State shall—

''(A) reduce the amount of assistance otherwise payable to the family pro rata (or more, at the option of the State) with respect to any period during a month in which the adult so refuses; or

''(B) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

''(2) EXCEPTION.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a State may not reduce or terminate assistance under the State program funded under this part based on a refusal of an adult to work if the adult is a single custodial parent caring for a child who has not attained 11 years of age, and the adult proves that the adult has a demonstrated inability (as determined by the State) to obtain needed child care, for 1 or more of the following reasons:

''(i) Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.

''(ii) Unavailability or unsuitability of informal child care by a relative or under other arrangements.

''(iii) Unavailability of appropriate and affordable formal child care arrangements.

''(B) INCLUDED IN DETERMINATION OF PARTICIPATION RATES.—A State may not disregard an adult for which the exception described in subparagraph (A) applies from determination of the participation rates under subsection (a).

''(f) NONDISPLACEMENT IN WORK ACTIVITIES.—

''(1) IN GENERAL.—Subject to paragraph (2), an adult in a family receiving assistance under a State program funded under this part attributable to funds provided by the Federal Government may fill a vacant employment position in order to engage in a work activity described in subsection (d).

''(2) NO FILLING OF CERTAIN VACANCIES.—No work assignment to an adult in a family receiving assistance under a State program funded under this part shall result in—

''(A) the displacement of any currently employed worker (including any temporary layoffs and any partial displacement of such worker through such matters as a reduction in the hours of nonovertime work, wages, or employment benefits; and

''(B) the termination of the employment of any regular employee or any other involuntary reduction of an employer's workforce in order to fill the vacancy so created with an adult described in paragraph (1).

''(3) GRIEVANCE PROCEDURE.—A State with a program funded under this part shall establish and maintain a grievance procedure for resolving complaints of alleged violations of the provisions of paragraph (2) and for providing adequate remedies for any such violations established. The grievance procedure established under this paragraph shall include an opportunity for a hearing.

''(4) NO PREEMPTION.—Nothing in this subsection shall preempt or supersede any provision of State or local law that provides greater protection for employees from displacement.

''(g) SENSE OF THE CONGRESS.—It is the sense of the Congress that in complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring adults in 2-parent families and adults in single-parent families that include older preschool or school-age children to be engaged in work activities.

''(h) SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS.—It is the sense of the Congress that the States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

''(i) ENCOURAGEMENT TO PROVIDE CHILD CARE SERVICES.—An individual participating in a State community service program may be treated as being engaged in work under subsection (c) if such individual provides child care services to other individuals participating in the community service program in the manner, and for the period of time each week, determined appropriate by the State.

**''SEC. 408. PROHIBITIONS; REQUIREMENTS.**

''(a) IN GENERAL.—

''(1) NO ASSISTANCE FOR FAMILIES WITHOUT A MINOR CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to a family—

''(A) unless the family includes—

''(i) a minor child who resides with a custodial parent or other adult caretaker relative of the child; or

''(ii) a pregnant individual; and

''(B) if such family includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences (unless an exception described in subparagraph (B) or (C) of paragraph (8) applies).

''(2) REDUCTION OR ELIMINATION OF ASSISTANCE FOR NONCOOPERATION IN ESTABLISHING PATERNITY OR OBTAINING CHILD SUPPORT.—If the agency responsible for administering the State plan approved under part D determines that an individual is not cooperating with the State in establishing paternity or in establishing, modifying, or enforcing a support order with respect to a child of the individual, and the individual does not qualify for any good cause or other exception established by the State pursuant to section 454(29), then the State—

''(A) shall deduct not less than 25 percent of the assistance that would otherwise be provided to the family of the individual under the State program funded under this part; and

''(B) may deny the family any assistance under the State program.

''(3) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING CERTAIN SUPPORT RIGHTS TO THE STATE.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall require, as a condition of providing assistance to a family under the State program funded under this part, that a member of the family assign to the State any rights the family member may have (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person, not exceeding the total amount of assistance so provided to the family, which accrue (or have accrued) before the date the family leaves the program, which assignment, on and after the date the family leaves the program, shall not apply with respect to any support (other than support collected pursuant to section 464) which accrued before the family received such assistance and which the State has not collected by—

''(i) September 30, 2000, if the assignment is executed on or after October 1, 1997, and before October 1, 2000; or

''(ii) the date the family leaves the program, if the assignment is executed on or after October 1, 2000.

''(B) LIMITATION.—A State to which a grant is made under section 403 shall not require, as a condition of providing assistance to any family under the State program funded under this part, that a member of the family assign to the State any rights to support described in subparagraph (A) which accrue after the date the family leaves the program.

''(4) NO ASSISTANCE FOR TEENAGE PARENTS WHO DO NOT ATTEND HIGH SCHOOL OR OTHER EQUIVALENT TRAINING PROGRAM.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual who has not attained 18 years of age, is not married, has a minor child at least 12 weeks of age in his or her care, and has not successfully completed a high-school education (or its equivalent), if the individual does not participate in—

''(A) educational activities directed toward the attainment of a high school diploma or its equivalent; or

''(B) an alternative educational or training program that has been approved by the State.

''(5) NO ASSISTANCE FOR TEENAGE PARENTS NOT LIVING IN ADULT-SUPERVISED SETTINGS.—

''(A) IN GENERAL.—

''(i) REQUIREMENT.—Except as provided in subparagraph (B), a State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual described in clause (ii) of this subparagraph if the individual and the minor child referred to in clause (ii)(II) do not reside in a place of residence maintained by a parent, legal guardian, or other adult relative of the individual as such parent's, guardian's, or adult relative's own home.

''(ii) INDIVIDUAL DESCRIBED.—For purposes of clause (i), an individual described in this clause is an individual who—

''(I) has not attained 18 years of age; and

''(II) is not married, and has a minor child in his or her care.

''(B) EXCEPTION.—

''(i) PROVISION OF, OR ASSISTANCE IN LOCATING, ADULT-SUPERVISED LIVING ARRANGEMENT.—In the case of an individual who is described in clause (ii), the State agency referred to in section 402(a)(4) shall provide, or assist the individual in locating, a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement, taking into consideration the needs and concerns of the individual, and thereafter shall require that the individual and the minor child referred to in subparagraph (A)(ii)(II) reside in such living arrangement as a condition of the continued receipt of assistance under the State program funded under this part attributable to funds provided by the Federal Government (or in an alternative appropriate arrangement, should circumstances change and the current arrangement cease to be appropriate).

''(ii) INDIVIDUAL DESCRIBED.—For purposes of clause (i), an individual is described in this clause if the individual is described in subparagraph (A)(ii), and—

''(I) the individual has no parent, legal guardian or other appropriate adult relative described in subclause (II) of his or her own who is living or whose whereabouts are known;

''(II) no living parent, legal guardian, or other appropriate adult relative, who would otherwise meet applicable State criteria to act as the individual's legal guardian, of such individual allows the individual to live in the home of such parent, guardian, or relative;

''(III) the State agency determines that—

''(aa) the individual or the minor child referred to in subparagraph (A)(ii)(II) is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the residence of the individual's own parent or legal guardian; or

''(bb) substantial evidence exists of an act or failure to act that presents an imminent or serious harm if the individual and the minor child lived in the same residence with the individual's own parent or legal guardian; or

''(IV) the State agency otherwise determines that it is in the best interest of the minor child to waive the requirement of subparagraph (A) with respect to the individual or the minor child.

''(iii) SECOND-CHANCE HOME.—For purposes of this subparagraph, the term 'second-chance home' means an entity that provides individuals described in clause (ii) with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.

''(6) NO MEDICAL SERVICES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), a State to which a grant is made under section 403 shall not use any part of the grant to provide medical services.

''(B) EXCEPTION FOR FAMILY PLANNING SERVICES.—As used in subparagraph (A), the term 'medical services' does not include family planning services.

''(7) SANCTION WELFARE RECIPIENTS FOR FAILING TO ENSURE THAT MINOR DEPENDENT CHILDREN ATTEND SCHOOL.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not be prohibited from sanctioning a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the food stamp program, as defined in section 3(h) of the Food Stamp Act of 1977, if such adult fails to ensure that the minor dependent children of such adult attend school as required by the law of the State in which the minor children reside.

''(8) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN ASSISTANCE IN 2 OR MORE STATES.—A State to which a grant is made under section 403 shall not use any part of the grant to provide cash assistance to an individual during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this title, title XV or XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI. The preceding sentence shall not apply with respect to a conviction of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction.

''(9) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to any individual who is—

''(i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) violating a condition of probation or parole imposed under Federal or State law.

The preceding sentence shall not apply with respect to conduct of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct.

''(B) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—If a State to which a grant is made under section 403 establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing a Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient if the officer furnishes the agency with the name of the recipient and notifies the agency that—

''(i) the recipient—

''(I) is described in subparagraph (A); or

''(II) has information that is necessary for the officer to conduct the official duties of the officer; and

''(ii) the location or apprehension of the recipient is within such official duties.

''(10) DENIAL OF ASSISTANCE FOR MINOR CHILDREN WHO ARE ABSENT FROM THE HOME FOR A SIGNIFICANT PERIOD.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for a minor child who has been, or is expected by a parent (or other caretaker relative) of the child to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 180 consecutive days as the State may provide for in the State plan submitted pursuant to section 402.

''(B) STATE AUTHORITY TO ESTABLISH GOOD CAUSE EXCEPTIONS.—The State may establish such good cause exceptions to subparagraph (A) as the State considers appropriate if such exceptions are provided for in the State plan submitted pursuant to section 402.

''(C) DENIAL OF ASSISTANCE FOR RELATIVE WHO FAILS TO NOTIFY STATE AGENCY OF ABSENCE OF CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for an individual who is a parent (or other caretaker relative) of a minor child and who fails to notify the agency administering the State program funded under this part of the absence of the minor child from the home for the period specified in or provided for pursuant to subparagraph (A), by the end of the 5-day period that begins with the date that it becomes clear to the parent (or relative) that the minor child will be absent for such period so specified or provided for.

''(11) ASSURING MEDICAID COVERAGE FOR LOW-INCOME FAMILIES.—

''(A) IN GENERAL.—Notwithstanding any other provision of this Act, subject to the succeeding provisions of this paragraph, with respect to a State any reference in title XIX (or other provision of law in relation to the operation of such title) to a provision of this part, or a State plan under this part (or a provision of such a plan), including standards and methodologies for determining income and resources under this part or such plan, shall be considered a reference to such a provision or plan as in effect as of July 1, 1996, with respect to the State.

''(B) CONSTRUCTIONS.—

''(i) In applying section 1925(a)(1), the reference to 'section 402(a)(8)(B)(ii)(II)' is deemed a reference to a corresponding earning disregard rule (if any) established under a State program funded under this part (as in effect on or after October 1, 1996).

''(ii) The provisions of former section 406(h) (as in effect on July 1, 1996) shall apply, in relation to title XIX, with respect to individuals who receive assistance under a State program funded under this part (as in effect on or after October 1, 1996) and are eligible for medical assistance under title XIX or who are described in subparagraph (C)(i) in the same manner as they apply as of July 1, 1996, with respect to individuals who become ineligible for aid to families with dependent children as a result (wholly or partly) of the collection or increased collection of child or spousal support under part D of this title.

''(iii) With respect to the reference in section 1902(a)(5) to a State plan approved under this part, a State may treat such reference as a reference either to a State program funded under this part (as in effect on or after October 1, 1996) or to the State plan under title XIX.

''(C) ELIGIBILITY CRITERIA.—

''(i) IN GENERAL.—For purposes of title XIX, subject to clause (ii), in determining eligibility for medical assistance under such title, an individual shall be treated as receiving aid or assistance under a State plan approved under this part (and shall be treated as meeting the income and resource standards under this part) only if the individual meets—

''(I) the income and resource standards for determining eligibility under such plan; and

''(II) the eligibility requirements of such plan under subsections (a) through (c) of former section 406 and former section 407(a),

as in effect as of July 1, 1996. Subject to clause (ii)(II), the income and resource methodologies under such plan as of such date shall be used in the determination of whether any individual meets income and resource standards under such plan.

''(ii) STATE OPTION.—For purposes of applying this paragraph, a State may—

''(I) lower its income standards applicable with respect to this part, but not below the income standards applicable under its State plan under this part on May 1, 1988; and

''(II) use income and resource standards or methodologies that are less restrictive than the standards or methodologies used under the State plan under this part as of July 1, 1996.

''(iii) TRANSITIONAL COVERAGE.—For purposes of section 1925, an individual who is receiving assistance under the State program funded under this part (as in effect on or after October 1, 1996) and is eligible for medical assistance under title XIX shall be treated as an individual receiving aid or assistance pursuant to a State plan approved under this part (as in effect as of July 1, 1996) (and thereby eligible for continuation of medical assistance under such section 1925).

''(D) WAIVERS.—In the case of a waiver of a provision of this part in effect with respect to a State as of July 1, 1996, if the waiver affects eligibility of individuals for medical assistance under title XIX, such waiver may (but need not) continue to be applied, at the option of the State, in relation to such title after the date the waiver would otherwise expire. If a State elects not to continue to apply such a waiver, then, after the date of the expiration of the waiver, subparagraphs (A), (B), and (C) shall be applied as if any provisions so waived had not been waived.

''(E) STATE OPTION TO USE 1 APPLICATION FORM.—Nothing in this paragraph, this part, or title XIX, shall be construed as preventing a State from providing for the same application form for assistance under a State program funded under this part (on or after October 1, 1996) and for medical assistance under title XIX.

''(F) REQUIREMENT FOR RECEIPT OF FUNDS.—A State to which a grant is made under section 403 shall take such action as may be necessary to ensure that the provisions of this paragraph are carried out: Provided, That the State is otherwise participating in title XIX of this Act.

''(b) ALIENS.—For special rules relating to the treatment of aliens, see section 2402 of the Personal Responsibility and Work Opportunity Act of 1996.

''(c) NONDISCRIMINATION PROVISIONS.—Any program or activity that receives funds under this part shall be subject to enforcement authorized under the following provisions of law:

''(1) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

''(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

''(3) The Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

''(4) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

''(d) STATE REQUIRED TO ENTER INTO A PERSONAL RESPONSIBILITY AGREEMENT WITH EACH FAMILY RECEIVING ASSISTANCE.—

''(1) IN GENERAL.—Each State to which a grant is made under section 403 shall require each family receiving assistance under the State program funded under this part to enter into a personal responsibility agreement (as developed by the State) with the State.

''(2) PERSONAL RESPONSIBILITY AGREEMENT.—For purposes of this subsection, the term 'personal responsibility agreement' means a binding contract between the State and each family receiving assistance under the State program funded under this part that—

''(A) contains a statement that public assistance is not intended to be a way of life, but is intended as temporary assistance to help the family achieve self-sufficiency and personal independence;

''(B) outlines the steps each family and the State will take to get the family off of welfare and to become self-sufficient, including an employment goal for the individual and a plan for promptly moving the individual into paid employment;

''(C) specifies a negotiated time-limited period of eligibility for receipt of assistance that is consistent with unique family circumstances and is based on a reasonable plan to facilitate the transition of the family to self-sufficiency;

''(D) provides for the imposition of sanctions if the individual refuses to sign the agreement or does not comply with the terms of the agreement, which may include loss or reduction of cash benefits;

''(E) provides that the contract shall be invalid if the State agency fails to comply with the contract; and

''(F) provides that the individual agrees not to abuse illegal drugs or other substances that would interfere with the ability of the individual to become self-sufficient, or provide for a referral for substance abuse treatment if necessary to increase the employability of the individual.

''(3) ASSESSMENT.—The State agency shall provide, through a case manager, an initial and thorough assessment of the skills, prior work experience, and employability of each parent for use in developing and negotiating a personal responsibility contract.

''(4) DISPUTE RESOLUTION.—The State agency shall establish a dispute resolution procedure for disputes related to participation in the personal responsibility contract that provides the opportunity for a hearing.

**''SEC. 409. PENALTIES.**

''(a) IN GENERAL.—Subject to this section:

''(1) USE OF GRANT IN VIOLATION OF THIS PART.—

''(A) GENERAL PENALTY.—If an audit conducted under chapter 75 of title 31, United States Code, finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by the amount so used.

''(B) ENHANCED PENALTY FOR INTENTIONAL VIOLATIONS.—If the State does not prove to the satisfaction of the Secretary that the State did not intend to use the amount in violation of this part, the Secretary shall further reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by an amount equal to 5 percent of the State family assistance grant.

''(2) FAILURE TO SUBMIT REQUIRED REPORT.—

''(A) IN GENERAL.—If the Secretary determines that a State has not, within 1 month after the end of a fiscal quarter, submitted the report required by section 411(a) for the quarter, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 4 percent of the State family assistance grant.

''(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report if the State submits the report before the end of the fiscal quarter that immediately succeeds the fiscal quarter for which the report was required.

''(3) FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.—

''(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has failed to comply with section 407(a) for the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 5 percent of the State family assistance grant.

''(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) based on the degree of noncompliance.

''(C) ADDITIONAL PENALTY FOR CONSECUTIVE NONCOMPLIANCE.—Notwithstanding the limitation described in subparagraph (A), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for a fiscal year, in addition to the reduction imposed under subparagraph (A), by an amount equal to 5 percent of the State family assistance grant, if the Secretary determines that the State failed to comply with section 407(a) for 2 or more consecutive preceding fiscal years.

''(4) FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 2 percent of the State family assistance grant.

''(5) FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.—Notwithstanding any other provision of this Act, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order in accordance with such part and who do not qualify for any good cause or other exception established by the State under section 454(29), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year (without regard to this section) by not more than 5 percent.

''(6) FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.—If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 406 within the period of maturity applicable to the loan, plus any interest owed on the loan, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter (without regard to this section) by the outstanding loan amount, plus the interest owed on the outstanding amount. The Secretary shall not forgive any outstanding loan amount or interest owed on the outstanding amount.

''(7) FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT.—

''(A) IN GENERAL.—The Secretary shall reduce the grant payable to the State under section 403(a)(1) for fiscal year 1998, 1999, 2000, 2001, or 2002 by the amount (if any) by which qualified State expenditures for the then immediately preceding fiscal year are less than the applicable percentage of historic State expenditures with respect to such preceding fiscal year.

''(B) DEFINITIONS.—As used in this paragraph:

''(i) QUALIFIED STATE EXPENDITURES.—

''(I) IN GENERAL.—The term 'qualified State expenditures' means, with respect to a State and a fiscal year, the total expenditures by the State during the fiscal year, under all State programs, for any of the following with respect to eligible families:

''(aa) Cash assistance.

''(bb) Child care assistance.

''(cc) Educational activities designed to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures which involve the provision of services or assistance to a member of an eligible family which is not generally available to persons who are not members of an eligible family.

''(dd) Administrative costs in connection with the matters described in items (aa), (bb), (cc), and (ee), but only to the extent that such costs do not exceed 15 percent of the total amount of qualified State expenditures for the fiscal year.

''(ee) Any other use of funds allowable under section 404(a)(1).

''(II) EXCLUSION OF TRANSFERS FROM OTHER STATE AND LOCAL PROGRAMS.—Such term does not include expenditures under any State or local program during a fiscal year, except to the extent that—

''(aa) such expenditures exceed the amount expended under the State or local program in the fiscal year most recently ending before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996; or

''(bb) the State is entitled to a payment under former section 403 (as in effect immediately before such date of enactment) with respect to such expenditures.

''(III) ELIGIBLE FAMILIES.—As used in subclause (I), the term 'eligible families' means families eligible for assistance under the State program funded under this part, and families that would be eligible for such assistance but for the application of section 408(a)(8) of this Act or section 2402 of the Personal Responsibility and Work Opportunity Act of 1996.

''(ii) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means for fiscal years 1997 through 2001, 80 percent reduced (if appropriate) in accordance with subparagraph (C)(ii).

''(iii) HISTORIC STATE EXPENDITURES.—The term 'historic State expenditures' means, with respect to a State, the lesser of—

''(I) the expenditures by the State under parts A and F (as in effect during fiscal year 1994) for fiscal year 1994; or

''(II) the amount which bears the same ratio to the amount described in subclause (I) as—

''(aa) the State family assistance grant, plus the total amount required to be paid to the State under former section 403 for fiscal year 1994 with respect to amounts expended by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994); bears to

''(bb) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994.

Such term does not include any expenditures under the State plan approved under part A (as so in effect) on behalf of individuals covered by

*a tribal family assistance plan approved under section 412, as determined by the Secretary.*

*''(iv) EXPENDITURES BY THE STATE.—The term 'expenditures by the State' does not include—*

*''(I) any expenditures from amounts made available by the Federal Government;*

*''(II) State funds expended for the medicaid program under title XV or XIX; or*

*''(III) any State funds which are used to match Federal funds or are expended as a condition of receiving Federal funds under Federal programs other than under this part.*

''(C) APPLICABLE PERCENTAGE REDUCED FOR HIGH PERFORMANCE STATES.—

''(i) DETERMINATION OF HIGH PERFORMANCE STATES.—The Secretary shall use the formula developed under section 403(a)(4)(C) to assign a score to each eligible State that represents the performance of the State program funded under this part for each fiscal year, and shall prescribe a performance threshold which the Secretary shall use to determine whether to reduce the applicable percentage with respect to any eligible State for a fiscal year.

''(ii) REDUCTION PROPORTIONAL TO PERFORMANCE.—The Secretary shall reduce the applicable percentage for a fiscal year with respect to each eligible State by an amount which is directly proportional to the amount (if any) by which the score assigned to the State under clause (i) for the immediately preceding fiscal year exceeds the performance threshold prescribed under clause (i) for such preceding fiscal year, subject to clause (iii).

''(iii) LIMITATION ON REDUCTION.—The applicable percentage for a fiscal year with respect to a State may not be reduced by more than 8 percentage points under this subparagraph.

''(8) SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM WITH REQUIREMENTS OF PART D.—

''(A) IN GENERAL.—If a State program operated under part D is found as a result of a review conducted under section 452(a)(4) not to have complied substantially with the requirements of such part for any quarter, and the Secretary determines that the program is not complying substantially with such requirements at the time the finding is made, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the quarter and each subsequent quarter that ends before the 1st quarter throughout which the program is found to be in substantial compliance with such requirements by—

''(i) not less than 1 nor more than 2 percent;

''(ii) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive such finding made as a result of such a review; or

''(iii) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding made as a result of such a review.

''(B) DISREGARD OF NONCOMPLIANCE WHICH IS OF A TECHNICAL NATURE.—For purposes of subparagraph (A) and section 452(a)(4), a State which is not in full compliance with the requirements of this part shall be determined to be in substantial compliance with such requirements only if the Secretary determines that any noncompliance with such requirements is of a technical nature which does not adversely affect the performance of the State's program operated under part D.

''(9) FAILURE OF STATE RECEIVING AMOUNTS FROM CONTINGENCY FUND TO MAINTAIN 100 PERCENT OF HISTORIC EFFORT.—If, at the end of any fiscal year during which amounts from the Contingency Fund for State Welfare Programs have been paid to a State, the Secretary finds that the expenditures under the State program funded under this part for the fiscal year are less than 100 percent of historic State expenditures (as defined in paragraph (7)(B)(iii) of this subsection), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by the total of the amounts so paid to the State.

''(10) FAILURE TO COMPLY WITH PROVISIONS OF THIS PART OR THE STATE PLAN.—If, after reasonable notice and opportunity for hearing, the Secretary determines that during a fiscal year a State has not substantially complied with any provision of this part or of the State plan, the Secretary shall, if a preceding paragraph of this subsection does not apply to such noncompliance, reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 5 percent of the State family assistance grant, and shall continue to impose such reduction during each succeeding fiscal year until the Secretary determines that the State no longer is in noncompliance with such provision.

''(11) FAILURE TO COMPLY WITH 5-YEAR LIMIT ON ASSISTANCE.—If the Secretary determines that during a fiscal year a State has not complied with the provisions of section 408(a)(1)(B), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 5 percent of the State family assistance grant.

''(12) REQUIRED REPLACEMENT OF GRANT FUND REDUCTIONS CAUSED BY PENALTIES.—If the grant payable to a State under section 403(a)(1) for a fiscal year is reduced by reason of this subsection, the State shall, during the immediately succeeding fiscal year, expend under the State program funded under this part an amount equal to the total amount of such reductions.

''(b) REASONABLE CAUSE EXCEPTION.—

''(1) IN GENERAL.—The Secretary may not impose a penalty on a State under subsection (a) with respect to a requirement if the Secretary determines that the State has reasonable cause for failing to comply with the requirement.

''(2) EXCEPTION.—Paragraph (1) of this subsection shall not apply to any penalty under paragraph (6) or (7) of subsection (a).

''(c) CORRECTIVE COMPLIANCE PLAN.—

''(1) IN GENERAL.—

''(A) NOTIFICATION OF VIOLATION.—Before imposing a penalty against a State under subsection (a) with respect to a violation of this part, the Secretary shall notify the State of the violation and allow the State the opportunity to enter into a corrective compliance plan in accordance with this subsection which outlines how the State will correct the violation and how the State will insure continuing compliance with this part.

''(B) 60-DAY PERIOD TO PROPOSE A CORRECTIVE COMPLIANCE PLAN.—During the 60-day period that begins on the date the State receives a notice provided under subparagraph (A) with respect to a violation, the State may submit to the Federal Government a corrective compliance plan to correct the violation.

''(C) CONSULTATION ABOUT MODIFICATIONS.—During the 60-day period that begins with the date the Secretary receives a corrective compliance plan submitted by a State in accordance with subparagraph (B), the Secretary may consult with the State on modifications to the plan.

''(D) ACCEPTANCE OF PLAN.— A corrective compliance plan submitted by a State in accordance with subparagraph (B) is deemed to be accepted by the Secretary if the Secretary does not accept or reject the plan during 60-day period that begins on the date the plan is submitted.

''(2) EFFECT OF CORRECTING VIOLATION.—The Secretary may not impose any penalty under subsection (a) with respect to any violation covered by a State corrective compliance plan accepted by the Secretary if the State corrects the violation pursuant to the plan.

''(3) EFFECT OF FAILING TO CORRECT VIOLATION.—The Secretary shall assess some or all of a penalty imposed on a State under subsection (a) with respect to a violation if the State does not, in a timely manner, correct the violation pursuant to a State corrective compliance plan accepted by the Secretary.

''(4) INAPPLICABILITY TO FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR A STATE WELFARE PROGRAM.—This subsection shall not apply to the imposition of a penalty against a State under subsection (a)(6).

''(d) LIMITATION ON AMOUNT OF PENALTY.—

''(1) IN GENERAL.—In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

''(2) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that paragraph (1) of this subsection prevents the Secretary from recovering during a fiscal year the full amount of penalties imposed on a State under subsection (a) of this section for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year.

**''SEC. 410. APPEAL OF ADVERSE DECISION.**

''(a) IN GENERAL.—Within 5 days after the date the Secretary takes any adverse action under this part with respect to a State, the Secretary shall notify the chief executive officer of the State of the adverse action, including any action with respect to the State plan submitted under section 402 or the imposition of a penalty under section 409.

''(b) ADMINISTRATIVE REVIEW.—

''(1) IN GENERAL.—Within 60 days after the date a State receives notice under subsection (a) of an adverse action, the State may appeal the action, in whole or in part, to the Departmental Appeals Board established in the Department of Health and Human Services (in this section referred to as the 'Board') by filing an appeal with the Board.

''(2) PROCEDURAL RULES.—The Board shall consider an appeal filed by a State under paragraph (1) on the basis of such documentation as the State may submit and as the Board may require to support the final decision of the Board. In deciding whether to uphold an adverse action or any portion of such an action, the Board shall conduct a thorough review of the issues and take into account all relevant evidence. The Board shall make a final determination with respect to an appeal filed under paragraph (1) not less than 60 days after the date the appeal is filed.

''(c) JUDICIAL REVIEW OF ADVERSE DECISION.—

''(1) IN GENERAL.—Within 90 days after the date of a final decision by the Board under this section with respect to an adverse action taken against a State, the State may obtain judicial review of the final decision (and the findings incorporated into the final decision) by filing an action in—

''(A) the district court of the United States for the judicial district in which the principal or headquarters office of the State agency is located; or

''(B) the United States District Court for the District of Columbia.

''(2) PROCEDURAL RULES.—The district court in which an action is filed under paragraph (1) shall review the final decision of the Board on the record established in the administrative proceeding, in accordance with the standards of review prescribed by subparagraphs (A) through (E) of section

706(2) of title 5, United States Code. The review shall be on the basis of the documents and supporting data submitted to the Board.

**"SEC. 411. DATA COLLECTION AND REPORTING.**

''(a) QUARTERLY REPORTS BY STATES.—

''(1) GENERAL REPORTING REQUIREMENT.—

''(A) CONTENTS OF REPORT.—Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, the following disaggregated case record information on the families receiving assistance under the State program funded under this part:

''(i) The county of residence of the family.

''(ii) Whether a child receiving such assistance or an adult in the family is disabled.

''(iii) The ages of the members of such families.

''(iv) The number of individuals in the family, and the relation of each family member to the youngest child in the family.

''(v) The employment status and earnings of the employed adult in the family.

''(vi) The marital status of the adults in the family, including whether such adults have never married, are widowed, or are divorced.

''(vii) The race and educational status of each adult in the family.

''(viii) The race and educational status of each child in the family.

''(ix) Whether the family received subsidized housing, medical assistance under the State plan under title XV or the State plan approved under title XIX, food stamps, or subsidized child care, and if the latter 2, the amount received.

''(x) The number of months that the family has received each type of assistance under the program.

''(xi) If the adults participated in, and the number of hours per week of participation in, the following activities:

''(I) Education.

''(II) Subsidized private sector employment.

''(III) Unsubsidized employment.

''(IV) Public sector employment, work experience, or community service.

''(V) Job search.

''(VI) Job skills training or on-the-job training.

''(VII) Vocational education.

''(xii) Information necessary to calculate participation rates under section 407.

''(xiii) The type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance (including sanctions).

''(xiv) Any amount of unearned income received by any member of the family.

''(xv) The citizenship of the members of the family.

''(xvi) From a sample of closed cases, whether the family left the program, and if so, whether the family left due to—

''(I) employment;

''(II) marriage;

''(III) the prohibition set forth in section 408(a)(8);

''(IV) sanction; or

''(V) State policy.

''(B) USE OF ESTIMATES.—

''(i) AUTHORITY.—A State may comply with subparagraph (A) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods approved by the Secretary.

''(ii) SAMPLING AND OTHER METHODS.—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of the performance of State programs funded under this part. The Secretary may develop and implement procedures for verifying the quality of data submitted by the States.

''(2) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the percentage of the funds paid to the State under this part for the quarter that are used to cover administrative costs or overhead.

''(3) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the total amount expended by the State during the quarter on programs for needy families.

''(4) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by paragraph (1) for a fiscal quarter shall include the number of noncustodial parents in the State who participated in work activities (as defined in section 407(d)) during the quarter.

''(5) REPORT ON TRANSITIONAL SERVICES.—The report required by paragraph (1) for a fiscal quarter shall include the total amount expended by the State during the quarter to provide transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

''(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to define the data elements with respect to which reports are required by this subsection.

''(b) ANNUAL REPORTS TO THE CONGRESS BY THE SECRETARY.—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

''(1) whether the States are meeting—

''(A) the participation rates described in section 407(a); and

''(B) the objectives of—

''(i) increasing employment and earnings of needy families, and child support collections; and

''(ii) decreasing out-of-wedlock pregnancies and child poverty;

''(2) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

''(3) the characteristics of each State program funded under this part; and

''(4) the trends in employment and earnings of needy families with minor children living at home.

**"SEC. 412. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES.**

''(a) GRANTS FOR INDIAN TRIBES.—

''(1) TRIBAL FAMILY ASSISTANCE GRANT.—

''(A) IN GENERAL.—For each of fiscal years 1997, 1998, 1999, 2000, and 2001, the Secretary shall pay to each Indian tribe that has an approved tribal family assistance plan a tribal family assistance grant for the fiscal year in an amount equal to the amount determined under subparagraph (B), and shall reduce the grant payable under section 403(a)(1) to any State in which lies the service area or areas of the Indian tribe by that portion of the amount so determined that is attributable to expenditures by the State.

''(B) AMOUNT DETERMINED.—

''(i) IN GENERAL.—The amount determined under this subparagraph is an amount equal to the total amount of the Federal payments to a State or States under section 403 (as in effect during such fiscal year) for fiscal year 1994 attributable to expenditures (other than child care expenditures) by the State or States under parts A and F (as so in effect) for fiscal year 1994 for Indian families residing in the service area or areas identified by the Indian tribe pursuant to subsection (b)(1)(C) of this section.

''(ii) USE OF STATE SUBMITTED DATA.—

''(I) IN GENERAL.—The Secretary shall use State submitted data to make each determination under clause (i).

''(II) DISAGREEMENT WITH DETERMINATION.—If an Indian tribe or tribal organization disagrees with State submitted data described under subclause (I), the Indian tribe or tribal organization may submit to the Secretary such additional information as may be relevant to making the determination under clause (i) and the Secretary may consider such information before making such determination.

''(2) GRANTS FOR INDIAN TRIBES THAT RECEIVED JOBS FUNDS.—

''(A) IN GENERAL.—The Secretary shall pay to each eligible Indian tribe for each of fiscal years 1996, 1997, 1998, 1999, 2000, and 2001 a grant in an amount equal to the amount received by the Indian tribe in fiscal year 1994 under section 482(i) (as in effect during fiscal year 1994).

''(B) ELIGIBLE INDIAN TRIBE.—For purposes of subparagraph (A), the term 'eligible Indian tribe' means an Indian tribe or Alaska Native organization that conducted a job opportunities and basic skills training program in fiscal year 1995 under section 482(i) (as in effect during fiscal year 1995).

''(C) USE OF GRANT.—Each Indian tribe to which a grant is made under this paragraph shall use the grant for the purpose of operating a program to make work activities available to members of the Indian tribe.

''(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $7,638,474 for each fiscal year specified in subparagraph (A) for grants under subparagraph (A).

''(b) 3-YEAR TRIBAL FAMILY ASSISTANCE PLAN.—

''(1) IN GENERAL.—Any Indian tribe that desires to receive a tribal family assistance grant shall submit to the Secretary a 3-year tribal family assistance plan that—

''(A) outlines the Indian tribe's approach to providing welfare-related services for the 3-year period, consistent with this section;

''(B) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

''(C) identifies the population and service area or areas to be served by such plan;

''(D) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

''(E) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

''(F) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31, United States Code.

''(2) APPROVAL.—The Secretary shall approve each tribal family assistance plan submitted in accordance with paragraph (1).

''(3) CONSORTIUM OF TRIBES.—Nothing in this section shall preclude the development and submission of a single tribal family assistance plan by the participating Indian tribes of an intertribal consortium.

''(c) MINIMUM WORK PARTICIPATION REQUIREMENTS AND TIME LIMITS.—The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-

related services under the grant, and penalties against individuals—

''(1) consistent with the purposes of this section;

''(2) consistent with the economic conditions and resources available to each tribe; and

''(3) similar to comparable provisions in section 407(d).

''(d) EMERGENCY ASSISTANCE.—Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

''(e) ACCOUNTABILITY.—Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

''(1) generally accepted accounting principles; and

''(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

''(f) PENALTIES.—

''(1) Subsections (a)(1), (a)(6), and (b) of section 409, shall apply to an Indian tribe with an approved tribal assistance plan in the same manner as such subsections apply to a State.

''(2) Section 409(a)(3) shall apply to an Indian tribe with an approved tribal assistance plan by substituting 'meet minimum work participation requirements established under section 412(c)' for 'comply with section 407(a)'.

''(g) DATA COLLECTION AND REPORTING.—Section 411 shall apply to an Indian tribe with an approved tribal family assistance plan.

''(h) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—

''(1) IN GENERAL.—Notwithstanding any other provision of this section, and except as provided in paragraph (2), an Indian tribe in the State of Alaska that receives a tribal family assistance grant under this section shall use the grant to operate a program in accordance with requirements comparable to the requirements applicable to the program of the State of Alaska funded under this part. Comparability of programs shall be established on the basis of program criteria developed by the Secretary in consultation with the State of Alaska and such Indian tribes.

''(2) WAIVER.—An Indian tribe described in paragraph (1) may apply to the appropriate State authority to receive a waiver of the requirement of paragraph (1).

**''SEC. 413. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.**

''(a) RESEARCH.—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate. The Secretary shall also conduct research on the costs and benefits of State activities under section 409.

''(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

''(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children living at home with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

''(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

''(c) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

''(d) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

''(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in placing recipients of assistance under the State program funded under this part into long-term private sector jobs, reducing the overall welfare caseload, and, when a practicable method for calculating this information becomes available, diverting individuals from formally applying to the State program and receiving assistance. In ranking States under this subsection, the Secretary shall take into account the average number of minor children living at home in families in the State that have incomes below the poverty line and the amount of funding provided each State for such families.

''(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

''(e) ANNUAL RANKING OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS.—

''(1) ANNUAL RANKING OF STATES.—

''(A) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 403 based on the following ranking factors:

''(i) ABSOLUTE OUT-OF-WEDLOCK RATIOS.—The ratio represented by—

''(I) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent fiscal year for which information is available; over

''(II) the total number of births in families receiving assistance under the State program under this part in the State for such year.

''(ii) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A)(i) with respect to a State for the most recent fiscal year for which such information is available and the ratio with respect to the State for the immediately preceding year.

''(2) ANNUAL REVIEW.—The Secretary shall review the programs of the 5 States most recently ranked highest under paragraph (1) and the 5 States most recently ranked the lowest under paragraph (1).

''(f) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part if—

''(1) the State submits a proposal to the Secretary for the evaluation;

''(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States; and

''(3) unless otherwise waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 10 percent of the cost of the evaluation.

''(g) FUNDING OF STUDIES AND DEMONSTRATIONS.—

''(1) IN GENERAL.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $15,000,000 for each of fiscal years 1998 through 2001, for the purpose of paying—

''(A) the cost of conducting the research described in subsection (a);

''(B) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under subsection (b);

''(C) the Federal share of any State-initiated study approved under subsection (f); and

''(D) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to this part, that are in effect or approved under section 1115 as of September 30, 1995, and are continued after such date.

''(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

''(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

''(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

''(3) DEMONSTRATIONS OF INNOVATIVE STRATEGIES.—The Secretary may implement and evaluate demonstrations of innovative and promising strategies which—

''(A) provide one-time capital funds to establish, expand, or replicate programs;

''(B) test performance-based grant-to-loan financing in which programs meeting performance targets receive grants while programs not meeting such targets repay funding on a prorated basis; and

''(C) test strategies in multiple States and types of communities.

''(h) CHILD POVERTY RATES.—

''(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this part, and annually thereafter, the chief executive officer of a State shall submit to the Secretary a statement of the child poverty rate in the State as of such date of enactment or the date of such subsequent statements. Such subsequent statements shall include the change in such rate from the previous statement, if any.

''(2) INCREASE IN RATE.—With respect to a State that submits a statement under paragraph (1) that indicates an increase of 5 percent or more in the child poverty rate of the State from the previous statement as a result of the changes made by the Act, the State shall, not later than 90 days after the date of such statement, prepare and submit to the Secretary a corrective action plan in accordance with paragraph (3).

''(3) CORRECTIVE ACTION PLAN.—

''(A) IN GENERAL.—A corrective action plan submitted under paragraph (2) shall outline that manner in which the State will reduce the child poverty rate within the State. The plan shall include a description of the actions to be taken by the State under such plan.

''(B) CONSULTATION ABOUT MODIFICATIONS.—During the 60-day period that begins with the date the Secretary receives the corrective action plan of a State under subparagraph (A), the Secretary may consult with the State on modifications to the plan.

''(C) ACCEPTANCE OF PLAN.— A corrective action plan submitted by a State in accordance with subparagraph (A) is deemed to be accepted by the Secretary if the Secretary does not accept or reject the plan during 60-day period that begins on the date the plan is submitted.

''(4) COMPLIANCE WITH PLAN.—

''(A) IN GENERAL.—A State that submits a corrective action plan under this subsection shall continue to implement such plan until such time as the Secretary makes the determination described in subparagraph (B).

''(B) DETERMINATION.—A determination described in this subparagraph is a determination that the child poverty rate for the State involved has fallen to, and not exceeded for a period of 2-consecutive years, a rate that is not greater than the rate contained in the most recent statement submitted by the State under paragraph (1) which did not trigger the application of paragraph (2).

''(C) LABOR SURPLUS AREA.—With respect to a State that submits a corrective action plan under paragraph (2), such plan shall continue to be implemented until the area involved is no longer designated as a Labor Surplus Area.

''(5) METHODOLOGY.—The Secretary shall promulgate regulations establishing the methodology by which a States shall determine the child poverty rate within such State. Such methodology shall, with respect to a State, take into account factors including the number of children who receive free or reduced-price lunches, the number of food stamp households, and the county by county estimates of children in poverty as determined by the Census Bureau.

**''SEC. 414. STUDY BY THE CENSUS BUREAU.**

''(a) IN GENERAL.—The Bureau of the Census shall expand the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by chapter 1 of the Personal Responsibility and Work Opportunity Act of 1996 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells.

''(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for each of fiscal years 1998, 1999, 2000, 2001, and 2002 for payment to the Bureau of the Census to carry out subsection (a).

**''SEC. 415. WAIVERS.**

''(a) CONTINUATION OF WAIVERS.—

''(1) WAIVERS IN EFFECT ON DATE OF ENACTMENT OF WELFARE REFORM.—Except as provided in paragraph (3), if any waiver granted to a State under section 1115 or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is in effect as of the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, the amendments made by such Act (other than by section 2103(d) of such Act) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the waiver.

''(2) WAIVERS GRANTED SUBSEQUENTLY.—Except as provided in paragraph (3), if any waiver granted to a State under section 1115 or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is submitted to the Secretary before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996 and approved by the Secretary on or before July 1, 1997, and the State demonstrates to the satisfaction of the Secretary that the waiver will not result in Federal expenditures under title IV of this Act (as in effect without regard to the amendments made by the Personal Responsibility and Work Opportunity Act of 1996) that are greater than would occur in the absence of the waiver, the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 (other than by section 2103(d) of such Act) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 are inconsistent with the waiver.

''(3) FINANCING LIMITATION.—Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in paragraph (1) shall be entitled to payment under section 403 for the fiscal year, in lieu of any other payment provided for in the waiver.

''(b) STATE OPTION TO TERMINATE WAIVER.—

''(1) IN GENERAL.—A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

''(2) REPORT.—A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of the waiver.

''(3) HOLD HARMLESS PROVISION.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, a State that, not later than the date described in subparagraph (B), submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the waiver.

''(B) DATE DESCRIBED.—The date described in this subparagraph is 90 days following the adjournment of the first regular session of the State legislature that begins after the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996.

''(c) SECRETARIAL ENCOURAGEMENT OF CURRENT WAIVERS.—The Secretary shall encourage any State operating a waiver described in subsection (a) to continue the waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of the waiver.

''(d) CONTINUATION OF INDIVIDUAL WAIVERS.—A State may elect to continue 1 or more individual waivers described in subsection (a).

**''SEC. 416. ADMINISTRATION.**

''The programs under this part and part D shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law, and the Secretary shall reduce the Federal workforce within the Department of Health and Human Services by an amount equal to the sum of 75 percent of the full-time equivalent positions at such Department that relate to any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, and by an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at such Department that bears the same relationship to the amount appropriated for any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, as such amount relates to the total amount appropriated for use by such Department, and, notwithstanding any other provision of law, the Secretary shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Health and Human Services by 245 full-time equivalent positions related to the program converted into a block grant under the amendment made by section 2103 of the Personal Responsibility and Work Opportunity Act of 1996, and by 60 full-time equivalent managerial positions in the Department.

**''SEC. 417. LIMITATION ON FEDERAL AUTHORITY.**

''No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.''; and

(2) by inserting after such section 418 the following:

**''SEC. 419. DEFINITIONS.**

''As used in this part:

''(1) ADULT.—The term 'adult' means an individual who is not a minor child.

''(2) MINOR CHILD.—The term 'minor child' means an individual who—

''(A) has not attained 18 years of age; or

''(B) has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

''(3) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

''(4) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the terms 'Indian', 'Indian tribe', and 'tribal organization' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(B) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—The term 'Indian tribe' means, with respect to the State of Alaska, only the Metlakatla Indian Community of the Annette Islands Reserve and the following Alaska Native regional nonprofit corporations:

''(i) Arctic Slope Native Association.

''(ii) Kawerak, Inc.

''(iii) Maniilaq Association.

''(iv) Association of Village Council Presidents.

''(v) Tanana Chiefs Conference.

''(vi) Cook Inlet Tribal Council.

''(vii) Bristol Bay Native Association.

''(viii) Aleutian and Pribilof Island Association.

''(ix) Chugachmuit.

''(x) Tlingit Haida Central Council.

''(xi) Kodiak Area Native Association.

''(xii) Copper River Native Association.

''(5) STATE.—

''(A) IN GENERAL.—Except as otherwise specifically provided, the term 'State' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

''(B) STATE OPTION TO CONTRACT TO PROVIDE SERVICES.—The term 'State' includes the—

''(i) administration and provision of services under the program funded under this part, or under the programs funded under parts B and E of this title, through contracts with charitable, religious, or private organizations; and

''(ii) provision to beneficiaries of assistance under such programs with certificates, vouchers, or other forms of disbursement which are redeemable with such organizations.''.

(b) GRANTS TO OUTLYING AREAS.—Section 1108 (42 U.S.C. 1308) is amended—

(1) by redesignating subsection (c) as subsection (g);

(2) by striking all that precedes subsection (c) and inserting the following:

**"SEC. 1108. ADDITIONAL GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA; LIMITATION ON TOTAL PAYMENTS.**

''(a) LIMITATION ON TOTAL PAYMENTS TO EACH TERRITORY.—Notwithstanding any other provision of this Act, the total amount certified by the Secretary of Health and Human Services under titles I, X, XIV, and XVI, under parts A and E of title IV, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year.

''(b) ENTITLEMENT TO MATCHING GRANT.—

''(1) IN GENERAL.—Each territory shall be entitled to receive from the Secretary for each fiscal year a grant in an amount equal to 75 percent of the amount (if any) by which—

''(A) the total expenditures of the territory during the fiscal year under the territory programs funded under parts A and E of title IV; exceeds

''(B) the sum of—

''(i) the total amount required to be paid to the territory (other than with respect to child care) under former section 403 (as in effect on September 30, 1995) for fiscal year 1995, which shall be determined by applying subparagraphs (C) and (D) of section 403(a)(1) to the territory;

''(ii) the total amount required to be paid to the territory under former section 434 (as so in effect) for fiscal year 1995; and

''(iii) the total amount expended by the territory during fiscal year 1995 pursuant to parts A and F of title IV (as so in effect), other than for child care.

''(2) USE OF GRANT.—Any territory to which a grant is made under paragraph (1) may expend the amount under any program operated or funded under any provision of law specified in subsection (a).

''(c) DEFINITIONS.—As used in this section:

''(1) TERRITORY.—The term 'territory' means Puerto Rico, the Virgin Islands, Guam, and American Samoa.

''(2) CEILING AMOUNT.—The term 'ceiling amount' means, with respect to a territory and a fiscal year, the mandatory ceiling amount with respect to the territory, reduced for the fiscal year in accordance with subsection (e).

''(3) MANDATORY CEILING AMOUNT.—The term 'mandatory ceiling amount' means—

''(A) $102,040,000 with respect to for Puerto Rico;

''(B) $4,683,000 with respect to Guam;

''(C) $3,554,000 with respect to the Virgin Islands; and

''(D) $1,000,000 with respect to American Samoa.

''(4) TOTAL AMOUNT EXPENDED BY THE TERRITORY.—The term 'total amount expended by the territory'—

''(A) does not include expenditures during the fiscal year from amounts made available by the Federal Government; and

''(B) when used with respect to fiscal year 1995, also does not include—

''(i) expenditures during fiscal year 1995 under subsection (g) or (i) of section 402 (as in effect on September 30, 1995); or

''(ii) any expenditures during fiscal year 1995 for which the territory (but for section 1108, as in effect on September 30, 1995) would have received reimbursement from the Federal Government.

''(d) AUTHORITY TO TRANSFER FUNDS AMONG PROGRAMS.—Notwithstanding any other provision of this Act, any territory to which an amount is paid under any provision of law specified in subsection (a) may use part or all of the amount to carry out any program operated by the territory, or funded, under any other such provision of law.

''(e) MAINTENANCE OF EFFORT.—The ceiling amount with respect to a territory shall be reduced for a fiscal year by an amount equal to the amount (if any) by which—

''(1) the total amount expended by the territory under all programs of the territory operated pursuant to the provisions of law specified in subsection (a) (as such provisions were in effect for fiscal year 1995) for fiscal year 1995; exceeds

''(2) the total amount expended by the territory under all programs of the territory that are funded under the provisions of law specified in subsection (a) for the fiscal year that immediately precedes the fiscal year referred to in the matter preceding paragraph (1).''; and

(3) by striking subsections (d) and (e).

(c) REPEAL OF PROVISIONS REQUIRING REDUCTION OF MEDICAID PAYMENTS TO STATES THAT REDUCE WELFARE PAYMENT LEVELS.—

(1) Section 1903(i) (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

(2) Section 1902 (42 U.S.C. 1396a) is amended by striking subsection (c).

(d) ELIMINATION OF CHILD CARE PROGRAMS UNDER THE SOCIAL SECURITY ACT.—

(1) AFDC AND TRANSITIONAL CHILD CARE PROGRAMS.—Section 402 (42 U.S.C. 602) is amended by striking subsection (g).

(2) AT-RISK CHILD CARE PROGRAM.—

(A) AUTHORIZATION.—Section 402 (42 U.S.C. 602) is amended by striking subsection (i).

(B) FUNDING PROVISIONS.—Section 403 (42 U.S.C. 603) is amended by striking subsection (n).

**SEC. 2104. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, OR PRIVATE ORGANIZATIONS.**

(a) IN GENERAL.—

(1) STATE OPTIONS.—A State may—

(A) administer and provide services under the programs described in subparagraphs (A) and (B)(i) of paragraph (2) through contracts with charitable, religious, or private organizations; and

(B) provide beneficiaries of assistance under the programs described in subparagraphs (A) and (B)(ii) of paragraph (2) with certificates, vouchers, or other forms of disbursement which are redeemable with such organizations.

(2) PROGRAMS DESCRIBED.—The programs described in this paragraph are the following programs:

(A) A State program funded under part A of title IV of the Social Security Act (as amended by section 2103(a) of this Act).

(B) Any other program established or modified under chapter 1 or 2 of this subtitle, that—

(i) permits contracts with organizations; or

(ii) permits certificates, vouchers, or other forms of disbursement to be provided to beneficiaries, as a means of providing assistance.

(b) RELIGIOUS ORGANIZATIONS.—The purpose of this section is to allow States to contract with religious organizations, or to allow religious organizations to accept certificates, vouchers, or other forms of disbursement under any program described in subsection (a)(2), on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under such program.

(c) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—In the event a State exercises its authority under subsection (a), religious organizations are eligible, on the same basis as any other private organization, as contractors to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, under any program described in subsection (a)(2) so long as the programs are implemented consistent with the Establishment Clause of the United States Constitution. Except as provided in subsection (k), neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization which is or applies to be a contractor to provide assistance, or which accepts certificates, vouchers, or other forms of disbursement, on the basis that the organization has a religious character.

(d) RELIGIOUS CHARACTER AND FREEDOM.—

(1) RELIGIOUS ORGANIZATIONS.—A religious organization with a contract described in subsection (a)(1)(A), or which accepts certificates, vouchers, or other forms of disbursement under subsection (a)(1)(B), shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State shall require a religious organization to—

(A) alter its form of internal governance; or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible to contract to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, funded under a program described in subsection (a)(2).

(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

(1) IN GENERAL.—If an individual described in paragraph (2) has an objection to the religious character of the organization or institution from which the individual receives, or would receive, assistance funded under any program described in subsection (a)(2), the State in which the individual resides shall provide such individual (if otherwise eligible for such assistance) within a reasonable period of time after the date of such objection with assistance from an alternative provider that is accessible to the individual and the value of which is not less than the value of the assistance which the individual would have received from such organization.

(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual who receives, applies for, or requests to apply for, assistance under a program described in subsection (a)(2).

(f) EMPLOYMENT PRACTICES.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1a) regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a)(2).

(g) NONDISCRIMINATION AGAINST BENEFICIARIES.—Except as otherwise provided in law, a religious organization shall not discriminate against an individual in regard to rendering assistance funded under any program described in subsection (a)(2) on the basis of religion, a religious belief, or refusal to actively participate in a religious practice.

(h) FISCAL ACCOUNTABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization contracting to provide assistance funded under any program described in subsection (a)(2) shall be subject to the same regulations as other contractors to account in accord with generally accepted auditing principles for the use of such funds provided under such programs.

(2) LIMITED AUDIT.—If such organization segregates Federal funds provided under such

programs into separate accounts, then only the financial assistance provided with such funds shall be subject to audit.

(i) COMPLIANCE.—Any party which seeks to enforce its rights under this section may assert a civil action for injunctive relief exclusively in an appropriate State court against the entity or agency that allegedly commits such violation.

(j) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No funds provided directly to institutions or organizations to provide services and administer programs under subsection (a)(1)(A) shall be expended for sectarian worship, instruction, or proselytization.

(k) PREEMPTION.—Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.

**SEC. 2105. CENSUS DATA ON GRANDPARENTS AS PRIMARY CAREGIVERS FOR THEIR GRANDCHILDREN.**

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Commerce, in carrying out section 141 of title 13, United States Code, shall expand the data collection efforts of the Bureau of the Census (in this section referred to as the ''Bureau'') to enable the Bureau to collect statistically significant data, in connection with its decennial census and its mid-decade census, concerning the growing trend of grandparents who are the primary caregivers for their grandchildren.

(b) EXPANDED CENSUS QUESTION.—In carrying out subsection (a), the Secretary of Commerce shall expand the Bureau's census question that details households which include both grandparents and their grandchildren. The expanded question shall be formulated to distinguish between the following households:

(1) A household in which a grandparent temporarily provides a home for a grandchild for a period of weeks or months during periods of parental distress.

(2) A household in which a grandparent provides a home for a grandchild and serves as the primary caregiver for the grandchild.

**SEC. 2106. REPORT ON DATA PROCESSING.**

(a) IN GENERAL.—Within 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Congress a report on—

(1) the status of the automated data processing systems operated by the States to assist management in the administration of State programs under part A of title IV of the Social Security Act (whether in effect before or after October 1, 1995); and

(2) what would be required to establish a system capable of—

(A) tracking participants in public programs over time; and

(B) checking case records of the States to determine whether individuals are participating in public programs of 2 or more States.

(b) PREFERRED CONTENTS.—The report required by subsection (a) should include—

(1) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in subsection (a)(2); and

(2) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

**SEC. 2107. STUDY ON ALTERNATIVE OUTCOMES MEASURES.**

(a) STUDY.—The Secretary shall, in cooperation with the States, study and analyze outcomes measures for evaluating the success of the States in moving individuals out of the welfare system through employment as an alternative to the minimum participation rates described in section 407 of the Social Security Act. The study shall include a determination as to whether such alternative outcomes measures should be applied on a national or a State-by-State basis and a preliminary assessment of the effects of section 409(a)(7)(C) of such Act.

(b) REPORT.—Not later than September 30, 1998, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the findings of the study required by subsection (a).

**SEC. 2108. WELFARE FORMULA FAIRNESS COMMISSION.**

(a) ESTABLISHMENT.—There is established a commission to be known as the Welfare Formula Fairness Commission (in this section referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 13 members, of whom—

(A) 3 shall be appointed by the President, of whom not more than 2 shall be of the same political party;

(B) 3 shall be appointed by the Majority Leader of the Senate;

(C) 2 shall be appointed by the Minority Leader of the Senate;

(D) 3 shall be appointed by the Speaker of the House of Representatives; and

(E) 2 shall be appointed by the Minority Leader of the House of Representatives.

(2) DATE.—The appointments of the members of the Commission shall be made not later than 30 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—The Commission shall meet at the call of the Chair.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIR AND VICE CHAIR.—The Commission shall select a Chair and Vice Chair from among its members.

(h) DUTIES OF THE COMMISSION.—

(1) STUDY.—The Commission shall study—

(A) the temporary assistance for needy families block grant program established under part A of title IV of the Social Security Act, as amended by section 2103 of this Act; and

(B) the funding formulas applied, the bonus payments provided, and the work requirements established under such program.

(2) REPORT.—Not later than September 1, 1998, the Commission shall submit a report to the Congress on the matters studied under paragraph (1).

(i) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this section. Upon request of the Chair of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(j) PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) STAFF.—

(A) IN GENERAL.—The Chair of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chair of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chair of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(k) TERMINATION OF THE COMMISSION.—The Commission shall terminate not later than December 31, 1998.

(l) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission such sums as are necessary to carry out the purposes of this section.

**SEC. 2109. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.**

(a) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 (42 U.S.C. 651) is amended by striking ''aid'' and inserting ''assistance under a State program funded''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A'';

(B) by striking ''such aid'' and inserting ''such assistance''; and

(C) by striking ''under section 402(a)(26) or'' and inserting ''pursuant to section 408(a)(4) or under section''.

(3) Section 452(a)(10)(F) (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking ''aid under a State plan approved'' and inserting ''assistance under a State program funded''; and

(B) by striking ''in accordance with the standards referred to in section 402(a)(26)(B)(ii)'' and inserting ''by the State''.

(4) Section 452(b) (42 U.S.C. 652(b)) is amended in the first sentence by striking ''aid under the State plan approved under part A'' and inserting ''assistance under the State program funded under part A''.

(5) Section 452(d)(3)(B)(i) (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking ''1115(c)'' and inserting ''1115(b)''.

(6) Section 452(g)(2)(A)(ii)(I) (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking ''aid is being paid under the State's plan approved under part A or E'' and inserting ''assistance is being provided under the State program funded under part A''.

(7) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking ''aid was being paid under the State's plan approved under part A or E'' and inserting ''assistance was being provided under the State program funded under part A''.

(8) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking ''who is a dependent child'' and inserting ''with respect to whom assistance is being provided under the State program funded under part A'';

(B) by inserting ''by the State'' after ''found''; and

(C) by striking ''to have good cause for refusing to cooperate under section 402(a)(26)'' and inserting ''to qualify for a good cause or other exception to cooperation pursuant to section 454(29)''.

(9) Section 452(h) (42 U.S.C. 652(h)) is amended by striking ''under section 402(a)(26)'' and inserting ''pursuant to section 408(a)(4)''.

(10) Section 453(c)(3) (42 U.S.C. 653(c)(3)) is amended by striking ''aid under part A of this title'' and inserting ''assistance under a State program funded under part A''.

(11) Section 454(5)(A) (42 U.S.C. 654(5)(A))) is amended—

(A) by striking ''under section 402(a)(26)'' and inserting ''pursuant to section 408(a)(4)''; and

(B) by striking ''; except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;'' and inserting a comma.

(12) Section 454(6)(D) (42 U.S.C. 654(6)(D)) is amended by striking ''aid under a State plan approved'' and inserting ''assistance under a State program funded''.

(13) Section 456(a)(1) (42 U.S.C. 656(a)(1)) is amended by striking ''under section 402(a)(26)''.

(14) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''402(a)(26)'' and inserting ''408(a)(3)''.

(15) Section 466(b)(2) (42 U.S.C. 666(b)(2)) is amended by striking ''aid'' and inserting ''assistance under a State program funded''.

(16) Section 469(a) (42 U.S.C. 669(a)) is amended—

(A) by striking ''aid under plans approved'' and inserting ''assistance under State programs funded''; and

(B) by striking ''such aid'' and inserting ''such assistance''.

(17) Section 472(c)(2) (42 U.S.C. 672(c)(2)) is amended by striking ''nonprofit''.

(b) REPEAL OF PART F OF TITLE IV.—Part F of title IV (42 U.S.C. 681–687) is repealed.

(c) AMENDMENT TO TITLE X.—Section 1002(a)(7) (42 U.S.C. 1202(a)(7)) is amended by striking ''aid to families with dependent children under the State plan approved under section 402 of this Act'' and inserting ''assistance under a State program funded under part A of title IV''.

(d) AMENDMENTS TO TITLE XI.—

(1) Section 1109 (42 U.S.C. 1309) is amended by striking ''or part A of title IV,''.

(2) Section 1115 (42 U.S.C. 1315) is amended—

(A) in subsection (a)(2)—

(i) by inserting ''(A)'' after ''(2)'';

(ii) by striking ''403,'';

(iii) by striking the period at the end and inserting '', and''; and

(iv) by adding at the end the following new subparagraph:

''(B) costs of such project which would not otherwise be a permissible use of funds under part A of title IV and which are not included as part of the costs of projects under section 1110, shall to the extent and for the period prescribed by the Secretary, be regarded as a permissible use of funds under such part.''; and

(B) in subsection (c)(3), by striking ''the program of aid to families with dependent children'' and inserting ''part A of such title''.

(3) Section 1116 (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking ''or part A of title IV,''; and

(B) in subsection (a)(3), by striking ''404,''.

(4) Section 1118 (42 U.S.C. 1318) is amended—

(A) by striking ''403(a),'';

(B) by striking ''and part A of title IV,''; and

(C) by striking '', and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV''.

(5) Section 1119 (42 U.S.C. 1319) is amended—

(A) by striking ''or part A of title IV''; and

(B) by striking ''403(a),''.

(6) Section 1133(a) (42 U.S.C. 1320b–3(a)) is amended by striking ''or part A of title IV,''.

(7) Section 1136 (42 U.S.C. 1320b–6) is repealed.

(8) Section 1137 (42 U.S.C. 1320b–7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

''(1) any State program funded under part A of title IV of this Act;''; and

(B) in subsection (d)(1)(B)—

(i) by striking ''In this subsection—'' and all that follows through ''(ii) in'' and inserting ''In this subsection, in'';

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(e) AMENDMENT TO TITLE XIV.—Section 1402(a)(7) (42 U.S.C. 1352(a)(7)) is amended by striking ''aid to families with dependent children under the State plan approved under section 402 of this Act'' and inserting ''assistance under a State program funded under part A of title IV''.

(f) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE TERRITORIES.—Section 1602(a)(11), as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972 (42 U.S.C. 1382 note), is amended by striking ''aid under the State plan approved'' and inserting ''assistance under a State program funded''.

(g) AMENDMENT TO TITLE XVI AS IN EFFECT WITH RESPECT TO THE STATES.—Section 1611(c)(5)(A) (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: ''(A) a State program funded under part A of title IV,''.

(h) AMENDMENT TO TITLE XIX.—Section 1902(j) (42 U.S.C. 1396a(j)) is amended by striking ''1108(c)'' and inserting ''1108(g)''.

**SEC. 2110. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS.**

(a) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in the second sentence of subsection (a), by striking ''plan approved'' and all that follows through ''title IV of the Social Security Act'' and inserting ''program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)'';

(2) in subsection (d)—

(A) in paragraph (5), by striking ''assistance to families with dependent children'' and inserting ''assistance under a State program funded''; and

(B) by striking paragraph (13) and redesignating paragraphs (14), (15), and (16) as paragraphs (13), (14), and (15), respectively;

(3) in subsection (j), by striking ''plan approved under part A of title IV of such Act (42 U.S.C. 601 et seq.)'' and inserting ''program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)''; and

(4) by striking subsection (m) and redesignating subsection (n), as added by section 1122, as subsection (m).

(b) Section 6 of such Act (7 U.S.C. 2015) is amended—

(1) in subsection (c)(5), by striking ''the State plan approved'' and inserting ''the State program funded''; and

(2) in subsection (e)(6), by striking ''aid to families with dependent children'' and inserting ''benefits under a State program funded''.

(c) Section 16(g)(4) of such Act (7 U.S.C. 2025(g)(4)) is amended by striking ''State plans under the Aid to Families with Dependent Children Program under'' and inserting ''State programs funded under part A of''.

(d) Section 17(b)(3) of such Act (7 U.S.C. 2026(b)(3)) is amended by adding at the end the following new subparagraph:

''(I) The Secretary may not grant a waiver under this paragraph on or after October 1, 1995. Any reference in this paragraph to a provision of title IV of the Social Security Act shall be deemed to be a reference to such provision as in effect on September 30, 1995.''.

(e) Section 20 of such Act (7 U.S.C. 2029) is amended—

(1) in subsection (a)(2)(B) by striking ''operating—'' and all that follows through ''(ii) any other'' and inserting ''operating any''; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''(b)(1) A household'' and inserting ''(b) A household''; and

(ii) in subparagraph (B), by striking ''training program'' and inserting ''activity'';

(B) by striking paragraph (2); and

(C) by redesignating subparagraphs (A) through (F) as paragraphs (1) through (6), respectively.

(f) Section 5(h)(1) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–186; 7 U.S.C. 612c note) is amended by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''.

(g) Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(B)(ii)(II), as amended by section 1202(b)—

(i) by striking ''program for aid to families with dependent children'' and inserting ''State program funded''; and

(ii) by inserting before the period at the end the following: ''(42 U.S.C. 601 et seq.)

that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(B) in paragraph (6)—

(i) in subparagraph (A)(ii)—

(I) by striking ''an AFDC assistance unit (under the aid to families with dependent children program authorized'' and inserting ''a family (under the State program funded''; and

(II) by striking '', in a State'' and all that follows through ''9902(2)))'' and inserting ''that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(ii) in subparagraph (B), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''; and

(2) in subsection (d)(2)(C)—

(A) by striking ''program for aid to families with dependent children'' and inserting ''State program funded''; and

(B) by inserting before the period at the end the following: ''(42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''.

(h) Section 17(d)(2)(A)(ii)(II) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(A)(ii)(II)) is amended—

(1) by striking ''program for aid to families with dependent children established'' and inserting ''State program funded''; and

(2) by inserting before the semicolon the following: ''(42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995''.

**SEC. 2111. CONFORMING AMENDMENTS TO OTHER LAWS.**

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a; Public Law 94–566; 90 Stat. 2689) is amended to read as follows:

''(b) PROVISION FOR REIMBURSEMENT OF EXPENSES.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

''(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)), or

''(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.''.

(b) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(c) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(d) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is repealed.

(e) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is repealed.

(f) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is repealed.

(g) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(1) in subsection (a), by striking ''aid to families with dependent children under a State plan approved'' and inserting ''assistance under a State program funded''; and

(2) in subsection (c), by striking ''aid to families with dependent children in the State under a State plan approved'' and inserting ''assistance in the State under a State program funded''.

(h) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 404C(c)(3) (20 U.S.C. 1070a–23(c)(3)), by striking ''(Aid to Families with Dependent Children)''; and

(2) in section 480(b)(2) (20 U.S.C. 1087vv(b)(2)), by striking ''aid to families with dependent children under a State plan approved'' and inserting ''assistance under a State program funded''.

(i) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is amended—

(1) in section 231(d)(3)(A)(ii) (20 U.S.C. 2341(d)(3)(A)(ii)), by striking ''The program for aid to dependent children'' and inserting ''The State program funded'';

(2) in section 232(b)(2)(B) (20 U.S.C. 2341a(b)(2)(B)), by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''; and

(3) in section 521(14)(B)(iii) (20 U.S.C. 2471(14)(B)(iii)), by striking ''the program for aid to families with dependent children'' and inserting ''the State program funded''.

(j) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in section 1113(a)(5) (20 U.S.C. 6313(a)(5)), by striking ''Aid to Families with Dependent Children program'' and inserting ''State program funded under part A of title IV of the Social Security Act'';

(2) in section 1124(c)(5) (20 U.S.C. 6333(c)(5)), by striking ''the program of aid to families with dependent children under a State plan approved under'' and inserting ''a State program funded under part A of''; and

(3) in section 5203(b)(2) (20 U.S.C. 7233(b)(2))—

(A) in subparagraph (A)(xi), by striking ''Aid to Families with Dependent Children benefits'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''; and

(B) in subparagraph (B)(viii), by striking ''Aid to Families with Dependent Children'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act''.

(k) The 4th proviso of chapter VII of title I of Public Law 99–88 (25 U.S.C. 13d–1) is amended to read as follows: ''*Provided further*, That general assistance payments made by the Bureau of Indian Affairs shall be made—

''(1) after April 29, 1985, and before October 1, 1995, on the basis of Aid to Families with Dependent Children (AFDC) standards of need; and

''(2) on and after October 1, 1995, on the basis of standards of need established under the State program funded under part A of title IV of the Social Security Act, except that where a State ratably reduces its AFDC or State program payments, the Bureau shall reduce general assistance payments in such State by the same percentage as the State has reduced the AFDC or State program payment.''.

(l) The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 51(d)(9) (26 U.S.C. 51(d)(9)), by striking all that follows ''agency as'' and inserting ''being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer.'';

(2) in section 3304(a)(16) (26 U.S.C. 3304(a)(16)), by striking ''eligibility for aid or services,'' and all that follows through ''children approved'' and inserting ''eligibility for assistance, or the amount of such assistance, under a State program funded'';

(3) in section 6103(l)(7)(D)(i) (26 U.S.C. 6103(l)(7)(D)(i)), by striking ''aid to families with dependent children provided under a State plan approved'' and inserting ''a State program funded'';

(4) in section 6103(l)(10) (26 U.S.C. 6103(l)(10))—

(A) by striking ''(c) or (d)'' each place it appears and inserting ''(c), (d), or (e)''; and

(B) by adding at the end of subparagraph (B) the following new sentence: ''Any return information disclosed with respect to section 6402(e) shall only be disclosed to officers and employees of the State agency requesting such information.'';

(5) in section 6103(p)(4) (26 U.S.C. 6103(p)(4)), in the matter preceding subparagraph (A)—

(A) by striking ''(5), (10)'' and inserting ''(5)''; and

(B) by striking ''(9), or (12)'' and inserting ''(9), (10), or (12)'';

(6) in section 6334(a)(11)(A) (26 U.S.C. 6334(a)(11)(A)), by striking ''(relating to aid to families with dependent children)'';

(7) in section 6402 (26 U.S.C. 6402)—

(A) in subsection (a), by striking ''(c) and (d)'' and inserting ''(c), (d), and (e)'';

(B) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(C) by inserting after subsection (d) the following:

''(e) COLLECTION OF OVERPAYMENTS UNDER TITLE IV–A OF THE SOCIAL SECURITY ACT.—The amount of any overpayment to be refunded to the person making the overpayment shall be reduced (after reductions pursuant to subsections (c) and (d), but before a credit against future liability for an internal revenue tax) in accordance with section 405(e) of the Social Security Act (concerning recovery of overpayments to individuals under State plans approved under part A of title IV of such Act).''; and

(8) in section 7523(b)(3)(C) (26 U.S.C. 7523(b)(3)(C)), by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''.

(m) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)) is amended by striking ''State plan approved under part A of title IV'' and inserting ''State program funded under part A of title IV''.

(n) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4(29)(A)(i) (29 U.S.C. 1503(29)(A)(i)), by striking ''(42 U.S.C. 601 et seq.)'';

(2) in section 106(b)(6)(C) (29 U.S.C. 1516(b)(6)(C)), by striking ''State aid to families with dependent children records,'' and inserting ''records collected under the State

program funded under part A of title IV of the Social Security Act,'';

(3) in section 121(b)(2) (29 U.S.C. 1531(b)(2))—

(A) by striking ''the JOBS program'' and inserting ''the work activities required under title IV of the Social Security Act''; and

(B) by striking the second sentence;

(4) in section 123(c) (29 U.S.C. 1533(c))—

(A) in paragraph (1)(E), by repealing clause (vi); and

(B) in paragraph (2)(D), by repealing clause (v);

(5) in section 203(b)(3) (29 U.S.C. 1603(b)(3)), by striking '', including recipients under the JOBS program'';

(6) in subparagraphs (A) and (B) of section 204(a)(1) (29 U.S.C. 1604(a)(1) (A) and (B)), by striking ''(such as the JOBS program)'' each place it appears;

(7) in section 205(a) (29 U.S.C. 1605(a)), by striking paragraph (4) and inserting the following:

''(4) the portions of title IV of the Social Security Act relating to work activities;'';

(8) in section 253 (29 U.S.C. 1632)—

(A) in subsection (b)(2), by repealing subparagraph (C); and

(B) in paragraphs (1)(B) and (2)(B) of subsection (c), by striking ''the JOBS program or'' each place it appears;

(9) in section 264 (29 U.S.C. 1644)—

(A) in subparagraphs (A) and (B) of subsection (b)(1), by striking ''(such as the JOBS program)'' each place it appears; and

(B) in subparagraphs (A) and (B) of subsection (d)(3), by striking ''and the JOBS program'' each place it appears;

(10) in section 265(b) (29 U.S.C. 1645(b)), by striking paragraph (6) and inserting the following:

''(6) the portion of title IV of the Social Security Act relating to work activities;'';

(11) in the second sentence of section 429(e) (29 U.S.C. 1699(e)), by striking ''and shall be in an amount that does not exceed the maximum amount that may be provided by the State pursuant to section 402(g)(1)(C) of the Social Security Act (42 U.S.C. 602(g)(1)(C))'';

(12) in section 454(c) (29 U.S.C. 1734(c)), by striking ''JOBS and'';

(13) in section 455(b) (29 U.S.C. 1735(b)), by striking ''the JOBS program,'';

(14) in section 501(1) (29 U.S.C. 1791(1)), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)'' and inserting ''assistance under the State program funded under part A of title IV of the Social Security Act'';

(15) in section 506(1)(A) (29 U.S.C. 1791e(1)(A)), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded'';

(16) in section 508(a)(2)(A) (29 U.S.C. 1791g(a)(2)(A)), by striking ''aid to families with dependent children'' and inserting ''assistance under the State program funded''; and

(17) in section 701(b)(2)(A) (29 U.S.C. 1792(b)(2)(A))—

(A) in clause (v), by striking the semicolon and inserting ''; and''; and

(B) by striking clause (vi).

(o) Section 3803(c)(2)(C)(iv) of title 31, United States Code, is amended to read as follows:

''(iv) assistance under a State program funded under part A of title IV of the Social Security Act;''.

(p) Section 2605(b)(2)(A)(i) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i)) is amended to read as follows:

''(i) assistance under the State program funded under part A of title IV of the Social Security Act;''.

(q) Section 303(f)(2) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(1) by striking ''(A)''; and

(2) by striking subparagraphs (B) and (C).

(r) The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is amended—

(1) in the first section 255(h) (2 U.S.C. 905(h)), by striking ''Aid to families with dependent children (75–0412–0–1–609);'' and inserting ''Block grants to States for temporary assistance for needy families;''; and

(2) in section 256 (2 U.S.C. 906)—

(A) by striking subsection (k); and

(B) by redesignating subsection (l) as subsection (k).

(s) The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 210(f) (8 U.S.C. 1160(f)), by striking ''aid under a State plan approved under'' each place it appears and inserting ''assistance under a State program funded under'';

(2) in section 245A(h) (8 U.S.C. 1255a(h))—

(A) in paragraph (1)(A)(i), by striking ''program of aid to families with dependent children'' and inserting ''State program of assistance''; and

(B) in paragraph (2)(B), by striking ''aid to families with dependent children'' and inserting ''assistance under a State program funded under part A of title IV of the Social Security Act''; and

(3) in section 412(e)(4) (8 U.S.C. 1522(e)(4)), by striking ''State plan approved'' and inserting ''State program funded''.

(t) Section 640(a)(4)(B)(i) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)) is amended by striking ''program of aid to families with dependent children under a State plan approved'' and inserting ''State program of assistance funded''.

(u) Section 9 of the Act of April 19, 1950 (64 Stat. 47, chapter 92; 25 U.S.C. 639) is repealed.

(v) Subparagraph (E) of section 213(d)(6) of the School-To-Work Opportunities Act of 1994 (20 U.S.C. 6143(d)(6)) is amended to read as follows:

''(E) part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) relating to work activities;''.

(w) Section 552a(a)(8)(B)(iv)(III) of title 5, United States Code, is amended by striking ''section 464 or 1137 of the Social Security Act'' and inserting ''section 404(e), 464, or 1137 of the Social Security Act''.

**SEC. 2112. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD REQUIRED.**

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the ''Commissioner'') shall, in accordance with this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card shall—

(A) be made of a durable, tamper-resistant material such as plastic or polyester,

(B) employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits, and

(C) be developed so as to provide individuals with reliable proof of citizenship or legal resident alien status.

(2) ASSISTANCE BY ATTORNEY GENERAL.—The Attorney General of the United States shall provide such information and assistance as the Commissioner deems necessary to enable the Commissioner to comply with this section.

(b) STUDY AND REPORT.—

(1) IN GENERAL.—The Commissioner shall conduct a study and issue a report to the Congress which examines different methods of improving the social security card application process.

(2) ELEMENTS OF STUDY.—The study shall include an evaluation of the cost and work load implications of issuing a counterfeit-resistant social security card for all individuals over a 3-, 5-, and 10-year period. The study shall also evaluate the feasibility and cost implications of imposing a user fee for replacement cards and cards issued to individuals who apply for such a card prior to the scheduled 3-, 5-, and 10-year phase-in options.

(3) DISTRIBUTION OF REPORT.—The Commissioner shall submit copies of the report described in this subsection along with a facsimile of the prototype card as described in subsection (a) to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate within 1 year after the date of the enactment of this Act.

**SEC. 2113. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAM.**

Section 505 of the Family Support Act of 1988 (42 U.S.C. 1315 note) is amended—

(1) in the heading, by striking ''demonstration'';

(2) by striking ''demonstration'' each place such term appears;

(3) in subsection (a), by striking ''in each of fiscal years'' and all that follows through ''10'' and inserting ''shall enter into agreements with'';

(4) in subsection (b)(3), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the program funded part A of title IV of the Social Security Act of the State in which the individual resides'';

(5) in subsection (c)—

(A) in paragraph (1)(C), by striking ''aid to families with dependent children under title IV of the Social Security Act'' and inserting ''assistance under a State program funded part A of title IV of the Social Security Act''; and

(B) in paragraph (2), by striking ''aid to families with dependent children under title IV of such Act'' and inserting ''assistance under a State program funded part A of title IV of the Social Security Act'';

(6) in subsection (d), by striking ''job opportunities and basic skills training program (as provided for under title IV of the Social Security Act)'' and inserting ''the State program funded under part A of title IV of the Social Security Act''; and

(7) by striking subsections (e) through (g) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of conducting projects under this section, there is authorized to be appropriated an amount not to exceed $25,000,000 for any fiscal year.''.

**SEC. 2114. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.**

Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services and the Commissioner of Social Security, in consultation, as appropriate, with the heads of other Federal agencies, shall submit to the appropriate committees of the Congress a legislative proposal proposing such technical and conforming amendments as are necessary to bring the law into conformity with the policy embodied in this chapter.

**SEC. 2115. EFFECTIVE DATE; TRANSITION RULE.**

(a) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this chapter, this chapter and the amendments made by this chapter shall take effect on July 1, 1997.

(2) DELAYED EFFECTIVE DATE FOR CERTAIN PROVISIONS.—Notwithstanding any other provision of this section, paragraphs (2), (3), (4),

(5), (8), and (10) of section 409(a) and section 411(a) of the Social Security Act (as added by the amendments made by section 2103(a) of this Act) shall not take effect with respect to a State until, and shall apply only with respect to conduct that occurs on or after, the later of—

(A) July 1, 1997; or

(B) the date that is 6 months after the date the Secretary of Health and Human Services receives from the State a plan described in section 402(a) of the Social Security Act (as added by such amendment).

(3) ELIMINATION OF CHILD CARE PROGRAMS.—The amendments made by section 2103(d) shall take effect on October 1, 1996.

(4) DEFINITIONS APPLICABLE TO NEW CHILD CARE ENTITLEMENT.—Sections 403(a)(1)(C), 403(a)(1)(D), and 419(4) of the Social Security Act, as added by the amendments made by section 2103(a) of this Act, shall take effect on October 1, 1996.

(b) TRANSITION RULES.—Effective on the date of the enactment of this Act:

(1) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—

(A) IN GENERAL.—If the Secretary of Health and Human Services receives from a State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 2103(a)(1) of this Act), then—

(i) on and after the date of such receipt—

(I) except as provided in clause (ii), this chapter and the amendments made by this chapter (other than by section 2103(d) of this Act) shall apply with respect to the State; and

(II) the State shall be considered an eligible State for purposes of part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 2103(a)); and

(ii) during the period that begins on the date of such receipt and ends on June 30, 1997, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (as in effect on September 30, 1995); and

(II) all State reporting requirements under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 2103(a)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) UNDER AFDC PROGRAM.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997 shall not exceed an amount equal to the State family assistance grant.

(ii) UNDER TEMPORARY FAMILY ASSISTANCE PROGRAM.—Notwithstanding section 403(a)(1) of the Social Security Act (as in effect pursuant to the amendments made by section 2103(a) of this Act), the total obligations of the Federal Government to a State under such section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) 1/366 of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 2103(a)(1) of this Act) and ends on September 30, 1996; and

(II) for fiscal year 1997, shall be an amount equal to the lesser of—

(aa) the amount (if any) by which the State family assistance grant exceeds the total obligations of the Federal Government to the State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997; or

(bb) the State family assistance grant, multiplied by 1/365 of the number of days during the period that begins on October 1, 1996, or the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 2103(a)(1) of this Act), whichever is later, and ends on September 30, 1997.

(iii) CHILD CARE OBLIGATIONS EXCLUDED IN DETERMINING FEDERAL AFDC OBLIGATIONS.—As used in this subparagraph, the term ''obligations of the Federal Government to the State under part A of title IV of the Social Security Act'' does not include any obligation of the Federal Government with respect to child care expenditures by the State.

(C) SUBMISSION OF STATE PLAN FOR FISCAL YEAR 1996 OR 1997 DEEMED ACCEPTANCE OF GRANT LIMITATIONS AND FORMULA AND TERMINATION OF AFDC ENTITLEMENT.—The submission of a plan by a State pursuant to subparagraph (A) is deemed to constitute—

(i) the State's acceptance of the grant reductions under subparagraph (B) (including the formula for computing the amount of the reduction); and

(ii) the termination of any entitlement of any individual or family to benefits or services under the State AFDC program.

(D) DEFINITIONS.—As used in this paragraph:

(i) STATE AFDC PROGRAM.—The term ''State AFDC program'' means the State program under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995).

(ii) STATE.—The term ''State'' means the 50 States and the District of Columbia.

(iii) STATE FAMILY ASSISTANCE GRANT.—The term ''State family assistance grant'' means the State family assistance grant (as defined in section 403(a)(1)(B) of the Social Security Act, as added by the amendment made by section 2103(a)(1) of this Act).

(2) CLAIMS, ACTIONS, AND PROCEEDINGS.—The amendments made by this chapter shall not apply with respect to—

(A) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid, assistance, or services provided before the effective date of this chapter under the provisions amended; and

(B) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

(3) CLOSING OUT ACCOUNT FOR THOSE PROGRAMS TERMINATED OR SUBSTANTIALLY MODIFIED BY THIS CHAPTER.—In closing out accounts, Federal and State officials may use scientifically acceptable statistical sampling techniques. Claims made with respect to State expenditures under a State plan approved under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to assistance or services provided on or before September 30, 1995, shall be treated as claims with respect to expenditures during fiscal year 1995 for purposes of reimbursement even if payment was made by a State on or after October 1, 1995. Each State shall complete the filing of all claims under the State plan (as so in effect) within 2 years after the date of the enactment of this Act. The head of each Federal department shall—

(A) use the single audit procedure to review and resolve any claims in connection with the close out of programs under such State plans; and

(B) reimburse States for any payments made for assistance or services provided during a prior fiscal year from funds for fiscal year 1995, rather than from funds authorized by this chapter.

(4) CONTINUANCE IN OFFICE OF ASSISTANT SECRETARY FOR FAMILY SUPPORT.—The individual who, on the day before the effective date of this chapter, is serving as Assistant Secretary for Family Support within the Department of Health and Human Services shall, until a successor is appointed to such position—

(A) continue to serve in such position; and

(B) except as otherwise provided by law—

(i) continue to perform the functions of the Assistant Secretary for Family Support under section 417 of the Social Security Act (as in effect before such effective date); and

(ii) have the powers and duties of the Assistant Secretary for Family Support under section 416 of the Social Security Act (as in effect pursuant to the amendment made by section 2103(a)(1) of this Act).

(c) TERMINATION OF ENTITLEMENT UNDER AFDC PROGRAM.—Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan approved under part A or F of title IV of the Social Security Act (as in effect on September 30, 1995).

**SEC. 2116. COMMUNITY STEERING COMMITTEES DEMONSTRATION PROJECTS.**

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall enter into agreements with not more than 5 States that submit an application under this section, in such form and such manner as the Secretary may specify, for the purpose of conducting a demonstration project described in subsection (b).

(b) DESCRIPTION OF PROJECT.—

(1) ESTABLISHMENT.—A demonstration project conducted under this section shall establish within a State in each participating county a Community Steering Committee that shall be designed to help recipients of temporary assistance to needy families under a State program under part A of title IV of the Social Security Act who are parents move into the non-subsidized workforce and to develop a holistic approach to the development needs of such recipient's family.

(2) MEMBERSHIP.—A Community Steering Committee shall consist of local educators, business representatives, and social service providers.

(3) GOALS AND DUTIES.—

(A) GOALS.—The goals of a Community Steering Committee are—

(i) to ensure that recipients of temporary assistance to needy families who are parents obtain and retain unsubsidized employment; and

(ii) to reduce the incidence of intergenerational receipt of welfare assistance by addressing the needs of children of recipients of temporary assistance to needy families.

(B) DUTIES.—A Community Steering Committee shall—

(i) identify and create unsubsidized employment positions for recipients of temporary assistance to needy families;

(ii) propose and implement solutions to barriers to unsubsidized employment of recipients of temporary assistance to needy families;

(iii) assess the needs of children of recipients of temporary assistance to needy families; and

(iv) provide services that are designed to ensure that children of recipients of temporary assistance to needy families enter school ready to learn and that, once enrolled, such children stay in school.

(C) PRIMARY RESPONSIBILITY.—A primary responsibility of a Community Steering Committee shall be to work on an ongoing

basis with parents who are recipients of temporary assistance to needy families and who have obtained nonsubsidized employment in order to ensure that such recipients retain their employment. Activities to carry out this responsibility may include—

(i) counseling;

(ii) emergency day care;

(iii) sick day care;

(iv) transportation;

(v) provision of clothing;

(vi) housing assistance; or

(vii) any other assistance that may be necessary on an emergency and temporary basis to ensure that such parents can manage the responsibility of being employed and the demands of having a family.

(D) FOLLOW-UP SERVICES FOR CHILDREN.—A Community Steering Committee may provide special follow-up services for children of recipients of temporary assistance to needy families that are designed to ensure that the children reach their fullest potential and do not, as they mature, receive welfare assistance as the head of their own household.

(c) REPORT.—Not later than October 1, 2001, the Secretary shall submit a report to the Congress on the results of the demonstration projects conducted under this section.

**SEC. 2117. DENIAL OF BENEFITS FOR CERTAIN DRUG RELATED CONVICTIONS.**

(a) IN GENERAL.—An individual convicted (under Federal or State law) of any crime relating to the illegal possession, use, or distribution of a drug shall not be eligible for any Federal means-tested public benefit, as defined in section 2403(c)(1) of this Act.

(b) FAMILY MEMBERS EXEMPT.—The prohibition contained under subsection (a) shall not apply to the family members or dependents of the convicted individual in a manner that would make such family members or dependents ineligible for welfare benefits that they would otherwise be eligible for. Any benefits provided to family members or dependents of a person described in subsection (a) shall be reduced by the amount which would have otherwise been made available to the convicted individual.

(c) PERIOD OF PROHIBITION.—The prohibition under subsection (a) shall apply—

(1) with respect to an individual convicted of a misdemeanor, during the 5-year period beginning on the date of the conviction or the 5-year period beginning on January 1, 1997, whichever is later; and

(2) with respect to an individual convicted of a felony, for the duration of the life of that individual.

(d) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following Federal benefits:

(1) Emergency medical services under title XV or XIX of the Social Security Act.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of communicable diseases if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(e) EFFECTIVE DATE.—The denial of Federal benefits set forth in this section shall take effect for convictions occurring after the date of enactment.

(f) REGULATIONS.—Not later than December 31, 1996, the Attorney General shall promulgate regulations detailing the means by which Federal and State agencies, courts, and law enforcement agencies will exchange and share the data and information necessary to implement and enforce the withholding of Federal benefits.

## CHAPTER 2—SUPPLEMENTAL SECURITY INCOME

**SEC. 2200. REFERENCE TO SOCIAL SECURITY ACT.**

Except as otherwise specifically provided, wherever in this chapter an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

### Subchapter A—Eligibility Restrictions

**SEC. 2201. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.**

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 105(b)(4) of the Contract with America Advancement Act of 1996, is amended by redesignating paragraph (5) as paragraph (3) and by adding at the end the following new paragraph:

''(4)(A) No person shall be considered an eligible individual or eligible spouse for purposes of this title during the 10-year period that begins on the date the person is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the person in order to receive assistance simultaneously from 2 or more States under programs that are funded under title IV, title XV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under this title.

''(B) As soon as practicable after the conviction of a person in a Federal or State court as described in subparagraph (A), an official of such court shall notify the Commissioner of such conviction.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

**SEC. 2202. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.**

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 2201(a) of this Act, is amended by adding at the end the following new paragraph:

''(5) No person shall be considered an eligible individual or eligible spouse for purposes of this title with respect to any month if during such month the person is—

''(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(B) violating a condition of probation or parole imposed under Federal or State law.''.

(b) EXCHANGE OF INFORMATION.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 2201(a) of this Act and subsection (a) of this section, is amended by adding at the end the following new paragraph:

''(6) Notwithstanding any other provision of law (other than section 6103 of the Internal Revenue Code of 1986), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of benefits under this title, if the officer furnishes the Commissioner with the name of the recipient, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the recipient, and notifies the Commissioner that—

''(A) the recipient—

''(i) is described in subparagraph (A) or (B) of paragraph (5); or

''(ii) has information that is necessary for the officer to conduct the officer's official duties; and

''(B) the location or apprehension of the recipient is within the officer's official duties.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

**SEC. 2203. TREATMENT OF PRISONERS.**

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF BENEFITS TO PRISONERS.—Section 1611(e)(1) (42 U.S.C. 1382(e)(1)) is amended by adding at the end the following new subparagraph:

''(I)(i) The Commissioner shall enter into a contract, with any interested State or local institution referred to in subparagraph (A), under which—

''(I) the institution shall provide to the Commissioner, on a monthly basis, the names, social security account numbers, dates of birth, and such other identifying information concerning the inmates of the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to any such institution, with respect to each inmate of the institution who is eligible for a benefit under this title for the month preceding the first month throughout which such inmate is in such institution and becomes ineligible for such benefit (or becomes eligible only for a benefit payable at a reduced rate) as a result of the application of this paragraph, an amount not to exceed $400 if the institution furnishes the information described in subclause (I) to the Commissioner within 30 days after such individual becomes an inmate of such institution, or an amount not to exceed $200 if the institution furnishes such information after 30 days after such date but within 90 days after such date.

''(ii) The provisions of section 552a of title 5, United States Code, shall not apply to any agreement entered into under clause (i) or to information exchanged pursuant to such agreement.

''(iii) Payments to institutions required by clause (i)(II) shall be made from funds otherwise available for the payment of benefits under this title and shall be treated as direct spending for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.''.

(b) DENIAL OF SSI BENEFITS FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY OBTAINED SSI BENEFITS WHILE IN PRISON.—

(1) IN GENERAL.—Section 1611(e)(1) (42 U.S.C. 1382(e)(1)), as amended by subsection (a) of this section, is amended by adding at the end the following new subparagraph:

''(J) In any case in which the Commissioner of Social Security finds that a person has made a fraudulent statement or representation in order to obtain or to continue to receive benefits under this title while being an inmate in a penal institution, such person shall not be considered an eligible individual or eligible spouse for any month ending during the 10-year period beginning on the date on which such person ceases being such an inmate.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to statements or representations made on or after the date of the enactment of this Act.

(c) STUDY OF OTHER POTENTIAL IMPROVEMENTS IN THE COLLECTION OF INFORMATION RESPECTING PUBLIC INMATES.—

(1) STUDY.—The Commissioner of Social Security shall conduct a study of the desirability, feasibility, and cost of—

(A) establishing a system under which Federal, State, and local courts would furnish to the Commissioner such information respecting court orders by which individuals are confined in jails, prisons, or other public penal, correctional, or medical facilities as the Commissioner may require for the purpose of carrying out section 1611(e)(1) of the Social Security Act; and

(B) requiring that State and local jails, prisons, and other institutions that enter into contracts with the Commissioner under section 1611(e)(1)(I) of the Social Security Act furnish the information required by such contracts to the Commissioner by means of an electronic or other sophisticated data exchange system.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall submit a report on the results of the study conducted pursuant to this subsection to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

**SEC. 2204. EFFECTIVE DATE OF APPLICATION FOR BENEFITS.**

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 1611(c)(7) (42 U.S.C. 1382(c)(7)) are amended to read as follows:

''(A) the first day of the month following the date such application is filed, or

''(B) the first day of the month following the date such individual becomes eligible for such benefits with respect to such application.''.

(b) SPECIAL RULE RELATING TO EMERGENCY ADVANCE PAYMENTS.—Section 1631(a)(4)(A) (42 U.S.C. 1383(a)(4)(A)) is amended—

(1) by inserting ''for the month following the date the application is filed'' after ''is presumptively eligible for such benefits''; and

(2) by inserting '', which shall be repaid through proportionate reductions in such benefits over a period of not more than 6 months'' before the semicolon.

(c) CONFORMING AMENDMENTS.—

(1) Section 1614(b) (42 U.S.C. 1382c(b)) is amended by striking ''at the time the application or request is filed'' and inserting ''on the first day of the month following the date the application or request is filed''.

(2) Section 1631(g)(3) (42 U.S.C. 1382j(g)(3)) is amended by inserting ''following the month'' after ''beginning with the month''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to applications for benefits under title XVI of the Social Security Act filed on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

**Subchapter B—Benefits for Disabled Children**

**SEC. 2211. DEFINITION AND ELIGIBILITY RULES.**

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)), as amended by section 105(b)(1) of the Contract with America Advancement Act of 1996, is amended—

(1) in subparagraph (A), by striking ''An individual'' and inserting ''Except as provided in subparagraph (C), an individual'';

(2) in subparagraph (A), by striking ''(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)'';

(3) by redesignating subparagraphs (C) through (I) as subparagraphs (D) through (J), respectively;

(4) by inserting after subparagraph (B) the following new subparagraph:

''(C) An individual under the age of 18 shall be considered disabled for the purposes of this title if that individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. Notwithstanding the preceding sentence, no individual under the age of 18 who engages in substantial gainful activity (determined in accordance with regulations prescribed pursuant to subparagraph (E)) may be considered to be disabled.''; and

(5) in subparagraph (F), as redesignated by paragraph (3), by striking ''(D)'' and inserting ''(E)''.

(b) REQUEST FOR COMMENTS TO IMPROVE DISABILITY EVALUATION.—Not later than 60 days after the date of the enactment of this Act, and annually thereafter, the Commissioner of Social Security shall issue a request for comments in the Federal Register regarding improvements to the disability evaluation and determination procedures for individuals under age 18 to ensure the comprehensive assessment of such individuals, including—

(1) additions to conditions which should be presumptively disabling at birth or ages 0 through 3 years;

(2) specific changes in individual listings in the Listing of Impairments set forth in appendix 1 of subpart P of part 404 of title 20, Code of Federal Regulations;

(3) improvements in regulations regarding determinations based on regulations providing for medical and functional equivalence to such Listing of Impairments, and consideration of multiple impairments; and

(4) any other changes to the disability determination procedures.

(c) CHANGES TO CHILDHOOD SSI REGULATIONS.—

(1) MODIFICATION TO MEDICAL CRITERIA FOR EVALUATION OF MENTAL AND EMOTIONAL DISORDERS.—The Commissioner of Social Security shall modify sections 112.00C.2. and 112.02B.2.c.(2) of appendix 1 to subpart P of part 404 of title 20, Code of Federal Regulations, to eliminate references to maladaptive behavior in the domain of personal/behavorial function.

(2) DISCONTINUANCE OF INDIVIDUALIZED FUNCTIONAL ASSESSMENT.—The Commissioner of Social Security shall discontinue the individualized functional assessment for children set forth in sections 416.924d and 416.924e of title 20, Code of Federal Regulations.

(d) MEDICAL IMPROVEMENT REVIEW STANDARD AS IT APPLIES TO INDIVIDUALS UNDER THE AGE OF 18.—Section 1614(a)(4) (42 U.S.C. 1382(a)(4)) is amended—

(1) by redesignating subclauses (I) and (II) of clauses (i) and (ii) of subparagraph (B) as items (aa) and (bb), respectively;

(2) by redesignating clauses (i) and (ii) of subparagraphs (A) and (B) as subclauses (I) and (II), respectively;

(3) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively;

(4) by inserting before clause (i) (as redesignated by paragraph (3)) the following new subparagraph:

''(A) in the case of an individual who is age 18 or older—'';

(5) by inserting after and below subparagraph (A)(iii) (as so redesignated) the following new subparagraph:

''(B) in the case of an individual who is under the age of 18—

''(i) substantial evidence which demonstrates that there has been medical improvement in the individual's impairment or combination of impairments, and that such impairment or combination of impairments no longer results in marked and severe functional limitations; or

''(ii) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual's impairment or combination of impairments, is not as disabling as it was considered to be at the time of the most recent prior decision that the individual was under a disability or continued to be under a disability, and such impairment or combination of impairments does not result in marked and severe functional limitations; or'';

(6) by redesignating subparagraph (D) as subparagraph (C) and by inserting in such subparagraph ''in the case of any individual,'' before ''substantial evidence''; and

(7) in the first sentence following subparagraph (C) (as redesignated by paragraph (6)), by—

(A) inserting ''(i)'' before ''to restore''; and

(B) inserting '', or (ii) in the case of an individual under the age of 18, to eliminate or improve the individual's impairment or combination of impairments so that it no longer results in marked and severe functional limitations'' immediately before the period.

(e) EFFECTIVE DATES, ETC.—

(1) EFFECTIVE DATES.—

(A) SUBSECTIONS (a) AND (c).—

(i) IN GENERAL.—The provisions of, and amendments made by, subsections (a) and (c) shall apply to any individual who applies for, or whose claim is finally adjudicated with respect to, benefits under title XVI of the Social Security Act on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such provisions and amendments.

(ii) DETERMINATION OF FINAL ADJUDICATION.—For purposes of clause (i), no individual's claim with respect to such benefits may be considered to be finally adjudicated before such date of enactment if, on or after such date, there is pending a request for either administrative or judicial review with respect to such claim that has been denied in whole, or there is pending, with respect to such claim, readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

(B) SUBSECTION (d).—The amendments made by subsection (d) shall apply with respect to benefits under title XVI of the Social Security Act for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) ELIGIBILITY REDETERMINATIONS.—During the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual under age 18 who is receiving supplemental security income benefits by reason of disability under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of, or amendments made by, subsections (a) and (c) of this section. With respect to any redetermination under this subparagraph—

(i) section 1614(a)(4) of the Social Security Act (42 U.S.C. 1382c(a)(4)) shall not apply;

(ii) the Commissioner of Social Security shall apply the eligibility criteria for new

applicants for benefits under title XVI of such Act;

(iii) the Commissioner shall give such redetermination priority over all continuing eligibility reviews and other reviews under such title; and

(iv) such redetermination shall be counted as a review or redetermination otherwise required to be made under section 208 of the Social Security Independence and Program Improvements Act of 1994 or any other provision of title XVI of the Social Security Act.

(B) GRANDFATHER PROVISION.—The provisions of, and amendments made by, subsections (a) and (c) of this section, and the redetermination under subparagraph (A), shall only apply with respect to the benefits of an individual described in subparagraph (A) for months beginning on or after the later of July 1, 1997, or the date of the redetermination with respect to such individual.

(C) NOTICE.—Not later than January 1, 1997, the Commissioner of Social Security shall notify an individual described in subparagraph (A) of the provisions of this paragraph.

(3) REPORT.—The Commissioner of Social Security shall report to the Congress regarding the progress made in implementing the provisions of, and amendments made by, this section on child disability evaluations not later than 180 days after the date of the enactment of this Act.

(4) REGULATIONS.—Notwithstanding any other provision of law, the Commissioner of Social Security shall submit for review to the committees of jurisdiction in the Congress any final regulation pertaining to the eligibility of individuals under age 18 for benefits under title XVI of the Social Security Act at least 45 days before the effective date of such regulation. The submission under this paragraph shall include supporting documentation providing a cost analysis, workload impact, and projections as to how the regulation will effect the future number of recipients under such title.

(5) APPROPRIATIONS.—

(A) IN GENERAL.—Out of any money in the Treasury not otherwise appropriated, there are authorized to be appropriated and are hereby appropriated, to remain available without fiscal year limitation, $200,000,000 for fiscal year 1997, $75,000,000 for fiscal year 1998, and $25,000,000 for fiscal year 1999, for the Commissioner of Social Security to utilize only for continuing disability reviews and redeterminations under title XVI of the Social Security Act, with reviews and redeterminations for individuals affected by the provisions of subsection (b) given highest priority.

(B) ADDITIONAL FUNDS.—Amounts appropriated under subparagraph (A) shall be in addition to any funds otherwise appropriated for continuing disability reviews and redeterminations under title XVI of the Social Security Act.

(6) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

**SEC. 2212. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS.**

(a) CONTINUING DISABILITY REVIEWS RELATING TO CERTAIN CHILDREN.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as redesignated by section 2211(a)(3) of this Act, is amended—

(1) by inserting ''(i)'' after ''(H)''; and

(2) by adding at the end the following new clause:

''(ii)(I) Not less frequently than once every 3 years, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of an impairment (or combination of impairments) which is likely to improve (or, at the option of the Commissioner, which is unlikely to improve).

''(II) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

''(III) If the representative payee refuses to comply without good cause with the requirements of subclause (II), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

''(IV) Subclause (II) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (II) should not apply to an individual's representative payee.''.

(b) DISABILITY ELIGIBILITY REDETERMINATIONS REQUIRED FOR SSI RECIPIENTS WHO ATTAIN 18 YEARS OF AGE.—

(1) IN GENERAL.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsection (a) of this section, is amended by adding at the end the following new clause:

''(iii) If an individual is eligible for benefits under this title by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

''(I) during the 1-year period beginning on the individual's 18th birthday; and

''(II) by applying the criteria used in determining the initial eligibility for applicants who are age 18 or older.

With respect to a redetermination under this clause, paragraph (4) shall not apply and such redetermination shall be considered a substitute for a review or redetermination otherwise required under any other provision of this subparagraph during that 1-year period.''.

(2) CONFORMING REPEAL.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(c) CONTINUING DISABILITY REVIEW REQUIRED FOR LOW BIRTH WEIGHT BABIES.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsections (a) and (b) of this section, is amended by adding at the end the following new clause:

''(iv)(I) Not later than 12 months after the birth of an individual, the Commissioner shall review in accordance with paragraph (4) the continuing eligibility for benefits under this title by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled.

''(II) A review under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.

''(III) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

''(IV) If the representative payee refuses to comply without good cause with the requirements of subclause (III), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

''(V) Subclause (III) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (III) should not apply to an individual's representative payee.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

**SEC. 2213. ADDITIONAL ACCOUNTABILITY REQUIREMENTS.**

(a) REQUIREMENT TO ESTABLISH ACCOUNT.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(1) by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively; and

(2) by inserting after subparagraph (E) the following new subparagraph:

''(F)(i)(I) Each representative payee of an eligible individual under the age of 18 who is eligible for the payment of benefits described in subclause (II) shall establish on behalf of such individual an account in a financial institution into which such benefits shall be paid, and shall thereafter maintain such account for use in accordance with clause (ii).

''(II) Benefits described in this subclause are past-due monthly benefits under this title (which, for purposes of this subclause, include State supplementary payments made by the Commissioner pursuant to an agreement under section 1616 or section 212(b) of Public Law 93–66) in an amount (after any withholding by the Commissioner for reimbursement to a State for interim assistance under subsection (g)) that exceeds the product of—

''(aa) 6, and

''(bb) the maximum monthly benefit payable under this title to an eligible individual.

''(ii)(I) A representative payee may use funds in the account established under clause (i) to pay for allowable expenses described in subclause (II).

''(II) An allowable expense described in this subclause is an expense for—

''(aa) education or job skills training;

''(bb) personal needs assistance;

''(cc) special equipment;

''(dd) housing modification;

''(ee) medical treatment;

''(ff) therapy or rehabilitation; or

''(gg) any other item or service that the Commissioner determines to be appropriate: *Provided,* That such expense benefits such individual and, in the case of an expense described in item (cc), (dd), (ff), or (gg), is related to the impairment (or combination of impairments) of such individual.

''(III) The use of funds from an account established under clause (i) in any manner not authorized by this clause—

''(aa) by a representative payee shall be considered a misapplication of benefits for all purposes of this paragraph, and any representative payee who knowingly misapplies benefits from such an account shall be liable to the Commissioner in an amount equal to the total amount of such benefits; and

''(bb) by an eligible individual who is his or her own payee shall be considered a misapplication of benefits for all purposes of this paragraph and the total amount of such benefits so used shall be considered to be the uncompensated value of a disposed resource and shall be subject to the provisions of section 1613(c).

''(IV) This clause shall continue to apply to funds in the account after the child has reached age 18, regardless of whether benefits are paid directly to the beneficiary or through a representative payee.

''(iii) The representative payee may deposit into the account established pursuant to clause (i)—

''(I) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i)(II), and

''(II) any other funds representing an underpayment under this title to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this title to an eligible individual.

''(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i).''.

(b) CONFORMING AMENDMENTS.—

(1) EXCLUSION FROM RESOURCES.—Section 1613(a) (42 U.S.C. 1382b(a)) is amended—

(A) by striking ''and'' at the end of paragraph (10);

(B) by striking the period at the end of paragraph (11) and inserting ''; and''; and

(C) by inserting after paragraph (11) the following new paragraph:

''(12) any account, including accrued interest or other earnings thereon, established and maintained in accordance with section 1631(a)(2)(F).''.

(2) EXCLUSION FROM INCOME.—Section 1612(b) (42 U.S.C. 1382a(b)) is amended—

(A) by striking ''and'' at the end of paragraph (19);

(B) by striking the period at the end of paragraph (20) and inserting ''; and''; and

(C) by adding at the end the following new paragraph:

''(21) the interest or other earnings on any account established and maintained in accordance with section 1631(a)(2)(F).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after the date of the enactment of this Act.

**SEC. 2214. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE.**

(a) IN GENERAL.—Section 1611(e)(1)(B) (42 U.S.C. 1382(e)(1)(B)) is amended—

(1) by striking ''title XIX, or'' and inserting ''title XV or XIX,''; and

(2) by inserting ''or, in the case of an eligible individual under the age of 18, receiving payments (with respect to such individual) under any health insurance policy issued by a private provider of such insurance'' after ''section 1614(f)(2)(B),''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to benefits for months beginning 90 or more days after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

**SEC. 2215. REGULATIONS.**

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subchapter.

### Subchapter C—Additional Enforcement Provision

**SEC. 2221. INSTALLMENT PAYMENT OF LARGE PAST-DUE SUPPLEMENTAL SECURITY INCOME BENEFITS.**

(a) IN GENERAL.—Section 1631(a) (42 U.S.C. 1383) is amended by adding at the end the following new paragraph:

''(10)(A) If an individual is eligible for past-due monthly benefits under this title in an amount that (after any withholding for reimbursement to a State for interim assistance under subsection (g)) equals or exceeds the product of—

''(i) 12, and

''(ii) the maximum monthly benefit payable under this title to an eligible individual (or, if appropriate, to an eligible individual and eligible spouse),

then the payment of such past-due benefits (after any such reimbursement to a State) shall be made in installments as provided in subparagraph (B).

''(B)(i) The payment of past-due benefits subject to this subparagraph shall be made in not to exceed 3 installments that are made at 6-month intervals.

''(ii) Except as provided in clause (iii), the amount of each of the first and second installments may not exceed an amount equal to the product of clauses (i) and (ii) of subparagraph (A).

''(iii) In the case of an individual who has—

''(I) outstanding debt attributable to—

''(aa) food,

''(bb) clothing,

''(cc) shelter, or

''(dd) medically necessary services, supplies or equipment, or medicine; or

''(II) current expenses or expenses anticipated in the near term attributable to—

''(aa) medically necessary services, supplies or equipment, or medicine, or

''(bb) the purchase of a home, and

such debt or expenses are not subject to reimbursement by a public assistance program, the Secretary under title XVIII, a State plan approved under title XV or XIX, or any private entity legally liable to provide payment pursuant to an insurance policy, pre-paid plan, or other arrangement, the limitation specified in clause (ii) may be exceeded by an amount equal to the total of such debt and expenses.

''(C) This paragraph shall not apply to any individual who, at the time of the Commissioner's determination that such individual is eligible for the payment of past-due monthly benefits under this title—

''(i) is afflicted with a medically determinable impairment that is expected to result in death within 12 months; or

''(ii) is ineligible for benefits under this title and the Commissioner determines that such individual is likely to remain ineligible for the next 12 months.

''(D) For purposes of this paragraph, the term 'benefits under this title' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a), and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.''.

(b) CONFORMING AMENDMENT.—Section 1631(a)(1) (42 U.S.C. 1383(a)(1)) is amended by inserting ''(subject to paragraph (10))'' immediately before ''in such installments''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section are effective with respect to past-due benefits payable under title XVI of the Social Security Act after the third month following the month in which this Act is enacted.

(2) BENEFITS PAYABLE UNDER TITLE XVI.—For purposes of this subsection, the term ''benefits payable under title XVI of the Social Security Act'' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

**SEC. 2222. REGULATIONS.**

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subchapter.

### Subchapter D—Studies Regarding Supplemental Security Income Program

**SEC. 2231. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM.**

Title XVI (42 U.S.C. 1381 et seq.), as amended by section 2201(c) of this Act, is amended by adding at the end the following new section:

''ANNUAL REPORT ON PROGRAM

''SEC. 1637. (a) Not later than May 30 of each year, the Commissioner of Social Security shall prepare and deliver a report annually to the President and the Congress regarding the program under this title, including—

''(1) a comprehensive description of the program;

''(2) historical and current data on allowances and denials, including number of applications and allowance rates for initial determinations, reconsideration determinations, administrative law judge hearings, appeals council reviews, and Federal court decisions;

''(3) historical and current data on characteristics of recipients and program costs, by recipient group (aged, blind, disabled adults, and disabled children);

''(4) historical and current data on prior enrollment by recipients in public benefit programs, including State programs funded under part A of title IV of the Social Security Act and State general assistance programs;

''(5) projections of future number of recipients and program costs, through at least 25 years;

''(6) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;

''(7) data on the utilization of work incentives;

''(8) detailed information on administrative and other program operation costs;

''(9) summaries of relevant research undertaken by the Social Security Administration, or by other researchers;

''(10) State supplementation program operations;

''(11) a historical summary of statutory changes to this title; and

''(12) such other information as the Commissioner deems useful.

''(b) Each member of the Social Security Advisory Board shall be permitted to provide an individual report, or a joint report if agreed, of views of the program under this title, to be included in the annual report required under this section.''.

**SEC. 2232. STUDY BY GENERAL ACCOUNTING OFFICE.**

Not later than January 1, 1999, the Comptroller General of the United States shall study and report on—

(1) the impact of the amendments made by, and the provisions of, this chapter on the

supplemental security income program under title XVI of the Social Security Act; and

(2) extra expenses incurred by families of children receiving benefits under such title that are not covered by other Federal, State, or local programs.

## CHAPTER 3—CHILD SUPPORT

**SEC. 2300. REFERENCE TO SOCIAL SECURITY ACT.**

Except as otherwise specifically provided, wherever in this chapter an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

### Subchapter A—Eligibility for Services; Distribution of Payments

**SEC. 2301. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.**

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

''(4) provide that the State will—

''(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

''(i) each child for whom (I) assistance is provided under the State program funded under part A of this title, (II) benefits or services for foster care maintenance are provided under the State program funded under part E of this title, (III) medical assistance is provided under the State plan under title XV, or (IV) medical assistance is provided under the State plan approved under title XIX, unless, in accordance with paragraph (29), good cause or other exceptions exist;

''(ii) any other child, if an individual applies for such services with respect to the child; and

''(B) enforce any support obligation established with respect to—

''(i) a child with respect to whom the State provides services under the plan; or

''(ii) the custodial parent of such a child;''; and

(2) in paragraph (6)—

(A) by striking ''provide that'' and inserting ''provide that—'';

(B) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) services under the plan shall be made available to residents of other States on the same terms as to residents of the State submitting the plan;'';

(C) in subparagraph (B), by inserting ''on individuals not receiving assistance under any State program funded under part A'' after ''such services shall be imposed'';

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by adding after paragraph (24) the following new paragraph:

''(25) provide that if a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of other individuals to whom services are furnished under the plan, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking ''454(6)'' and inserting ''454(4)''.

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking ''454(6)'' each place it appears and inserting ''454(4)(A)(ii)''.

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''in the case of overdue support which a State has agreed to collect under section 454(6)'' and inserting ''in any other case''.

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking ''paragraph (4) or (6) of section 454'' and inserting ''section 454(4)''.

**SEC. 2302. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.**

(a) IN GENERAL.—Section 457 (42 U.S.C. 657) is amended to read as follows:

**''SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.**

''(a) IN GENERAL.—Subject to subsection (e), an amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

''(1) FAMILIES RECEIVING ASSISTANCE.—In the case of a family receiving assistance from the State, the State shall—

''(A) pay to the Federal Government the Federal share of the amount so collected; and

''(B) retain, or distribute to the family, the State share of the amount so collected.

''(2) FAMILIES THAT FORMERLY RECEIVED ASSISTANCE.—In the case of a family that formerly received assistance from the State:

''(A) CURRENT SUPPORT PAYMENTS.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

''(B) PAYMENTS OF ARREARAGES.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

''(i) DISTRIBUTION OF ARREARAGES THAT ACCRUED AFTER THE FAMILY CEASED TO RECEIVE ASSISTANCE.—

''(I) PRE-OCTOBER 1997.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 2302 of the Personal Responsibility and Work Opportunity Act of 1996 shall apply with respect to the distribution of support arrearages that—

''(aa) accrued after the family ceased to receive assistance, and

''(bb) are collected before October 1, 1997.

''(II) POST-SEPTEMBER 1997.—With respect to the amount so collected on or after October 1, 1997 (or before such date, at the option of the State)—

''(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family ceased to receive assistance from the State.

''(bb) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—After the application of division (aa) and clause (ii)(II)(aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

''(cc) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

''(ii) DISTRIBUTION OF ARREARAGES THAT ACCRUED BEFORE THE FAMILY RECEIVED ASSISTANCE.—

''(I) PRE-OCTOBER 2000.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 2302 of the Personal Responsibility and Work Opportunity Act of 1996 shall apply with respect to the distribution of support arrearages that—

''(aa) accrued before the family received assistance, and

''(bb) are collected before October 1, 2000.

''(II) POST-SEPTEMBER 2000.—Unless, based on the report required by paragraph (4), the Congress determines otherwise, with respect to the amount so collected on or after October 1, 2000 (or before such date, at the option of the State)—

''(aa) IN GENERAL.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued before the family received assistance from the State.

''(bb) REIMBURSEMENT OF GOVERNMENTS FOR ASSISTANCE PROVIDED TO THE FAMILY.—After the application of clause (i)(II)(aa) and division (aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

''(cc) DISTRIBUTION OF THE REMAINDER TO THE FAMILY.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

''(iii) DISTRIBUTION OF ARREARAGES THAT ACCRUED WHILE THE FAMILY RECEIVED ASSISTANCE.—In the case of a family described in this subparagraph, the provisions of paragraph (1) shall apply with respect to the distribution of support arrearages that accrued while the family received assistance.

''(iv) AMOUNTS COLLECTED PURSUANT TO SECTION 464.—Notwithstanding any other provision of this section, any amount of support collected pursuant to section 464 shall be retained by the State to the extent past-due support has been assigned to the State as a condition of receiving assistance from the State, up to the amount necessary to reimburse the State for amounts paid to the family as assistance by the State. The State shall pay to the Federal Government the Federal share of the amounts so retained. To the extent the amount collected pursuant to section 464 exceeds the amount so retained, the State shall distribute the excess to the family.

''(v) ORDERING RULES FOR DISTRIBUTIONS.—For purposes of this subparagraph, unless an earlier effective date is required by this section, effective October 1, 2000, the State shall treat any support arrearages collected, except for amounts collected pursuant to section 464, as accruing in the following order:

''(I) To the period after the family ceased to receive assistance.

''(II) To the period before the family received assistance.

''(III) To the period while the family was receiving assistance.

''(3) FAMILIES THAT NEVER RECEIVED ASSISTANCE.—In the case of any other family, the State shall distribute the amount so collected to the family.

''(4) FAMILIES UNDER CERTAIN AGREEMENTS.—In the case of a family receiving assistance from an Indian tribe, distribute the amount so collected pursuant to an agreement entered into pursuant to a State plan under section 454(33).

''(5) STUDY AND REPORT.—Not later than October 1, 1998, the Secretary shall report to the Congress the Secretary's findings with respect to—

''(A) whether the distribution of post-assistance arrearages to families has been effective in moving people off of welfare and keeping them off of welfare;

''(B) whether early implementation of a pre-assistance arrearage program by some States has been effective in moving people off of welfare and keeping them off of welfare;

''(C) what the overall impact has been of the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 with respect to child support enforcement in moving people off of welfare and keeping them off of welfare; and

''(D) based on the information and data the Secretary has obtained, what changes, if any, should be made in the policies related to the distribution of child support arrearages.

''(b) CONTINUATION OF ASSIGNMENTS.—Any rights to support obligations, which were assigned to a State as a condition of receiving assistance from the State under part A and which were in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, shall remain assigned after such date.

''(c) DEFINITIONS.—As used in subsection (a):

''(1) ASSISTANCE.—The term 'assistance from the State' means—

''(A) assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996); and

''(B) foster care maintenance payments under the State plan approved under part E of this title.

''(2) FEDERAL SHARE.—The term 'Federal share' means that portion of the amount collected resulting from the application of the Federal medical assistance percentage in effect for the fiscal year in which the amount is collected.

''(3) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term 'Federal medical assistance percentage' means—

''(A) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

''(B) the Federal medical assistance percentage (as defined in section 1905(b), as in effect on September 30, 1996) in the case of any other State.

''(4) STATE SHARE.—The term 'State share' means 100 percent minus the Federal share.

''(d) HOLD HARMLESS PROVISION.—If the amounts collected which could be retained by the State in the fiscal year (to the extent necessary to reimburse the State for amounts paid to families as assistance by the State) are less than the State share of the amounts collected in fiscal year 1995 (determined in accordance with section 457 as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996), the State share for the fiscal year shall be an amount equal to the State share in fiscal year 1995.

''(e) GAP PAYMENTS NOT SUBJECT TO DISTRIBUTION UNDER THIS SECTION.—At State option, this section shall not apply to any amount collected on behalf of a family as support by the State (and paid to the family in addition to the amount of assistance otherwise payable to the family) pursuant to a plan approved under this part if such amount would have been paid to the family by the State under section 402(a)(28), as in effect and applied on the day before the date of the enactment of section 2302 of the Personal Responsibility and Work Opportunity Act of 1996. For purposes of subsection (d), the State share of such amount paid to the family shall be considered amounts which could be retained by the State if such payments were reported by the State as part of the State share of amounts collected in fiscal year 1995.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 464(a)(1) (42 U.S.C. 664(a)(1)) is amended by striking ''section 457(b)(4) or (d)(3)'' and inserting ''section 457''.

(2) Section 454 (42 U.S.C. 654) is amended—

(A) in paragraph (11)—

(i) by striking ''(11)'' and inserting ''(11)(A)''; and

(ii) by inserting after the semicolon ''and''; and

(B) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall be effective on October 1, 1996, or earlier at the State's option.

(2) CONFORMING AMENDMENTS.—The amendments made by subsection (b)(2) shall become effective on the date of the enactment of this Act.

**SEC. 2303. PRIVACY SAFEGUARDS.**

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 2301(b) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting ''; and''; and

(3) by adding after paragraph (25) the following new paragraph:

''(26) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

''(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

''(B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and

''(C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

**SEC. 2304. RIGHTS TO NOTIFICATION OF HEARINGS.**

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 2302(b)(2) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

''(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

''(A) with notice of all proceedings in which support obligations might be established or modified; and

''(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

**Subchapter B—Locate and Case Tracking**

**SEC. 2311. STATE CASE REGISTRY.**

Section 454A, as added by section 2344(a)(2) of this Act, is amended by adding at the end the following new subsections:

''(e) STATE CASE REGISTRY.—

''(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

''(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

''(B) each support order established or modified in the State on or after October 1, 1998.

''(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

''(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

''(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

''(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

''(B) any amount described in subparagraph (A) that has been collected;

''(C) the distribution of such collected amounts;

''(D) the birth date of any child for whom the order requires the provision of support; and

''(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).

''(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and update, maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

''(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

''(B) information obtained from comparison with Federal, State, or local sources of information;

''(C) information on support collections and distributions; and

''(D) any other relevant information.

''(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State

shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

''(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

''(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

''(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under a State plan under title XV or a State plan approved under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

''(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.''.

**SEC. 2312. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.**

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b) and 2303(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding after paragraph (26) the following new paragraph:

''(27) provide that, on and after October 1, 1998, the State agency will—

''(A) operate a State disbursement unit in accordance with section 454B; and

''(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—

''(i) monitor and enforce support collections through the unit in cases being enforced by the State pursuant to section 454(4) (including carrying out the automated data processing responsibilities described in section 454A(g)); and

''(ii) take the actions described in section 466(c)(1) in appropriate cases.''.

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 2344(a)(2) of this Act, is amended by inserting after section 454A the following new section:

**''SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.**

''(a) STATE DISBURSEMENT UNIT.—

''(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders—

''(A) in all cases being enforced by the State pursuant to section 454(4); and

''(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the wages of the noncustodial parent are subject to withholding pursuant to section 466(a)(8)(B).

''(2) OPERATION.—The State disbursement unit shall be operated—

''(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

''(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 454A.

''(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

''(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

''(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

''(2) for accurate identification of payments;

''(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

''(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent.

''(c) TIMING OF DISBURSEMENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

''(2) PERMISSIVE RETENTION OF ARREARAGES.—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

''(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.''.

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 2344(a)(2) and as amended by section 2311 of this Act, is amended by adding at the end the following new subsection:

''(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

''(1) IN GENERAL.—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

''(A) transmission of orders and notices to employers (and other debtors) for the withholding of wages and other income—

''(i) within 2 business days after receipt of notice of, and the income source subject to, such withholding from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State; and

''(ii) using uniform formats prescribed by the Secretary;

''(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

''(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) if payments are not timely made.

''(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on October 1, 1998.

(2) LIMITED EXCEPTION TO UNIT HANDLING PAYMENTS.—Notwithstanding section 454B(b)(1) of the Social Security Act, as added by this section, any State which, as of the date of the enactment of this Act, processes the receipt of child support payments through local courts may, at the option of the State, continue to process through September 30, 1999, such payments through such courts as processed such payments on or before such date of enactment.

**SEC. 2313. STATE DIRECTORY OF NEW HIRES.**

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a) and 2312(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting ''; and''; and

(3) by adding after paragraph (27) the following new paragraph:

''(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.''.

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following new section:

**''SEC. 453A. STATE DIRECTORY OF NEW HIRES.**

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—

''(A) REQUIREMENT FOR STATES THAT HAVE NO DIRECTORY.—Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

''(B) STATES WITH NEW HIRE REPORTING IN EXISTENCE.—A State which has a new hire reporting law in existence on the date of the enactment of this section may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2)) not later than October 1, 1998.

''(2) DEFINITIONS.—As used in this section:

''(A) EMPLOYEE.—The term 'employee'—

''(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

''(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

''(B) EMPLOYER.—

''(i) IN GENERAL.—The term 'employer' has the meaning given such term in section

3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and any labor organization.

''(ii) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

''(b) EMPLOYER INFORMATION.—

''(1) REPORTING REQUIREMENT.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

''(B) MULTISTATE EMPLOYERS.—An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which the employer will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

''(C) FEDERAL GOVERNMENT EMPLOYERS.—Any department, agency, or instrumentality of the United States shall comply with subparagraph (A) by transmitting the report described in subparagraph (A) to the National Directory of New Hires established pursuant to section 453.

''(2) TIMING OF REPORT.—Each State may provide the time within which the report required by paragraph (1) shall be made with respect to an employee, but such report shall be made—

''(A) not later than 20 days after the date the employer hires the employee; or

''(B) in the case of an employer transmitting reports magnetically or electronically, by 2 monthly transmissions (if necessary) not less than 12 days nor more than 16 days apart.

''(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W–4 form or, at the option of the employer, an equivalent form, and may be transmitted by 1st class mail, magnetically, or electronically.

''(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—The State shall have the option to set a State civil money penalty which shall be less than—

''(1) $25; or

''(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

''(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

''(f) INFORMATION COMPARISONS.—

''(1) IN GENERAL.—Not later than May 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

''(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

''(g) TRANSMISSION OF INFORMATION.—

''(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the wages of the employee an amount equal to the monthly (or other periodic) child support obligation (including any past due support obligation) of the employee, unless the employee's wages are not subject to withholding pursuant to section 466(b)(3).

''(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

''(A) NEW HIRE INFORMATION.—Within 3 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

''(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

''(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

''(h) OTHER USES OF NEW HIRE INFORMATION.—

''(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations.

''(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

''(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.''.

(c) QUARTERLY WAGE REPORTING.—Section 1137(a)(3) (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by inserting ''(including State and local governmental entities and labor organizations (as defined in section 453A(a)(2)(B)(iii))'' after ''employers''; and

(2) by inserting '', and except that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission'' after ''paragraph (2)''.

**SEC. 2314. AMENDMENTS CONCERNING INCOME WITHHOLDING.**

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

''(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

''(B) Procedures under which the wages of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)''.

(B) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

''(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each noncustodial parent to whom paragraph (1) applies—

''(i) that the withholding has commenced; and

''(ii) of the procedures to follow if the noncustodial parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

''(B) The notice under subparagraph (A) of this paragraph shall include the information provided to the employer under paragraph (6)(A).''.

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows ''administered by'' and inserting ''the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.''.

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking ''to the appropriate agency'' and all that follows and inserting ''to the State disbursement unit within 7 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part. The employer shall comply with the procedural rules relating to income withholding of the State in which the employee works, regardless of the State where the notice originates.'';

(ii) in clause (ii), by inserting ''be in a standard format prescribed by the Secretary, and'' after ''shall''; and

(iii) by adding at the end the following new clause:

''(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.''.

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking ''any employer'' and all that follows and inserting ''any employer who—

''(i) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

''(ii) fails to withhold support from wages or to pay such amounts to the State disbursement unit in accordance with this subsection.''.

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

''(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order without advance notice to the obligor, including issuing the withholding order through electronic means.''.

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

**SEC. 2315. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.**

Section 466(a) (42 U.S.C. 666(a)) is amended by inserting after paragraph (11) the following new paragraph:

''(12) LOCATOR INFORMATION FROM INTERSTATE NETWORKS.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.''.

**SEC. 2316. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.**

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows ''subsection (c))'' and inserting '', for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child custody or visitation orders—

''(1) information on, or facilitating the discovery of, the location of any individual—

''(A) who is under an obligation to pay child support or provide child custody or visitation rights;

''(B) against whom such an obligation is sought;

''(C) to whom such an obligation is owed,

including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer;

''(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

''(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''social security'' and all that follows through ''absent parent'' and inserting ''information described in subsection (a)''; and

(B) in the flush paragraph at the end, by adding the following: ''No information shall be disclosed to any person if the State has notified the Secretary that the State has reasonable evidence of domestic violence or child abuse and the disclosure of such information could be harmful to the custodial parent or the child of such parent. Information received or transmitted pursuant to this section shall be subject to the safeguard provisions contained in section 454(26).''.

(b) AUTHORIZED PERSON FOR INFORMATION REGARDING VISITATION RIGHTS.—Section 453(c) (42 U.S.C. 653(c)) is amended—

(1) in paragraph (1), by striking ''support'' and inserting ''support or to seek to enforce orders providing child custody or visitation rights''; and

(2) in paragraph (2), by striking '', or any agent of such court; and'' and inserting ''or to issue an order against a resident parent for child custody or visitation rights, or any agent of such court;''.

(c) REIMBURSEMENT FOR INFORMATION FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting ''in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)'' before the period.

(d) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

''(g) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES.—The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).''.

(e) CONFORMING AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting ''Federal'' before ''Parent'' each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding ''FEDERAL'' before ''PARENT''.

(f) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsections:

''(h) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—

''(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

''(2) CASE INFORMATION.—The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

''(i) NATIONAL DIRECTORY OF NEW HIRES.—

''(1) IN GENERAL.—In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1997, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

''(2) ENTRY OF DATA.—Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

''(3) ADMINISTRATION OF FEDERAL TAX LAWS.—The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

''(4) LIST OF MULTISTATE EMPLOYERS.—The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 453A(b)(1)(B), and the State which each such employer has designated to receive such information.

''(j) INFORMATION COMPARISONS AND OTHER DISCLOSURES.—

''(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—

''(A) IN GENERAL.—The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

''(B) VERIFICATION BY SSA.—The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

''(i) The name, social security number, and birth date of each such individual.

''(ii) The employer identification number of each such employer.

''(2) INFORMATION COMPARISONS.—For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

''(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

''(B) within 2 business days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

''(3) INFORMATION COMPARISONS AND DISCLOSURES OF INFORMATION IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

''(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

''(B) disclose information in such registries to such State agencies.

''(4) PROVISION OF NEW HIRE INFORMATION TO THE SOCIAL SECURITY ADMINISTRATION.—The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory.

''(5) RESEARCH.—The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

''(k) FEES.—

''(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

''(2) FOR INFORMATION FROM STATE DIRECTORIES OF NEW HIRES.—The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

''(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

''(l) RESTRICTION ON DISCLOSURE AND USE.—Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

''(m) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

''(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

''(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

''(n) FEDERAL GOVERNMENT REPORTING.—Each department, agency, and instrumentality of the United States shall on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that such a report shall not be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such department, agency, or instrumentality has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.''.

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—

(A) Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

''(B) the Federal Parent Locator Service established under section 453;''.

(B) Section 454(13) (42 U.S.C.654(13)) is amended by inserting ''and provide that information requests by parents who are residents of other States be treated with the same priority as requests by parents who are residents of the State submitting the plan'' before the semicolon.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''Secretary of Health, Education, and Welfare'' each place such term appears and inserting ''Secretary of Health and Human Services'';

(B) in subparagraph (B), by striking ''such information'' and all that follows and inserting ''information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;'';

(C) by striking ''and'' at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

''(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and''.

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Subsection (h) of section 303 (42 U.S.C. 503) is amended to read as follows:

''(h)(1) The State agency charged with the administration of the State law shall, on a reimbursable basis—

''(A) disclose quarterly, to the Secretary of Health and Human Services, wage and claim information, as required pursuant to section 453(i)(1), contained in the records of such agency;

''(B) ensure that information provided pursuant to subparagraph (A) meets such standards relating to correctness and verification as the Secretary of Health and Human Services, with the concurrence of the Secretary of Labor, may find necessary; and

''(C) establish such safeguards as the Secretary of Labor determines are necessary to insure that information disclosed under subparagraph (A) is used only for purposes of section 453(i)(1) in carrying out the child support enforcement program under title IV.

''(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, the Secretary shall make no future certification to the Secretary of the Treasury with respect to the State.

''(3) For purposes of this subsection—

''(A) the term 'wage information' means information regarding wages paid to an individual, the social security account number of such individual, and the name, address, State, and the Federal employer identification number of the employer paying such wages to such individual; and

''(B) the term 'claim information' means information regarding whether an individual is receiving, has received, or has made application for, unemployment compensation, the amount of any such compensation being received (or to be received by such individual), and the individual's current (or most recent) home address.''.

(4) DISCLOSURE OF CERTAIN INFORMATION TO AGENTS OF CHILD SUPPORT ENFORCEMENT AGENCIES.—

(A) IN GENERAL.—Paragraph (6) of section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of return information to Federal, State, and local child support enforcement agencies) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) DISCLOSURE TO CERTAIN AGENTS.—The following information disclosed to any child support enforcement agency under subparagraph (A) with respect to any individual with respect to whom child support obligations are sought to be established or enforced may be disclosed by such agency to any agent of such agency which is under contract with such agency to carry out the purposes described in subparagraph (C):

''(i) The address and social security account number (or numbers) of such individual.

''(ii) The amount of any reduction under section 6402(c) (relating to offset of past-due support against overpayments) in any overpayment otherwise payable to such individual.''.

(B) CONFORMING AMENDMENTS.—

(i) Paragraph (3) of section 6103(a) of such Code is amended by striking ''(l)(12)'' and inserting ''paragraph (6) or (12) of subsection (l)''.

(ii) Subparagraph (C) of section 6103(l)(6) of such Code, as redesignated by subsection (a), is amended to read as follows:

''(C) RESTRICTION ON DISCLOSURE.—Information may be disclosed under this paragraph only for purposes of, and to the extent necessary in, establishing and collecting child support obligations from, and locating, individuals owing such obligations.''.

(iii) The material following subparagraph (F) of section 6103(p)(4) of such Code is amended by striking ''subsection (l)(12)(B)'' and inserting ''paragraph (6)(A) or (12)(B) of subsection (l)''.

(h) REQUIREMENT FOR COOPERATION.—The Secretary of Labor and the Secretary of Health and Human Services shall work jointly to develop cost-effective and efficient methods of accessing the information in the various State directories of new hires and the National Directory of New Hires as established pursuant to the amendments made by this subchapter. In developing these methods the Secretaries shall take into account the impact, including costs, on the States, and shall also consider the need to insure the proper and authorized use of wage record information.

**SEC. 2317. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.**

Section 466(a) (42 U.S.C. 666(a)), as amended by section 2315 of this Act, is amended by inserting after paragraph (12) the following new paragraph:

''(13) RECORDING OF SOCIAL SECURITY NUMBERS IN CERTAIN FAMILY MATTERS.—Procedures requiring that the social security number of—

''(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application;

''(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

''(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number, the State shall so advise any applicants.''.

**Subchapter C—Streamlining and Uniformity of Procedures**

**SEC. 2321. ADOPTION OF UNIFORM STATE LAWS.**

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:

''(f) UNIFORM INTERSTATE FAMILY SUPPORT ACT.—

''(1) ENACTMENT AND USE.—In order to satisfy section 454(20)(A), on and after January 1, 1998, each State must have in effect the Uniform Interstate Family Support Act, as approved by the American Bar Association on February 9, 1993, together with any amendments officially adopted before January 1, 1998 by the National Conference of Commissioners on Uniform State Laws.

''(2) EMPLOYERS TO FOLLOW PROCEDURAL RULES OF STATE WHERE EMPLOYEE WORKS.—The State law enacted pursuant to paragraph (1) shall provide that an employer that receives an income withholding order or notice pursuant to section 501 of the Uniform Interstate Family Support Act follow the procedural rules that apply with respect to such order or notice under the laws of the State in which the obligor works.''.

**SEC. 2322. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.**

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking ''subsection (e)'' and inserting ''subsections (e), (f), and (i)'';

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

'' 'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.'';

(3) in subsection (c), by inserting ''by a court of a State'' before ''is made'';

(4) in subsection (c)(1), by inserting ''and subsections (e), (f), and (g)'' after ''located'';

(5) in subsection (d)—

(A) by inserting ''individual'' before ''contestant''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(6) in subsection (e), by striking ''make a modification of a child support order with respect to a child that is made'' and inserting ''modify a child support order issued'';

(7) in subsection (e)(1), by inserting ''pursuant to subsection (i)'' before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting ''individual'' before ''contestant'' each place such term appears; and

(B) by striking ''to that court's making the modification and assuming'' and inserting ''with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume'';

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

''(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

''(1) If only 1 court has issued a child support order, the order of that court must be recognized.

''(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

''(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

''(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

''(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.'';

(11) in subsection (g) (as so redesignated)—

(A) by striking ''PRIOR'' and inserting ''MODIFIED''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting ''including the duration of current payments and other obligations of support'' before the comma; and

(B) in paragraph (3), by inserting ''arrears under'' after ''enforce''; and

(13) by adding at the end the following new subsection:

''(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.''.

**SEC. 2323. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.**

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315 and 2317(a) of this Act, is amended by inserting after paragraph (13) the following new paragraph:

''(14) ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.—Procedures under which—

''(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

''(ii) the term 'business day' means a day on which State offices are open for regular business;

''(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

''(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and

''(ii) shall constitute a certification by the requesting State—

''(I) of the amount of support under the order the payment of which is in arrears; and

''(II) that the requesting State has complied with all procedural due process requirements applicable to the case;

''(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

''(D) the State shall maintain records of—

''(i) the number of such requests for assistance received by the State;

''(ii) the number of cases for which the State collected support in response to such a request; and

''(iii) the amount of such collected support.''.

**SEC. 2324. USE OF FORMS IN INTERSTATE ENFORCEMENT.**

(a) PROMULGATION.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking ''and'' at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(11) not later than October 1, 1996, after consulting with the State directors of programs under this part, promulgate forms to be used by States in interstate cases for—

''(A) collection of child support through income withholding;

''(B) imposition of liens; and

''(C) administrative subpoenas.''.

(b) USE BY STATES.—Section 454(9) (42 U.S.C. 654(9)) is amended—

(1) by striking ''and'' at the end of subparagraph (C);

(2) by inserting ''and'' at the end of subparagraph (D); and

(3) by adding at the end the following new subparagraph:

''(E) not later than March 1, 1997, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;''.

**SEC. 2325. STATE LAWS PROVIDING EXPEDITED PROCEDURES.**

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 2314 of this Act, is amended—

(1) in subsection (a)(2), by striking the first sentence and inserting the following: ''Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations.''; and

(2) by inserting after subsection (b) the following new subsection:

''(c) EXPEDITED PROCEDURES.—The procedures specified in this subsection are the following:

''(1) ADMINISTRATIVE ACTION BY STATE AGENCY.—Procedures which give the State agency the authority to take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States to take the following actions:

''(A) GENETIC TESTING.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

''(B) FINANCIAL OR OTHER INFORMATION.—To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

''(C) RESPONSE TO STATE AGENCY REQUEST.—To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

''(D) ACCESS TO INFORMATION CONTAINED IN CERTAIN RECORDS.—To obtain access, subject to safeguards on privacy and information security, and subject to the nonliability of entities that afford such access under this subparagraph, to information contained in the following records (including automated access, in the case of records maintained in automated data bases):

''(i) Records of other State and local government agencies, including—

''(I) vital statistics (including records of marriage, birth, and divorce);

''(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

''(III) records concerning real and titled personal property;

''(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

''(V) employment security records;

''(VI) records of agencies administering public assistance programs;

''(VII) records of the motor vehicle department; and

''(VIII) corrections records.

''(ii) Certain records held by private entities with respect to individuals who owe or are owed support (or against or with respect to whom a support obligation is sought), consisting of—

''(I) the names and addresses of such individuals and the names and addresses of the employers of such individuals, as appearing

in customer records of public utilities and cable television companies, pursuant to an administrative subpoena authorized by subparagraph (B); and

''(II) information (including information on assets and liabilities) on such individuals held by financial institutions.

''(E) CHANGE IN PAYEE.—In cases in which support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

''(F) INCOME WITHHOLDING.—To order income withholding in accordance with subsections (a)(1)(A) and (b) of section 466.

''(G) SECURING ASSETS.—In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

''(i) intercepting or seizing periodic or lump-sum payments from—

''(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

''(II) judgments, settlements, and lotteries;

''(ii) attaching and seizing assets of the obligor held in financial institutions;

''(iii) attaching public and private retirement funds; and

''(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

''(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

''(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

''(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

''(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer; and

''(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

''(B) STATEWIDE JURISDICTION.—Procedures under which—

''(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

''(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.

''(3) COORDINATION WITH ERISA.—Notwithstanding subsection (d) of section 514 of the Employee Retirement Income Security Act of 1974 (relating to effect on other laws), nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair, or supersede subsections (a), (b), and (c) of such section 514 as it applies with respect to any procedure referred to in paragraph (1) and any expedited procedure referred to in paragraph (2), except to the extent that such procedure would be consistent with the requirements of section 206(d)(3) of such Act (relating to qualified domestic relations orders) or the requirements of section 609(a) of such Act (relating to qualified medical child support orders) if the reference in such section 206(d)(3) to a domestic relations order and the reference in such section 609(a) to a medical child support order were a reference to a support order referred to in paragraphs (1) and (2) relating to the same matters, respectively.''.

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 2344(a)(2) and as amended by sections 2311 and 2312(c) of this Act, is amended by adding at the end the following new subsection:

''(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).''.

### Subchapter D—Paternity Establishment

#### SEC. 2331. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

''(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—

''(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE 18.—

''(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

''(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

''(B) PROCEDURES CONCERNING GENETIC TESTING.—

''(i) GENETIC TESTING REQUIRED IN CERTAIN CONTESTED CASES.—Procedures under which the State is required, in a contested paternity case (unless otherwise barred by State law) to require the child and all other parties (other than individuals found under section 454(29) to have good cause and other exceptions for refusing to cooperate) to submit to genetic tests upon the request of any such party, if the request is supported by a sworn statement by the party—

''(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

''(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

''(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—

''(I) to pay costs of such tests, subject to recoupment (if the State so elects) from the alleged father if paternity is established; and

''(II) to obtain additional testing in any case if an original test result is contested, upon request and advance payment by the contestant.

''(C) VOLUNTARY PATERNITY ACKNOWLEDGMENT.—

''(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

''(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child, unless good cause and other exceptions exist which—

''(I) shall be defined, taking into account the best interests of the child, and

''(II) shall be applied in each case,

by, at the option of the State, the State agency administering the State program under part A, this part, title XV, or title XIX.

''(iii) PATERNITY ESTABLISHMENT SERVICES.—

''(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

''(II) REGULATIONS.—

''(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

''(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

''(iv) USE OF PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit specified by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

''(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—

''(i) INCLUSION IN BIRTH RECORDS.—Procedures under which the name of the father shall be included on the record of birth of the child of unmarried parents only if—

''(I) the father and mother have signed a voluntary acknowledgment of paternity; or

''(II) a court or an administrative agency of competent jurisdiction has issued an adjudication of paternity.

Nothing in this clause shall preclude a State agency from obtaining an admission of paternity from the father for submission in a judicial or administrative proceeding, or prohibit the issuance of an order in a judicial or administrative proceeding which bases a legal finding of paternity on an admission of paternity by the father and any other additional showing required by State law.

''(ii) LEGAL FINDING OF PATERNITY.—Procedures under which a signed voluntary acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within the earlier of—

''(I) 60 days; or

''(II) the date of an administrative or judicial proceeding relating to the child (including a proceeding to establish a support order) in which the signatory is a party.

''(iii) CONTEST.—Procedures under which, after the 60-day period referred to in clause (ii), a signed voluntary acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

''(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

''(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

''(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

''(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

''(II) performed by a laboratory approved by such an accreditation body;

''(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

''(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

''(G) PRESUMPTION OF PATERNITY IN CERTAIN CASES.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

''(H) DEFAULT ORDERS.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

''(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

''(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, if there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

''(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

''(L) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

''(M) FILING OF ACKNOWLEDGMENTS AND ADJUDICATIONS IN STATE REGISTRY OF BIRTH RECORDS.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.''.

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting '', and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent and, after consultation with the States, other common elements as determined by such designee'' before the semicolon.

(c) CONFORMING AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking ''a simple civil process for voluntarily acknowledging paternity and''.

**SEC. 2332. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.**

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting ''and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate'' before the semicolon.

**SEC. 2333. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF PART A ASSISTANCE.**

Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a), 2312(a), and 2313(a) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting ''; and''; and

(3) by inserting after paragraph (28) the following new paragraph:

''(29) provide that the State agency responsible for administering the State plan—

''(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A, the State program under title XV, or the State program under title XIX is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the noncustodial parent of the child, subject to good cause and other exceptions which—

''(i) shall be defined, taking into account the best interests of the child, and

''(ii) shall be applied in each case,

by, at the option of the State, the State agency administering the State program under part A, this part, title XV, or title XIX;

''(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

''(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order;

''(D) may request that the individual sign a voluntary acknowledgment of paternity, after notice of the rights and consequences of such an acknowledgment, but may not require the individual to sign an acknowledgment or otherwise relinquish the right to genetic tests as a condition of cooperation and eligibility for assistance under the State program funded under part A, the State program under title XV, or the State program under title XIX; and

''(E) shall promptly notify the individual and the State agency administering the State program funded under part A, the State agency administering the State program under title XV, and the State agency administering the State program under title XIX, of each such determination, and if noncooperation is determined, the basis therefore.''.

**Subchapter E—Program Administration and Funding**

**SEC. 2341. PERFORMANCE-BASED INCENTIVES AND PENALTIES.**

(a) DEVELOPMENT OF NEW SYSTEM.—The Secretary of Health and Human Services, in consultation with State directors of programs under part D of title IV of the Social Security Act, shall develop a new incentive system to replace, in a revenue neutral manner, the system under section 458 of such Act. The new system shall provide additional payments to any State based on such State's performance under such a program. Not later than November 1, 1996, the Secretary shall report on the new system to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(b) CONFORMING AMENDMENTS TO PRESENT SYSTEM.—Section 458 (42 U.S.C. 658) is amended—

(1) in subsection (a), by striking ''aid to families with dependent children under a State plan approved under part A of this title'' and inserting ''assistance under a program funded under part A'';

(2) in subsection (b)(1)(A), by striking ''section 402(a)(26)'' and inserting ''section 408(a)(4)'';

(3) in subsections (b) and (c)—

(A) by striking ''AFDC collections'' each place it appears and inserting ''title IV–A collections'', and

(B) by striking ''non-AFDC collections'' each place it appears and inserting ''non-title IV–A collections''; and

(4) in subsection (c), by striking ''combined AFDC/non-AFDC administrative costs'' both places it appears and inserting ''combined title IV–A/non-title IV–A administrative costs''.

(c) CALCULATION OF PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1)(A) (42 U.S.C. 652(g)(1)(A)) is amended by striking ''75'' and inserting ''90''.

(2) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) for a State with a paternity establishment percentage of not less than 75 percent but less than 90 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 2 percentage points;''; and

(B) by adding at the end the following new flush sentence:

''In determining compliance under this section, a State may use as its paternity establishment percentage either the State's IV–D paternity establishment percentage (as defined in paragraph (2)(A)) or the State's statewide paternity establishment percentage (as defined in paragraph (2)(B)).''.

(3) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(II) by striking ''(or all States, as the case may be)''; and

(ii) by striking ''and'' at the end thereof;

(B) by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

''(B) the term 'statewide paternity establishment percentage' means, with respect to a State for a fiscal year, the ratio (expressed as a percentage) that the total number of minor children—

''(i) who have been born out of wedlock, and

''(ii) the paternity of whom has been established or acknowledged during the fiscal year,

bears to the total number of children born out of wedlock during the preceding fiscal year; and''.

(4) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A) (as so redesignated), by striking ''the percentage of children born out-of-wedlock in a State'' and inserting ''the percentage of children in a State who are born out of wedlock or for whom support has not been established''.

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The system developed under subsection (a) and the amendments made by subsection (b) shall become effective on October 1, 1998, except to the extent provided in subparagraph (B).

(B) APPLICATION OF SECTION 458.—Section 458 of the Social Security Act, as in effect on the day before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 1999.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on or after the date of the enactment of this Act.

**SEC. 2342. FEDERAL AND STATE REVIEWS AND AUDITS.**

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking ''(14)'' and inserting ''(14)(A)'';

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

''(15) provide for—

''(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, including such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

''(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including paternity establishment percentages) to the extent necessary for purposes of sections 452(g) and 458;''.

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

''(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

''(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

''(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

''(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data and the accuracy of the reporting systems used in calculating performance indicators under subsection (g) of this section and section 458;

''(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

''(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

''(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

''(iii) for such other purposes as the Secretary may find necessary;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act.

**SEC. 2343. REQUIRED REPORTING PROCEDURES.**

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting '', and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures'' before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a), 2312(a), 2313(a), and 2333 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (28);

(2) by striking the period at the end of paragraph (29) and inserting ''; and''; and

(3) by adding after paragraph (29) the following new paragraph:

''(30) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.''.

**SEC. 2344. AUTOMATED DATA PROCESSING REQUIREMENTS.**

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking '', at the option of the State,'';

(B) by inserting ''and operation by the State agency'' after ''for the establishment'';

(C) by inserting ''meeting the requirements of section 454A'' after ''information retrieval system'';

(D) by striking ''in the State and localities thereof, so as (A)'' and inserting ''so as'';

(E) by striking ''(i)''; and

(F) by striking ''(including'' and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

**''SEC. 454A. AUTOMATED DATA PROCESSING.**

''(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

''(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

''(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

''(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

''(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive payments and penalty adjustments required by sections 452(g) and 458, the State agency shall—

''(1) use the automated system—

''(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

''(B) to calculate the paternity establishment percentage for the State for each fiscal year; and

''(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

''(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

''(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

''(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

''(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

''(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

''(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

''(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

''(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.''.

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by section 2303(a)(1) of this Act, is amended to read as follows:

''(24) provide that the State will have in effect an automated data processing and information retrieval system—

''(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988, and

''(B) by October 1, 2000, which meets all requirements of this part enacted on or before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 2344(a)(3) of the Personal Responsibility and Work Opportunity Act of 1996;''.

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking ''90 percent'' and inserting ''the percent specified in paragraph (3)'';

(ii) by striking ''so much of''; and

(iii) by striking ''which the Secretary'' and all that follows and inserting '', and''; and

(B) by adding at the end the following new paragraph:

''(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) (as in effect on September 30, 1995) but limited to the amount approved for States in the advance planning documents of such States submitted on or before September 30, 1995. Notwithstanding the preceding sentence, any payment to a State with respect to fiscal year 1997 shall be made in one payment in fiscal year 1998.

''(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

''(ii) The percentage specified in this clause is 80 percent.''.

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $400,000,000 in the aggregate under section 455(a)(3)(B) of the Social Security Act for fiscal years 1996 through 2001.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3)(B) of such Act for fiscal years 1996 through 2001 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

**SEC. 2345. TECHNICAL ASSISTANCE.**

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

''(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year (beginning with fiscal year 1998) an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

''(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

''(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.

The amount appropriated under this subsection shall remain available until expended.''.

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 2316 of this Act, is amended by adding at the end the following new subsection:

''(o) RECOVERY OF COSTS.—Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.''.

**SEC. 2346. REPORTS AND DATA COLLECTION BY THE SECRETARY.**

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking ''this part;'' and inserting ''this part, including—''; and

(B) by adding at the end the following new clauses:

''(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

''(ii) the cost to the States and to the Federal Government of so furnishing the services; and

''(iii) the number of cases involving families—

''(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

''(II) with respect to whom a child support payment was received in the month;''.

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''with the data required under each clause being separately stated for cases'' and inserting ''separately stated for cases'';

(ii) by striking ''cases where the child was formerly receiving'' and inserting ''or formerly received'';

(iii) by inserting ''or 1912'' after ''471(a)(17)''; and

(iv) by inserting ''for'' before ''all other'';

(B) in each of clauses (i) and (ii), by striking '', and the total amount of such obligations'';

(C) in clause (iii), by striking ''described in'' and all that follows and inserting ''in which support was collected during the fiscal year;'';

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

''(iv) the total amount of support collected during such fiscal year and distributed as current support;

''(v) the total amount of support collected during such fiscal year and distributed as arrearages;

''(vi) the total amount of support due and unpaid for all fiscal years; and''.

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking ''on the use of Federal courts and''.

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking ''and'';

(B) in subparagraph (I), by striking the period and inserting ''; and''; and

(C) by inserting after subparagraph (I) the following new subparagraph:

''(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).''.

(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1997 and succeeding fiscal years.

### Subchapter F—Establishment and Modification of Support Orders

**SEC. 2351. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.**

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

''(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS UPON REQUEST.—Procedures under which the State shall review and adjust each support order being enforced under this part if there is an assignment under part A or upon the request of either parent, and may review and adjust any other support order being enforced under this part. Such procedures shall provide the following:

''(A) IN GENERAL.—

''(i) 3-YEAR CYCLE.—Except as provided in subparagraphs (B) and (C), the State shall review and, as appropriate, adjust the support order every 3 years, taking into account the best interests of the child involved.

''(ii) METHODS OF ADJUSTMENT.—The State may elect to review and, if appropriate, adjust an order pursuant to clause (i) by—

''(I) reviewing and, if appropriate, adjusting the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines; or

''(II) applying a cost-of-living adjustment to the order in accordance with a formula developed by the State and permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

''(iii) NO PROOF OF CHANGE IN CIRCUMSTANCES NECESSARY.—Any adjustment under this subparagraph (A) shall be made without a requirement for proof or showing of a change in circumstances.

''(B) AUTOMATED METHOD.—The State may use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under the threshold established by the State.

''(C) REQUEST UPON SUBSTANTIAL CHANGE IN CIRCUMSTANCES.—The State shall, at the request of either parent subject to such an order or of any State child support enforcement agency, review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) based upon a substantial change in the circumstances of either parent.

''(D) NOTICE OF RIGHT TO REVIEW.—The State shall provide notice not less than once every 3 years to the parents subject to such an order informing them of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.''.

**SEC. 2352. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.**

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

''(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

''(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

''(B) the paternity of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws);

''(C) the person has provided at least 10 days' prior notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be requested; and

''(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

''(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.''.

**SEC. 2353. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.**

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following:

**''SEC. 469A. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.**

''(a) IN GENERAL.—Notwithstanding any other provision of Federal or State law, a financial institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual.

''(b) PROHIBITION OF DISCLOSURE OF FINANCIAL RECORD OBTAINED BY STATE CHILD SUPPORT ENFORCEMENT AGENCY.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

''(c) CIVIL DAMAGES FOR UNAUTHORIZED DISCLOSURE.—

''(1) DISCLOSURE BY STATE OFFICER OR EMPLOYEE.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

''(2) NO LIABILITY FOR GOOD FAITH BUT ERRONEOUS INTERPRETATION.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

''(3) DAMAGES.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

''(A) the greater of—

''(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

''(ii) the sum of—

''(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

''(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

''(B) the costs (including attorney's fees) of the action.

''(d) DEFINITIONS.—For purposes of this section—

''(1) FINANCIAL INSTITUTION.—The term 'financial institution' means—

''(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

''(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(u));

''(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)); and

''(D) any benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in the State.

''(2) FINANCIAL RECORD.—The term 'financial record' has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).''.

**Subchapter G—Enforcement of Support Orders**

**SEC. 2361. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.**

(a) COLLECTION OF FEES.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting '', and'';

(3) by adding at the end the following new paragraph:

''(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.''; and

(4) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

**SEC. 2362. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.**

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended to read as follows:

**''SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.**

''(a) CONSENT TO SUPPORT ENFORCEMENT.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

''(b) CONSENT TO REQUIREMENTS APPLICABLE TO PRIVATE PERSON.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

''(c) DESIGNATION OF AGENT; RESPONSE TO NOTICE OR PROCESS—

''(1) DESIGNATION OF AGENT.—The head of each agency subject to this section shall—

''(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

''(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

''(2) RESPONSE TO NOTICE OR PROCESS.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

''(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

''(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

''(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

''(d) PRIORITY OF CLAIMS.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

''(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

''(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

''(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

''(e) NO REQUIREMENT TO VARY PAY CYCLES.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

''(f) RELIEF FROM LIABILITY.—

''(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

''(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

''(g) REGULATIONS.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

''(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

''(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

''(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

''(h) MONEYS SUBJECT TO PROCESS.—

''(1) IN GENERAL.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

''(A) consist of—

''(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

''(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

''(I) under the insurance system established by title II;

''(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

''(III) as compensation for death under any Federal program;

''(IV) under any Federal program established to provide 'black lung' benefits; or

''(V) by the Secretary of Veterans Affairs as compensation for a service-connected disability paid by the Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if the former member has waived a portion of the retired or retainer pay in order to receive such compensation; and

''(iii) worker's compensation benefits paid under Federal or State law but

''(B) do not include any payment—

''(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

''(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

''(2) CERTAIN AMOUNTS EXCLUDED.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

''(A) are owed by the individual to the United States;

''(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

''(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

''(D) are deducted as health insurance premiums;

''(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

''(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

''(i) DEFINITIONS.—For purposes of this section—

''(1) UNITED STATES.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

''(2) CHILD SUPPORT.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means amounts required to be paid under a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages or reimbursement, and which may include other related costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.

''(3) ALIMONY.—

''(A) IN GENERAL.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

''(B) EXCEPTIONS.—Such term does not include—

''(i) any child support; or

''(ii) any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

''(4) PRIVATE PERSON.—The term 'private person' means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

''(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

''(A) which is issued by—

''(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States;

''(ii) a court or an administrative agency of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

''(iii) an authorized official pursuant to an order of such a court or an administrative agency of competent jurisdiction or pursuant to State or local law; and

''(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.''.

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking ''sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)'' and inserting ''section 459 of the Social Security Act (42 U.S.C. 659)''.

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking ''and'' at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(C) by adding after subparagraph (C) the following new subparagraph:

''(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes

of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.''.

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended—

(A) by inserting ''or a support order, as defined in section 453(p) of the Social Security Act (42 U.S.C. 653(p)),'' before ''which—'';

(B) in subparagraph (B)(i), by striking ''(as defined in section 462(b) of the Social Security Act (42 U.S.C. 662(b)))'' and inserting ''(as defined in section 459(i)(2) of the Social Security Act (42 U.S.C. 659(i)(2)))''; and

(C) in subparagraph (B)(ii), by striking ''(as defined in section 462(c) of the Social Security Act (42 U.S.C. 662(c)))'' and inserting ''(as defined in section 459(i)(3) of the Social Security Act (42 U.S.C. 659(i)(3)))''.

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting ''(OR FOR BENEFIT OF)'' before ''SPOUSE OR''; and

(B) in paragraph (1), in the 1st sentence, by inserting ''(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)'' before ''in an amount sufficient''.

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

''(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

**SEC. 2363. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.**

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection—

(A) The term ''court'' has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term ''child support'' has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 2362(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

''(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.''.

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the 1st sentence the following new sentence: ''In the case of a spouse or former spouse who, pursuant to section 408(a)(4) of the Social Security Act (42 U.S.C. 608(a)(4)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.''.

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

''(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.''.

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the 1st pay period that begins after such 30-day period.

**SEC. 2364. VOIDING OF FRAUDULENT TRANSFERS.**

Section 466 (42 U.S.C. 666), as amended by section 2321 of this Act, is amended by adding at the end the following new subsection:

''(g) LAWS VOIDING FRAUDULENT TRANSFERS.—In order to satisfy section 454(20)(A), each State must have in effect—

''(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

''(B) the Uniform Fraudulent Transfer Act of 1984; or

''(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

''(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

''(A) seek to void such transfer; or

''(B) obtain a settlement in the best interests of the child support creditor.''.

**SEC. 2365. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT.**

(a) IN GENERAL.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315, 2317(a), and 2323 of this Act, is amended by inserting after paragraph (14) the following new paragraph:

''(15) PROCEDURES TO ENSURE THAT PERSONS OWING PAST-DUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—

''(A) IN GENERAL.—Procedures under which the State has the authority, in any case in which an individual owes past-due support with respect to a child receiving assistance under a State program funded under part A, to issue an order or to request that a court or an administrative process established pursuant to State law issue an order that requires the individual to—

''(i) pay such support in accordance with a plan approved by the court, or, at the option of the State, a plan approved by the State agency administering the State program under this part; or

''(ii) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 407(d)) as the court, or, at the option of the State, the State agency administering the State program under this part, deems appropriate.

''(B) PAST-DUE SUPPORT DEFINED.—For purposes of subparagraph (A), the term 'past-due support' means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child, or of a child and the parent with whom the child is living.''.

(b) CONFORMING AMENDMENT.—The flush paragraph at the end of section 466(a) (42 U.S.C. 666(a)) is amended by striking ''and (7)'' and inserting ''(7), and (15)''.

**SEC. 2366. DEFINITION OF SUPPORT ORDER.**

Section 453 (42 U.S.C. 653) as amended by sections 2316 and 2345(b) of this Act, is amended by adding at the end the following new subsection:

''(p) SUPPORT ORDER DEFINED.—As used in this part, the term 'support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.''.

**SEC. 2367. REPORTING ARREARAGES TO CREDIT BUREAUS.**

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

''(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—

''(A) IN GENERAL.—Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any noncustodial parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

''(B) SAFEGUARDS.—Procedures ensuring that, in carrying out subparagraph (A), information with respect to a noncustodial parent is reported—

''(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

''(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency (as so defined).''.

**SEC. 2368. LIENS.**

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

''(4) LIENS.—Procedures under which—

''(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

''(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien.''.

**SEC. 2369. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.**

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315, 2317(a), 2323, and 2365 of this Act, is amended by inserting after paragraph (15) the following:

''(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

**SEC. 2370. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.**

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 2345 of this Act, is amended by adding at the end the following new subsection:

''(k)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(31) that an individual owes arrearages of child support in an amount exceeding $5,000, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to paragraph (2).

''(2) The Secretary of State shall, upon certification by the Secretary transmitted under paragraph (1), refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

''(3) The Secretary and the Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.''.

(2) STATE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a), 2312(b), 2313(a), 2333, and 2343(b) of this Act, is amended—

(A) by striking ''and'' at the end of paragraph (29);

(B) by striking the period at the end of paragraph (30) and inserting ''; and''; and

(C) by adding after paragraph (30) the following new paragraph:

''(31) provide that the State agency will have in effect a procedure for certifying to the Secretary, for purposes of the procedure under section 452(k), determinations that individuals owe arrearages of child support in an amount exceeding $5,000, under which procedure—

''(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

''(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1997.

**SEC. 2371. INTERNATIONAL SUPPORT ENFORCEMENT.**

(a) AUTHORITY FOR INTERNATIONAL AGREEMENTS.—Part D of title IV, as amended by section 2362(a) of this Act, is amended by adding after section 459 the following new section:

**''SEC. 459A. INTERNATIONAL SUPPORT ENFORCEMENT.**

''(a) AUTHORITY FOR DECLARATIONS.—

''(1) DECLARATION.—The Secretary of State, with the concurrence of the Secretary of Health and Human Services, is authorized to declare any foreign country (or a political subdivision thereof) to be a foreign reciprocating country if the foreign country has established, or undertakes to establish, procedures for the establishment and enforcement of duties of support owed to obligees who are residents of the United States, and such procedures are substantially in conformity with the standards prescribed under subsection (b).

''(2) REVOCATION.—A declaration with respect to a foreign country made pursuant to paragraph (1) may be revoked if the Secretaries of State and Health and Human Services determine that—

''(A) the procedures established by the foreign country regarding the establishment and enforcement of duties of support have been so changed, or the foreign country's implementation of such procedures is so unsatisfactory, that such procedures do not meet the criteria for such a declaration; or

''(B) continued operation of the declaration is not consistent with the purposes of this part.

''(3) FORM OF DECLARATION.—A declaration under paragraph (1) may be made in the form of an international agreement, in connection with an international agreement or corresponding foreign declaration, or on a unilateral basis.

''(b) STANDARDS FOR FOREIGN SUPPORT ENFORCEMENT PROCEDURES.—

''(1) MANDATORY ELEMENTS.—Support enforcement procedures of a foreign country which may be the subject of a declaration pursuant to subsection (a)(1) shall include the following elements:

''(A) The foreign country (or political subdivision thereof) has in effect procedures, available to residents of the United States—

''(i) for establishment of paternity, and for establishment of orders of support for children and custodial parents; and

''(ii) for enforcement of orders to provide support to children and custodial parents, including procedures for collection and appropriate distribution of support payments under such orders.

''(B) The procedures described in subparagraph (A), including legal and administrative assistance, are provided to residents of the United States at no cost.

''(C) An agency of the foreign country is designated as a Central Authority responsible for—

''(i) facilitating support enforcement in cases involving residents of the foreign country and residents of the United States; and

''(ii) ensuring compliance with the standards established pursuant to this subsection.

''(2) ADDITIONAL ELEMENTS.—The Secretary of Health and Human Services and the Secretary of State, in consultation with the States, may establish such additional standards as may be considered necessary to further the purposes of this section.

''(c) DESIGNATION OF UNITED STATES CENTRAL AUTHORITY.—It shall be the responsibility of the Secretary of Health and Human Services to facilitate support enforcement in cases involving residents of the United States and residents of foreign countries that are the subject of a declaration under this section, by activities including—

''(1) development of uniform forms and procedures for use in such cases;

''(2) notification of foreign reciprocating countries of the State of residence of individuals sought for support enforcement purposes, on the basis of information provided by the Federal Parent Locator Service; and

''(3) such other oversight, assistance, and coordination activities as the Secretary may find necessary and appropriate.

''(d) EFFECT ON OTHER LAWS.—States may enter into reciprocal arrangements for the establishment and enforcement of support obligations with foreign countries that are not the subject of a declaration pursuant to subsection (a), to the extent consistent with Federal law.''.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a), 2312(b), 2313(a), 2333, 2343(b), and 2370(a)(2) of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (30);

(2) by striking the period at the end of paragraph (31) and inserting ''; and''; and

(3) by adding after paragraph (31) the following new paragraph:

''(32)(A) provide that any request for services under this part by a foreign reciprocating country or a foreign country with which the State has an arrangement described in section 459A(d)(2) shall be treated as a request by a State;

''(B) provide, at State option, notwithstanding paragraph (4) or any other provision of this part, for services under the plan for enforcement of a spousal support order not described in paragraph (4)(B) entered by such a country (or subdivision); and

''(C) provide that no applications will be required from, and no costs will be assessed for such services against, the foreign reciprocating country or foreign obligee (but

costs may at State option be assessed against the obligor).''.

**SEC. 2372. FINANCIAL INSTITUTION DATA MATCHES.**

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315, 2317(a), 2323, 2365, and 2369 of this Act, is amended by inserting after paragraph (16) the following new paragraph:

''(17) FINANCIAL INSTITUTION DATA MATCHES.—

''(A) IN GENERAL.—Procedures under which the State agency shall enter into agreements with financial institutions doing business in the State—

''(i) to develop and operate, in coordination with such financial institutions, a data match system, using automated data exchanges to the maximum extent feasible, in which each such financial institution is required to provide for each calendar quarter the name, record address, social security number or other taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support, as identified by the State by name and social security number or other taxpayer identification number; and

''(ii) in response to a notice of lien or levy, encumber or surrender, as the case may be, assets held by such institution on behalf of any noncustodial parent who is subject to a child support lien pursuant to paragraph (4).

''(B) REASONABLE FEES.—The State agency may pay a reasonable fee to a financial institution for conducting the data match provided for in subparagraph (A)(i), not to exceed the actual costs incurred by such financial institution.

''(C) LIABILITY.—A financial institution shall not be liable under any Federal or State law to any person—

''(i) for any disclosure of information to the State agency under subparagraph (A)(i);

''(ii) for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the State agency as provided for in subparagraph (A)(ii); or

''(iii) for any other action taken in good faith to comply with the requirements of subparagraph (A).

''(D) DEFINITIONS.—For purposes of this paragraph—

''(i) FINANCIAL INSTITUTION.—The term 'financial institution' has the meaning given to such term by section 469A(d)(1).

''(ii) ACCOUNT.—The term 'account' means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.''.

**SEC. 2373. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.**

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315, 2317(a), 2323, 2365, 2369, and 2372 of this Act, is amended by inserting after paragraph (17) the following new paragraph:

''(18) ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS.—Procedures under which, at the State's option, any child support order enforced under this part with respect to a child of minor parents, if the custodial parent of such child is receiving assistance under the State program under part A, shall be enforceable, jointly and severally, against the parents of the noncustodial parent of such child.''.

**SEC. 2374. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD.**

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—Section 523(a) of title 11, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting ''; or'';

(3) by adding at the end the following:

''(18) owed under State law to a State or municipality that is—

''(A) in the nature of support, and

''(B) enforceable under part D of title IV of the Social Security Act (42 U.S.C. 601 et seq.).'', and

(3) in paragraph (5), by striking ''section 402(a)(26)'' and inserting ''section 408(a)(4)''.

(b) AMENDMENT TO THE SOCIAL SECURITY ACT.—Section 456(b) (42 U.S.C. 656(b)) is amended to read as follows:

''(b) NONDISCHARGEABILITY.—A debt (as defined in section 101 of title 11 of the United States Code) owed under State law to a State (as defined in such section) or municipality (as defined in such section) that is in the nature of support and that is enforceable under this part is not released by a discharge in bankruptcy under title 11 of the United States Code.''.

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply only with respect to cases commenced under title 11 of the United States Code after the date of the enactment of this Act.

**SEC. 2375. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES.**

(a) CHILD SUPPORT ENFORCEMENT AGREEMENTS.—Section 454 (42 U.S.C. 654), as amended by sections 2301(b), 2303(a), 2312(b), 2313(a), 2333, 2343(b), 2370(a)(2), and 2371(b) of this Act is amended—

(1) by striking ''and'' at the end of paragraph (31);

(2) by striking the period at the end of paragraph (32) and inserting ''; and'';

(3) by adding after paragraph (32) the following new paragraph:

''(33) provide that a State that receives funding pursuant to section 428 and that has within its borders Indian country (as defined in section 1151 of title 18, United States Code) may enter into cooperative agreements with an Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), if the Indian tribe or tribal organization demonstrates that such tribe or organization has an established tribal court system or a Court of Indian Offenses with the authority to establish paternity, establish, modify, and enforce support orders, and to enter support orders in accordance with child support guidelines established by such tribe or organization, under which the State and tribe or organization shall provide for the cooperative delivery of child support enforcement services in Indian country and for the forwarding of all funding collected pursuant to the functions performed by the tribe or organization to the State agency, or conversely, by the State agency to the tribe or organization, which shall distribute such funding in accordance with such agreement; and

(4) by adding at the end the following new sentence: ''Nothing in paragraph (33) shall void any provision of any cooperative agreement entered into before the date of the enactment of such paragraph, nor shall such paragraph deprive any State of jurisdiction over Indian country (as so defined) that is lawfully exercised under section 402 of the Act entitled 'An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes', approved April 11, 1968 (25 U.S.C. 1322).''.

(b) DIRECT FEDERAL FUNDING TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Section 455 (42 U.S.C. 655) is amended by adding at the end the following new subsection:

''(b) The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization which has an approved child support enforcement plan under this title. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an agreement entered into pursuant to section 454(33).''.

(c) COOPERATIVE ENFORCEMENT AGREEMENTS.—Paragraph (7) of section 454 (42 U.S.C. 654) is amended by inserting ''and Indian tribes or tribal organizations (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b))'' after ''law enforcement officials''.

(d) CONFORMING AMENDMENT.—Subsection (c) of section 428 (42 U.S.C. 628) is amended to read as follows:

''(c) For purposes of this section, the terms 'Indian tribe' and 'tribal organization' shall have the meanings given such terms by subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), respectively.''.

**Subchapter H—Medical Support**

**SEC. 2376. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.**

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking ''issued by a court of competent jurisdiction'';

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

''if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1997.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1997, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

**SEC. 2377. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.**

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 2315, 2317(a), 2323, 2365, 2369, 2372, and 2373 of this Act, is amended by inserting after paragraph (18) the following new paragraph:

''(19) HEALTH CARE COVERAGE.—Procedures under which all child support orders enforced pursuant to this part shall include a provision for the health care coverage of the child, and in the case in which a noncustodial parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the noncustodial parent's health plan, unless the noncustodial parent contests the notice.''.

**Subchapter I—Enhancing Responsibility and Opportunity for Non-Residential Parents**

**SEC. 2381. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.**

Part D of title IV (42 U.S.C. 651–669), as amended by section 2353 of this Act, is amended by adding at the end the following new section:

**"SEC. 469B. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.**

''(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate noncustodial parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

''(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year (beginning with fiscal year 1998) shall be an amount equal to the lesser of—

''(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

''(2) the allotment of the State under subsection (c) for the fiscal year.

''(c) ALLOTMENTS TO STATES.—

''(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to $10,000,000 for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

''(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

''(A) $50,000 for fiscal year 1998 or 1999 or

''(B) $100,000 for any succeeding fiscal year.

''(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

''(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

''(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

''(2) shall not be required to operate such programs on a statewide basis; and

''(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.''.

**Subchapter J—Effective Dates and Conforming Amendments**

**SEC. 2391. EFFECTIVE DATES AND CONFORMING AMENDMENTS.**

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this chapter requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this chapter shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this chapter shall become effective with respect to a State on the later of—

(1) the date specified in this chapter, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this chapter if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this Act.

(d) CONFORMING AMENDMENTS.—

(1) The following provisions are amended by striking ''absent'' each place it appears and inserting ''noncustodial'':

(A) Section 451 (42 U.S.C. 651).

(B) Subsections (a)(1), (a)(8), (a)(10)(E), (a)(10)(F), (f), and (h) of section 452 (42 U.S.C. 652).

(C) Section 453(f) (42 U.S.C. 653(f)).

(D) Paragraphs (8), (13), and (21)(A) of section 454 (42 U.S.C. 654).

(E) Section 455(e)(1) (42 U.S.C. 655(e)(1)).

(F) Section 458(a) (42 U.S.C. 658(a)).

(G) Subsections (a), (b), and (c) of section 463 (42 U.S.C. 663).

(H) Subsections (a)(3)(A), (a)(3)(C), (a)(6), and (a)(8)(B)(ii), the last sentence of subsection (a), and subsections (b)(1), (b)(3)(B), (b)(3)(B)(i), (b)(6)(A)(i), (b)(8), (b)(9), and (e) of section 466 (42 U.S.C. 666).

(2) The following provisions are amended by striking ''an absent'' each place it appears and inserting ''a noncustodial'':

(A) Paragraphs (2) and (3) of section 453(c) (42 U.S.C. 653(c)).

(B) Subparagraphs (B) and (C) of section 454(9) (42 U.S.C. 654(9)).

(C) Section 456(a)(3) (42 U.S.C. 656(a)(3)).

(D) Subsections (a)(3)(A), (a)(6), (a)(8)(B)(i), (b)(3)(A), and (b)(3)(B) of section 466 (42 U.S.C. 666).

(E) Paragraphs (2) and (4) of section 469(b) (42 U.S.C. 669(b)).

**CHAPTER 4—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS**

**SEC. 2400. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION.**

The Congress makes the following statements concerning national policy with respect to welfare and immigration:

(1) Self-sufficiency has been a basic principle of United States immigration law since this country's earliest immigration statutes.

(2) It continues to be the immigration policy of the United States that—

(A) aliens within the Nation's borders not depend on public resources to meet their needs, but rather rely on their own capabilities and the resources of their families, their sponsors, and private organizations, and

(B) the availability of public benefits not constitute an incentive for immigration to the United States.

(3) Despite the principle of self-sufficiency, aliens have been applying for and receiving public benefits from Federal, State, and local governments at increasing rates.

(4) Current eligibility rules for public assistance and unenforceable financial support agreements have proved wholly incapable of assuring that individual aliens not burden the public benefits system.

(5) It is a compelling government interest to enact new rules for eligibility and sponsorship agreements in order to assure that aliens be self-reliant in accordance with national immigration policy.

(6) It is a compelling government interest to remove the incentive for illegal immigration provided by the availability of public benefits.

(7) With respect to the State authority to make determinations concerning the eligibility of qualified aliens for public benefits in this chapter, a State that chooses to follow the Federal classification in determining the eligibility of such aliens for public assistance shall be considered to have chosen the least restrictive means available for achieving the compelling governmental interest of assuring that aliens be self-reliant in accordance with national immigration policy.

**Subchapter A—Eligibility for Federal Benefits**

**SEC. 2401. ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL PUBLIC BENEFITS.**

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), an alien who is not a qualified alien (as defined in section 2431) is not eligible for any Federal public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—

(1) Subsection (a) shall not apply with respect to the following Federal public benefits:

(A) Emergency medical services under title XV or XIX of the Social Security Act.

(B) Short-term, non-cash, in-kind emergency disaster relief.

(C)(i) Public health assistance for immunizations.

(ii) Public health assistance for testing and treatment of a communicable disease if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(D) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(E) Programs for housing or community development assistance or financial assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act, to the extent that the alien is receiving such a benefit on the date of the enactment of this Act.

(2) Subsection (a) shall not apply to any benefit payable under title II of the Social Security Act to an alien who is lawfully present in the United States as determined by the Attorney General, to any benefit if nonpayment of such benefit would contravene an international agreement described in section 233 of the Social Security Act, to any benefit if nonpayment would be contrary to section 202(t) of the Social Security Act, or to any benefit payable under title II of the Social Security Act to which entitlement is based on an application filed

in or before the month in which this Act becomes law.

(c) FEDERAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraph (2), for purposes of this chapter the term ''Federal public benefit'' means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and

(B) any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Attorney General, after consultation with the Secretary of State.

**SEC. 2402. LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.**

(a) LIMITED ELIGIBILITY FOR SPECIFIED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (2), an alien who is a qualified alien (as defined in section 2431) is not eligible for any specified Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—Paragraph (1) shall not apply to an alien until 5 years after the date—

(i) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;

(ii) an alien is granted asylum under section 208 of such Act; or

(iii) an alien's deportation is withheld under section 243(h) of such Act.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—Paragraph (1) shall not apply to an alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (II) did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—Paragraph (1) shall not apply to an alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR ALIENS CURRENTLY RECEIVING BENEFITS.—

(i) SSI.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(A), during the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual who is receiving benefits under such program as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) REDETERMINATION CRITERIA.—With respect to any redetermination under subclause (I), the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the redetermination under subclause (I), shall only apply with respect to the benefits of an individual described in subclause (I) for months beginning on or after the date of the redetermination with respect to such individual.

(IV) NOTICE.—Not later than January 1, 1997, the Commissioner of Social Security shall notify an individual described in subclause (I) of the provisions of this clause.

(ii) FOOD STAMPS.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(B), during the period beginning on the date of enactment of this Act and ending on the date which is 1 year after the date of enactment, the State agency shall, at the time of the recertification, recertify the eligibility of any individual who is receiving benefits under such program as of the date of enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) RECERTIFICATION CRITERIA.—With respect to any recertification under subclause (I), the State agency shall apply the eligibility criteria for applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the recertification under subclause (I) shall only apply with respect to the eligibility of an alien for a program for months beginning on or after the date of recertification, if on the date of enactment of this Act the alien is lawfully residing in any State and is receiving benefits under such program on such date of enactment.

(3) SPECIFIED FEDERAL PROGRAM DEFINED.—For purposes of this chapter, the term ''specified Federal program'' means any of the following:

(A) SSI.—The supplemental security income program under title XVI of the Social Security Act, including supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66.

(B) FOOD STAMPS.—The food stamp program as defined in section 3(h) of the Food Stamp Act of 1977.

(b) LIMITED ELIGIBILITY FOR DESIGNATED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in section 2403 and paragraph (2), a State is authorized to determine the eligibility of an alien who is a qualified alien (as defined in section 2431) for any designated Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—Qualified aliens under this paragraph shall be eligible for any designated Federal program.

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(i) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of an alien's entry into the United States.

(ii) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(iii) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 2435, and (II) did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits under such program on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

(3) DESIGNATED FEDERAL PROGRAM DEFINED.—For purposes of this chapter, the term ''designated Federal program'' means any of the following:

(A) TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The program of block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act.

(B) SOCIAL SERVICES BLOCK GRANT.—The program of block grants to States for social services under title XX of the Social Security Act.

(C) MEDICAID.—The program of medical assistance under title XV and XIX of the Social Security Act.

**SEC. 2403. FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.**

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), an alien who is a qualified alien (as defined in section 2431) and who enters the United States on or after the date of the enactment of this Act is not eligible for any Federal means-tested public benefit (as defined in subsection (c)) for a period of five years beginning on the date of the alien's entry into the United States with a status within the meaning of the term ''qualified alien''.

(b) EXCEPTIONS.—The limitation under subsection (a) shall not apply to the following aliens:

(1) EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act.

(B) An alien who is granted asylum under section 208 of such Act.

(C) An alien whose deportation is being withheld under section 243(h) of such Act.

(2) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(c) FEDERAL MEANS-TESTED PUBLIC BENEFIT DEFINED.—Such term does not include the following:

(1) Emergency medical services under title XV or XIX of the Social Security Act.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Assistance or benefits under the National School Lunch Act.

(4) Assistance or benefits under the Child Nutrition Act of 1966.

(5)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of a communicable disease if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(6) Payments for foster care and adoption assistance under part E of title IV of the Social Security Act for a child who would, in the absence of subsection (a), be eligible to have such payments made on the child's behalf under such part, but only if the foster or adoptive parent or parents of such child are not described under subsection (a).

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(8) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(9) Means-tested programs under the Elementary and Secondary Education Act of 1965.

**SEC. 2404. NOTIFICATION AND INFORMATION REPORTING.**

(a) NOTIFICATION.—Each Federal agency that administers a program to which section 2401, 2402, or 2403 applies shall, directly or through the States, post information and provide general notification to the public and to program recipients of the changes regarding eligibility for any such program pursuant to this subchapter.

(b) INFORMATION REPORTING UNDER TITLE IV OF THE SOCIAL SECURITY ACT.—Part A of title IV of the Social Security Act, as amended by section 2103(a) of this Act, is amended by inserting the following new section after section 411:

**"SEC. 411A. STATE REQUIRED TO PROVIDE CERTAIN INFORMATION.**

''Each State to which a grant is made under section 403 shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.''.

(c) SSI.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(1) by redesignating the paragraphs (6) and (7) inserted by sections 206(d)(2) and 206(f)(1) of the Social Security Independence and Programs Improvement Act of 1994 (Public Law 103–296; 108 Stat. 1514, 1515) as paragraphs (7) and (8), respectively; and

(2) by adding at the end the following new paragraph:

''(9) Notwithstanding any other provision of law, the Commissioner shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this paragraph referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Commissioner knows is unlawfully in the United States, and shall ensure that each agreement entered into under section 1616(a) with a State provides that the State shall furnish such information at such times with respect to any individual who the State knows is unlawfully in the United States.''.

(d) INFORMATION REPORTING FOR HOUSING PROGRAMS.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

**"SEC. 27. PROVISION OF INFORMATION TO LAW ENFORCEMENT AND OTHER AGENCIES.**

''Notwithstanding any other provision of law, the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this section referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is unlawfully in the United States, and shall ensure that each contract for assistance entered into under section 6 or 8 of this Act with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is unlawfully in the United States.''.

**Subchapter B—Eligibility for State and Local Public Benefits Programs**

**SEC. 2411. ALIENS WHO ARE NOT QUALIFIED ALIENS OR NONIMMIGRANTS INELIGIBLE FOR STATE AND LOCAL PUBLIC BENEFITS.**

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (d), an alien who is not—

(1) a qualified alien (as defined in section 2431),

(2) a nonimmigrant under the Immigration and Nationality Act, or

(3) an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year,

is not eligible for any State or local public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State or local public benefits:

(1) Emergency medical services under title XV or XIX of the Social Security Act.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of a communicable disease if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(4) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(c) STATE OR LOCAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraph (2), for purposes of this subchapter the term ''State or local public benefit'' means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of a State or local government or by appropriated funds of a State or local government; and

(B) any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a State or local government or by appropriated funds of a State or local government.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Secretary of State, after consultation with the Attorney General.

(d) STATE AUTHORITY TO PROVIDE FOR ELIGIBILITY OF ILLEGAL ALIENS FOR STATE AND LOCAL PUBLIC BENEFITS.—A State may provide that an alien who is not lawfully present in the United States is eligible for any State or local public benefit for which such alien would otherwise be ineligible under subsection (a) only through the enactment of a State law after the date of the enactment of this Act which affirmatively provides for such eligibility.

**SEC. 2412. STATE AUTHORITY TO LIMIT ELIGIBILITY OF QUALIFIED ALIENS FOR STATE PUBLIC BENEFITS.**

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), a State is authorized to determine the eligibility for any State public benefits (as defined in subsection (c) of an alien who is a qualified alien (as defined in section 2431), a nonimmigrant under the Immigration and Nationality Act, or an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year.

(b) EXCEPTIONS.—Qualified aliens under this subsection shall be eligible for any State public benefits.

(1) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of an alien's entry into the United States.

(B) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(C) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(2) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(A) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(B)(i) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under

section 2435, and (ii) did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter.

(3) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(4) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

**Subchapter C—Attribution of Income and Affidavits of Support**

**SEC. 2421. FEDERAL ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIEN.**

(a) IN GENERAL.—Notwithstanding any other provision of law, in determining the eligibility and the amount of benefits of an alien for any Federal means-tested public benefits program (as defined in section 2403(c)), the income and resources of the alien shall be deemed to include the following:

(1) The income and resources of any person who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 2423) on behalf of such alien.

(2) The income and resources of the spouse (if any) of the person.

(b) APPLICATION.—Subsection (a) shall apply with respect to an alien until such time as the alien—

(1) achieves United States citizenship through naturalization pursuant to chapter 2 of title III of the Immigration and Nationality Act; or

(2)(A) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 2435, and (B) did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter.

(c) REVIEW OF INCOME AND RESOURCES OF ALIEN UPON REAPPLICATION.—Whenever an alien is required to reapply for benefits under any Federal means-tested public benefits program, the applicable agency shall review the income and resources attributed to the alien under subsection (a).

(d) APPLICATION.—

(1) If on the date of the enactment of this Act, a Federal means-tested public benefits program attributes a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning on the day after the date of the enactment of this Act.

(2) If on the date of the enactment of this Act, a Federal means-tested public benefits program does not attribute a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning 180 days after the date of the enactment of this Act.

**SEC. 2422. AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSORS INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.**

(a) OPTIONAL APPLICATION TO STATE PROGRAMS.—Except as provided in subsection (b), in determining the eligibility and the amount of benefits of an alien for any State public benefits (as defined in section 2412(c)), the State or political subdivision that offers the benefits is authorized to provide that the income and resources of the alien shall be deemed to include—

(1) the income and resources of any individual who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 2423) on behalf of such alien, and

(2) the income and resources of the spouse (if any) of the individual.

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State public benefits:

(1) Emergency medical services.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Programs comparable to assistance or benefits under the National School Lunch Act.

(4) Programs comparable to assistance or benefits under the Child Nutrition Act of 1966.

(5)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of a communicable disease if the appropriate chief State health official determines that it is necessary to prevent the spread of such disease.

(6) Payments for foster care and adoption assistance.

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General of a State, after consultation with appropriate agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

**SEC. 2423. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.**

(a) IN GENERAL.—Title II of the Immigration and Nationality Act is amended by inserting after section 213 the following new section:

''REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

''SEC. 213A. (a) ENFORCEABILITY.—(1) No affidavit of support may be accepted by the Attorney General or by any consular officer to establish that an alien is not excludable as a public charge under section 212(a)(4) unless such affidavit is executed as a contract—

''(A) which is legally enforceable against the sponsor by the sponsored alien, the Federal Government, and by any State (or any political subdivision of such State) which provides any means-tested public benefits program, but not later than 10 years after the alien last receives any such benefit;

''(B) in which the sponsor agrees to financially support the alien, so that the alien will not become a public charge; and

''(C) in which the sponsor agrees to submit to the jurisdiction of any Federal or State court for the purpose of actions brought under subsection (e)(2).

''(2) A contract under paragraph (1) shall be enforceable with respect to benefits provided to the alien until such time as the alien achieves United States citizenship through naturalization pursuant to chapter 2 of title III.

''(b) FORMS.—Not later than 90 days after the date of enactment of this section, the Attorney General, in consultation with the Secretary of State and the Secretary of Health and Human Services, shall formulate an affidavit of support consistent with the provisions of this section.

''(c) REMEDIES.—Remedies available to enforce an affidavit of support under this section include any or all of the remedies described in section 3201, 3203, 3204, or 3205 of title 28, United States Code, as well as an order for specific performance and payment of legal fees and other costs of collection, and include corresponding remedies available under State law. A Federal agency may seek to collect amounts owed under this section in accordance with the provisions of subchapter II of chapter 37 of title 31, United States Code.

''(d) NOTIFICATION OF CHANGE OF ADDRESS.—

''(1) IN GENERAL.—The sponsor shall notify the Attorney General and the State in which the sponsored alien is currently resident within 30 days of any change of address of the sponsor during the period specified in subsection (a)(2).

''(2) PENALTY.—Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall be subject to a civil penalty of—

''(A) not less than $250 or more than $2,000, or

''(B) if such failure occurs with knowledge that the alien has received any means-tested public benefit, not less than $2,000 or more than $5,000.

''(e) REIMBURSEMENT OF GOVERNMENT EXPENSES.—(1)(A) Upon notification that a sponsored alien has received any benefit under any means-tested public benefits program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance.

''(B) The Attorney General, in consultation with the Secretary of Health and Human Services, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

''(2) If within 45 days after requesting reimbursement, the appropriate Federal, State, or local agency has not received a response from the sponsor indicating a willingness to commence payments, an action may be brought against the sponsor pursuant to the affidavit of support.

''(3) If the sponsor fails to abide by the repayment terms established by such agency, the agency may, within 60 days of such failure, bring an action against the sponsor pursuant to the affidavit of support.

''(4) No cause of action may be brought under this subsection later than 10 years after the alien last received any benefit under any means-tested public benefits program.

''(5) If, pursuant to the terms of this subsection, a Federal, State, or local agency requests reimbursement from the sponsor in the amount of assistance provided, or brings an action against the sponsor pursuant to the affidavit of support, the appropriate agency may appoint or hire an individual or other person to act on behalf of such agency acting under the authority of law for purposes of collecting any moneys owed. Nothing in this subsection shall preclude any appropriate Federal, State, or local agency from directly requesting reimbursement from a sponsor for the amount of assistance provided, or from bringing an action against a sponsor pursuant to an affidavit of support.

''(f) DEFINITION.—For the purposes of this section the term 'sponsor' means an individual who—

''(1) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

''(2) is 18 years of age or over;

''(3) is domiciled in any of the 50 States or the District of Columbia; and

''(4) is the person petitioning for the admission of the alien under section 204.

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 213 the following:

''Sec. 213A. Requirements for sponsor's affidavit of support.''.

(c) EFFECTIVE DATE.—Subsection (a) of section 213A of the Immigration and Nationality Act, as inserted by subsection (a) of this section, shall apply to affidavits of support executed on or after a date specified by the Attorney General, which date shall be not earlier than 60 days (and not later than 90 days) after the date the Attorney General formulates the form for such affidavits under subsection (b) of such section.

(d) BENEFITS NOT SUBJECT TO REIMBURSEMENT.—Requirements for reimbursement by a sponsor for benefits provided to a sponsored alien pursuant to an affidavit of support under section 213A of the Immigration and Nationality Act shall not apply with respect to the following:

(1) Emergency medical services under title XV or XIX of the Social Security Act.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Assistance or benefits under the National School Lunch Act.

(4) Assistance or benefits under the Child Nutrition Act of 1966.

(5)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of a communicable disease if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(6) Payments for foster care and adoption assistance under part E of title IV of the Social Security Act for a child, but only if the foster or adoptive parent or parents of such child are not otherwise ineligible pursuant to section 2403 of this Act.

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(8) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965.

### Subchapter D—General Provisions

**SEC. 2431. DEFINITIONS.**

(a) IN GENERAL.—Except as otherwise provided in this chapter, the terms used in this chapter have the same meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(b) QUALIFIED ALIEN.—For purposes of this chapter, the term ''qualified alien'' means an alien who, at the time the alien applies for, receives, or attempts to receive a Federal public benefit, is—

(1) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act,

(2) an alien who is granted asylum under section 208 of such Act,

(3) a refugee who is admitted to the United States under section 207 of such Act,

(4) an alien who is paroled into the United States under section 212(d)(5) of such Act for a period of at least 1 year,

(5) an alien whose deportation is being withheld under section 243(h) of such Act, or

(6) an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act as in effect prior to April 1, 1980.

**SEC. 2432. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS.**

(a) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Attorney General of the United States, after consultation with the Secretary of Health and Human Services, shall promulgate regulations requiring verification that a person applying for a Federal public benefit (as defined in section 2401(c)), to which the limitation under section 2401 applies, is a qualified alien and is eligible to receive such benefit. Such regulations shall, to the extent feasible, require that information requested and exchanged be similar in form and manner to information requested and exchanged under section 1137 of the Social Security Act.

(b) STATE COMPLIANCE.—Not later than 24 months after the date the regulations described in subsection (a) are adopted, a State that administers a program that provides a Federal public benefit shall have in effect a verification system that complies with the regulations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

**SEC. 2433. STATUTORY CONSTRUCTION.**

(a) LIMITATION.—

(1) Nothing in this chapter may be construed as an entitlement or a determination of an individual's eligibility or fulfillment of the requisite requirements for any Federal, State, or local governmental program, assistance, or benefits. For purposes of this chapter, eligibility relates only to the general issue of eligibility or ineligibility on the basis of alienage.

(2) Nothing in this chapter may be construed as addressing alien eligibility for a basic public education as determined by the Supreme Court of the United States under Plyler v. Doe (457 U.S. 202)(1982).

(b) NOT APPLICABLE TO FOREIGN ASSISTANCE.—This chapter does not apply to any Federal, State, or local governmental program, assistance, or benefits provided to an alien under any program of foreign assistance as determined by the Secretary of State in consultation with the Attorney General.

(c) SEVERABILITY.—If any provision of this chapter or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this chapter and the application of the provisions of such to any person or circumstance shall not be affected thereby.

**SEC. 2434. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.**

Notwithstanding any other provision of Federal, State, or local law, no State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

**SEC. 2435. QUALIFYING QUARTERS.**

For purposes of this chapter, in determining the number of qualifying quarters of coverage under title II of the Social Security Act an alien shall be credited with—

(1) all of the qualifying quarters of coverage as defined under title II of the Social Security Act worked by a parent of such alien while the alien was under age 18 if the parent did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter, and

(2) all of the qualifying quarters worked by a spouse of such alien during their marriage if the spouse did not receive any Federal means-tested public benefit (as defined in section 2403(c)) during any such quarter and the alien remains married to such spouse or such spouse is deceased.

### Subchapter E—Conforming Amendments Relating to Assisted Housing

**SEC. 2441. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING.**

(a) LIMITATIONS ON ASSISTANCE.—Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) by striking ''Secretary of Housing and Urban Development'' each place it appears and inserting ''applicable Secretary'';

(2) in subsection (b), by inserting after ''National Housing Act,'' the following: ''the direct loan program under section 502 of the Housing Act of 1949 or section 502(c)(5)(D), 504, 521(a)(2)(A), or 542 of such Act, subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act,'';

(3) in paragraphs (2) through (6) of subsection (d), by striking ''Secretary'' each place it appears and inserting ''applicable Secretary'';

(4) in subsection (d), in the matter following paragraph (6), by striking ''the term 'Secretary''' and inserting ''the term 'applicable Secretary''''; and

(5) by adding at the end the following new subsection:

''(h) For purposes of this section, the term 'applicable Secretary' means—

''(1) the Secretary of Housing and Urban Development, with respect to financial assistance administered by such Secretary and financial assistance under subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act; and

''(2) the Secretary of Agriculture, with respect to financial assistance administered by such Secretary.''.

(b) CONFORMING AMENDMENTS.—Section 501(h) of the Housing Act of 1949 (42 U.S.C. 1471(h)) is amended—

(1) by striking ''(1)'';

(2) by striking ''by the Secretary of Housing and Urban Development''; and

(3) by striking paragraph (2).

### Subchapter F—Earned Income Credit Denied to Unauthorized Employees

**SEC. 2451. EARNED INCOME CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES.**

(a) IN GENERAL.—Section 32(c)(1) of the Internal Revenue Code of 1986 (relating to individuals eligible to claim the earned income credit) is amended by adding at the end the following new subparagraph:

''(F) IDENTIFICATION NUMBER REQUIREMENT.—The term 'eligible individual' does not include any individual who does not include on the return of tax for the taxable year—

''(i) such individual's taxpayer identification number, and

''(ii) if the individual is married (within the meaning of section 7703), the taxpayer identification number of such individual's spouse.''.

(b) SPECIAL IDENTIFICATION NUMBER.—Section 32 of such Code is amended by adding at the end the following new subsection:

''(l) IDENTIFICATION NUMBERS.—Solely for purposes of subsections (c)(1)(F) and (c)(3)(D), a taxpayer identification number means a social security number issued to an individual by the Social Security Administration (other than a social security number issued pursuant to clause (II) (or that portion of clause (III) that relates to clause (II)) of section 205(c)(2)(B)(i) of the Social Security Act).''.

(c) EXTENSION OF PROCEDURES APPLICABLE TO MATHEMATICAL OR CLERICAL ERRORS.—Section 6213(g)(2) of such Code (relating to the definition of mathematical or clerical errors) is amended by striking ''and' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting a comma, and by inserting after subparagraph (E) the following new subparagraphs:

''(F) an omission of a correct taxpayer identification number required under section 32 (relating to the earned income tax credit) to be included on a return, and

''(G) an entry on a return claiming the credit under section 32 with respect to net earnings from self-employment described in section 32(c)(2)(A) to the extent the tax imposed by section 1401 (relating to self-employment tax) on such net earnings has not been paid.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1995.

## CHAPTER 5—REFORM OF PUBLIC HOUSING

**SEC. 2501. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.**

Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), as amended by section 2404(d) of this Act, is amended by adding at the end the following new section:

**''SEC. 28. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.**

''(a) IN GENERAL.—If the benefits of a family are reduced under a Federal, State, or local law relating to welfare or a public assistance program for the failure of any member of the family to perform an action required under the law or program, the family may not, for the duration of the reduction, receive any increased assistance under this Act as the result of a decrease in the income of the family to the extent that the decrease in income is the result of the benefits reduction.

''(b) EXCEPTION.—Subsection (a) shall not apply in any case in which the benefits of a family are reduced because the welfare or public assistance program to which the Federal, State, or local law relates limits the period during which benefits may be provided under the program.''.

**SEC. 2502. FRAUD UNDER MEANS-TESTED WELFARE AND PUBLIC ASSISTANCE PROGRAMS.**

(a) IN GENERAL.—If an individual's benefits under a Federal, State, or local law relating to a means-tested welfare or a public assistance program are reduced because of an act of fraud by the individual under the law or program, the individual may not, for the duration of the reduction, receive an increased benefit under any other means-tested welfare or public assistance program for which Federal funds are appropriated as a result of a decrease in the income of the individual (determined under the applicable program) attributable to such reduction.

(b) WELFARE OR PUBLIC ASSISTANCE PROGRAMS FOR WHICH FEDERAL FUNDS ARE APPROPRIATED.—For purposes of subsection (a), the term ''means-tested welfare or public assistance program for which Federal funds are appropriated'' includes the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), any program of public or assisted housing under title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), and State programs funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

## CHAPTER 6—TECHNICAL AMENDMENTS RELATING TO CHILD PROTECTION PROGRAMS

**SEC. 2601. EXTENSION OF ENHANCED FUNDING FOR IMPLEMENTATION OF STATEWIDE AUTOMATED CHILD WELFARE INFORMATION SYSTEMS.**

Section 474(a)(3)(B) of the Social Security Act (42 U.S.C. 674(a)(3)(B)) is amended by inserting ''(of, if the quarter is in fiscal year 1997, 75 percent)'' after ''50 percent'' each place it appears.

**SEC. 2602. REDESIGNATION OF SECTION 1123.**

The Social Security Act is amended by redesignating section 1123, the second place it appears (42 U.S.C. 1320a–1a), as section 1123A.

**SEC. 2603. KINSHIP CARE.**

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)) is amended—

(1) by striking ''and'' at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(18) provides that States shall give preference to an adult relative over a non-related caregiver when determining a placement for a child, provided that the relative caregiver meets all relevant State child protection standards.''.

## CHAPTER 7—CHILD CARE

**SEC. 2701. SHORT TITLE AND REFERENCES.**

(a) SHORT TITLE.—This chapter may be cited as the ''Child Care and Development Block Grant Amendments of 1996''.

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this chapter an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

**SEC. 2802. GOALS.**

(a) GOALS.—Section 658A (42 U.S.C. 9801 note) is amended—

(1) in the section heading by inserting ''AND GOALS'' after ''TITLE'';

(2) by inserting ''(a) SHORT TITLE.—'' before ''This''; and

(3) by adding at the end the following:

''(b) GOALS.—The goals of this subchapter are—

''(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State;

''(2) to promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;

''(3) to encourage States to provide consumer education information to help parents make informed choices about child care;

''(4) to assist States to provide child care to parents trying to achieve independence from public assistance; and

''(5) to assist States in implementing the health, safety, licensing, and registration standards established in State regulations.''.

**SEC. 2703. AUTHORIZATION OF APPROPRIATIONS AND ENTITLEMENT AUTHORITY.**

(a) IN GENERAL.—Section 658B (42 U.S.C. 9858) is amended to read as follows:

**''SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.**

''There is authorized to be appropriated to carry out this subchapter $1,000,000,000 for each of the fiscal years 1996 through 2002.''.

(b) SOCIAL SECURITY ACT.—Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by adding at the end the following:

**''SEC. 418. FUNDING FOR CHILD CARE.**

''(a) GENERAL CHILD CARE ENTITLEMENT.—

''(1) GENERAL ENTITLEMENT.—Subject to the amount appropriated under paragraph (3), each State shall, for the purpose of providing child care assistance, be entitled to payments under a grant under this subsection for a fiscal year in an amount equal to—

''(A) the sum of the total amount required to be paid to the State under former section 403 for fiscal year 1994 or 1995 (whichever is greater) with respect to amounts expended for child care under section—

''(i) 402(g) of this Act (as such section was in effect before October 1, 1995); and

''(ii) 402(i) of this Act (as so in effect); or

''(B) the average of the total amounts required to be paid to the State for fiscal years 1992 through 1994 under the sections referred to in subparagraph (A);

whichever is greater.

''(2) REMAINDER.—

''(A) GRANTS.—The Secretary shall use any amounts appropriated for a fiscal year under paragraph (3), and remaining after the reservation described in paragraph (4) and after grants are awarded under paragraph (1), to make grants to States under this paragraph.

''(B) AMOUNT.—Subject to subparagraph (C), the amount of a grant awarded to a State for a fiscal year under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State under section 403(n) (as such section was in effect before October 1, 1995).

''(C) MATCHING REQUIREMENT.—The Secretary shall pay to each eligible State in a fiscal year an amount, under a grant under subparagraph (A), equal to the Federal medical assistance percentage for such State for fiscal year 1995 (as defined in section 1905(b)) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under paragraph (1)(A) for such year and the amount of State expenditures in fiscal year 1994 (or fiscal year 1995, whichever is greater) that equal the non-Federal share for the programs described in subparagraph (A) of paragraph (1).

''(D) REDISTRIBUTION.—

''(i) IN GENERAL.—With respect to any fiscal year, if the Secretary determines (in accordance with clause (ii)) that amounts under any grant awarded to a State under this paragraph for such fiscal year will not be used by such State during such fiscal year for carrying out the purpose for which the grant is made, the Secretary shall make such amounts available in the subsequent fiscal year for carrying out such purpose to 1 or more States which apply for such funds to the extent the Secretary determines that such States will be able to use such additional amounts for carrying out such purpose. Such available amounts shall be redistributed to a State pursuant to section 402(i) (as such section was in effect before October 1, 1995) by substituting 'the number of children residing in all States applying for such funds' for 'the number of children residing in the United States in the second preceding fiscal year'.

''(ii) TIME OF DETERMINATION AND DISTRIBUTION.—The determination of the Secretary under clause (i) for a fiscal year shall be made not later than the end of the first quarter of the subsequent fiscal year. The redistribution of amounts under clause (i) shall be made as close as practicable to the date on which such determination is made. Any amount made available to a State from an appropriation for a fiscal year in accordance with this subparagraph shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for the fiscal year in which the redistribution is made.

''(3) APPROPRIATION.—There are authorized to be appropriated, and there are appropriated, to carry out this section—

''(A) $1,967,000,000 for fiscal year 1997;
''(B) $2,067,000,000 for fiscal year 1998;
''(C) $2,167,000,000 for fiscal year 1999;
''(D) $2,367,000,000 for fiscal year 2000;
''(E) $2,567,000,000 for fiscal year 2001; and
''(F) $2,717,000,000 for fiscal year 2002.

''(4) INDIAN TRIBES.—The Secretary shall reserve not more than 1 percent of the aggregate amount appropriated to carry out this section in each fiscal year for payments to Indian tribes and tribal organizations.

''(b) USE OF FUNDS.—

''(1) IN GENERAL.—Amounts received by a State under this section shall only be used to provide child care assistance. Amounts received by a State under a grant under subsection (a)(1) shall be available for use by the State without fiscal year limitation.

''(2) USE FOR CERTAIN POPULATIONS.—A State shall ensure that not less than 70 percent of the total amount of funds received by the State in a fiscal year under this section are used to provide child care assistance to families who are receiving assistance under a State program under this part, families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.

''(c) APPLICATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT of 1990.—Notwithstanding any other provision of law, amounts

provided to a State under this section shall be transferred to the lead agency under the Child Care and Development Block Grant Act of 1990, integrated by the State into the programs established by the State under such Act, and be subject to requirements and limitations of such Act.

''(d) DEFINITION.—As used in this section, the term 'State' means each of the 50 States or the District of Columbia.''.

***SEC. 2704. LEAD AGENCY.***

Section 658D(b) (42 U.S.C. 9858b(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''State'' the first place that such appears and inserting ''governmental or nongovernmental''; and

(B) in subparagraph (C), by inserting ''with sufficient time and Statewide distribution of the notice of such hearing,'' after ''hearing in the State''; and

(2) in paragraph (2), by striking the second sentence.

***SEC. 2705. APPLICATION AND PLAN.***

Section 658E (42 U.S.C. 9858c) is amended—

(1) in subsection (b)—

(A) by striking ''implemented—'' and all that follows through ''(2)'' and inserting ''implemented''; and

(B) by striking ''for subsequent State plans'';

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (i) by striking '', other than through assistance provided under paragraph (3)(C),''; and

(II) by striking ''except'' and all that follows through ''1992'', and inserting ''and provide a detailed description of the procedures the State will implement to carry out the requirements of this subparagraph'';

(ii) in subparagraph (B)—

(I) by striking ''Provide assurances'' and inserting ''Certify''; and

(II) by inserting before the period at the end ''and provide a detailed description of such procedures'';

(iii) in subparagraph (C)—

(I) by striking ''Provide assurances'' and inserting ''Certify''; and

(II) by inserting before the period at the end ''and provide a detailed description of how such record is maintained and is made available'';

(iv) by amending subparagraph (D) to read as follows:

''(D) CONSUMER EDUCATION INFORMATION.—Certify that the State will collect and disseminate to parents of eligible children and the general public, consumer education information that will promote informed child care choices.'';

(v) in subparagraph (E), to read as follows:

''(E) COMPLIANCE WITH STATE LICENSING REQUIREMENTS.—

''(i) IN GENERAL.—Certify that the State has in effect licensing requirements applicable to child care services provided within the State, and provide a detailed description of such requirements and of how such requirements are effectively enforced. Nothing in the preceding sentence shall be construed to require that licensing requirements be applied to specific types of providers of child care services.

''(ii) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In lieu of any licensing and regulatory requirements applicable under State and local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards (that appropriately reflect tribal needs and available resources) that shall be applicable to Indian tribes and tribal organizations receiving assistance under this subchapter.''; and

(vi) by striking subparagraphs (H), (I), and (J) and inserting the following:

''(G) MEETING THE NEEDS OF CERTAIN POPULATIONS.—Demonstrate the manner in which the State will meet the specific child care needs of families who are receiving assistance under a State program under part A of title IV of the Social Security Act, families who are attempting through work activities to transition off of such assistance program, and families that are at risk of becoming dependent on such assistance program.'';

(B) in paragraph (3)—

(i) in subparagraph (A), by striking ''(B) and (C)'' and inserting ''(B) through (D)'';

(ii) in subparagraph (B)—

(I) by striking ''.—Subject to the reservation contained in subparagraph (C), the'' and inserting ''AND RELATED ACTIVITIES.—The'';

(II) in clause (i) by striking ''; and'' at the end and inserting a period;

(III) by striking ''for—'' and all that follows through ''section 658E(c)(2)(A)'' and inserting ''for child care services on sliding fee scale basis, activities that improve the quality or availability of such services, and any other activity that the State deems appropriate to realize any of the goals specified in paragraphs (2) through (5) of section 658A(b)''; and

(IV) by striking clause (ii);

(iii) by amending subparagraph (C) to read as follows:

''(C) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the aggregate amount of funds available to the State to carry out this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all of its functions and duties under this subchapter. As used in the preceding sentence, the term 'administrative costs' shall not include the costs of providing direct services.''; and

(iv) by adding at the end thereof the following:

''(D) ASSISTANCE FOR CERTAIN FAMILIES.—A State shall ensure that a substantial portion of the amounts available (after the State has complied with the requirement of section 418(b)(2) of the Social Security Act with respect to each of the fiscal years 1997 through 2002) to the State to carry out activities under this subchapter in each fiscal year is used to provide assistance to low-income working families other than families described in paragraph (2)(F).''; and

(C) in paragraph (4)(A)—

(i) by striking ''provide assurances'' and inserting ''certify'';

(ii) in the first sentence by inserting ''and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access'' before the period; and

(iii) by striking the last sentence.

***SEC. 2706. LIMITATION ON STATE ALLOTMENTS.***

Section 658F(b) (42 U.S.C. 9858d(b)) is amended—

(1) in paragraph (1), by striking ''No'' and inserting ''Except as provided for in section 658O(c)(6), no''; and

(2) in paragraph (2), by striking ''referred to in section 658E(c)(2)(F)''.

***SEC. 2707. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.***

Section 658G (42 U.S.C. 9858e) is amended to read as follows:

***''SEC. 658G. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.***

''A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).''.

***SEC. 2708. REPEAL OF EARLY CHILDHOOD DEVELOPMENT AND BEFORE- AND AFTER-SCHOOL CARE REQUIREMENT.***

Section 658H (42 U.S.C. 9858f) is repealed.

***SEC. 2709. ADMINISTRATION AND ENFORCEMENT.***

Section 658I(b) (42 U.S.C. 9858g(b)) is amended—

(1) in paragraph (1), by striking '', and shall have'' and all that follows through ''(2)''; and

(2) in the matter following clause (ii) of paragraph (2)(A), by striking ''finding and that'' and all that follows through the period and inserting ''finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options.''.

***SEC. 2710. PAYMENTS.***

Section 658J(c) (42 U.S.C. 9858h(c)) is amended by striking ''expended'' and inserting ''obligated''.

***SEC. 2711. ANNUAL REPORT AND AUDITS.***

Section 658K (42 U.S.C. 9858i) is amended—

(1) in the section heading by striking ''ANNUAL REPORT'' and inserting ''REPORTS'';

(2) in subsection (a), to read as follows:

''(a) REPORTS.—

''(1) COLLECTION OF INFORMATION BY STATES.—

''(A) IN GENERAL.—A State that receives funds to carry out this subchapter shall collect the information described in subparagraph (B) on a monthly basis.

''(B) REQUIRED INFORMATION.—The information required under this subparagraph shall include, with respect to a family unit receiving assistance under this subchapter information concerning—

''(i) family income;

''(ii) county of residence;

''(iii) the gender, race, and age of children receiving such assistance;

''(iv) whether the family includes only 1 parent;

''(v) the sources of family income, including the amount obtained from (and separately identified)—

''(I) employment, including self-employment;

''(II) cash or other assistance under part A of title IV of the Social Security Act;

''(III) housing assistance;

''(IV) assistance under the Food Stamp Act of 1977; and

''(V) other assistance programs;

''(vi) the number of months the family has received benefits;

''(vii) the type of child care in which the child was enrolled (such as family child care, home care, or center-based child care);

''(viii) whether the child care provider involved was a relative;

''(ix) the cost of child care for such families; and

''(x) the average hours per week of such care; during the period for which such information is required to be submitted.

''(C) SUBMISSION TO SECRETARY.—A State described in subparagraph (A) shall, on a quarterly basis, submit the information required to be collected under subparagraph (B) to the Secretary.

''(D) SAMPLING.—The Secretary may disapprove the information collected by a State under this paragraph if the State uses sampling methods to collect such information.

''(2) BIANNUAL REPORTS.—Not later than December 31, 1997, and every 6 months thereafter, a State described in paragraph (1)(A) shall prepare and submit to the Secretary a report that includes aggregate data concerning—

''(A) the number of child care providers that received funding under this subchapter as separately identified based on the types of providers listed in section 658P(5);

''(B) the monthly cost of child care services, and the portion of such cost that is paid for with assistance provided under this subchapter, listed by the type of child care services provided;

''(C) the number of payments made by the State through vouchers, contracts, cash, and

*disregards under public benefit programs, listed by the type of child care services provided;*

*''(D) the manner in which consumer education information was provided to parents and the number of parents to whom such information was provided; and*

*''(E) the total number (without duplication) of children and families served under this subchapter;*

*during the period for which such report is required to be submitted.''; and*

*(2) in subsection (b)—*

*(A) in paragraph (1) by striking ''a application'' and inserting ''an application'';*

*(B) in paragraph (2) by striking ''any agency administering activities that receive'' and inserting ''the State that receives''; and*

*(C) in paragraph (4) by striking ''entitles'' and inserting ''entitled''.*

***SEC. 2712. REPORT BY THE SECRETARY.***

*Section 658L (42 U.S.C. 9858j) is amended—*

*(1) by striking ''1993'' and inserting ''1997'';*

*(2) by striking ''annually'' and inserting ''biennially''; and*

*(3) by striking ''Education and Labor'' and inserting ''Economic and Educational Opportunities''.*

***SEC. 2713. ALLOTMENTS.***

*Section 658O (42 U.S.C. 9858m) is amended—*

*(1) in subsection (a)(1)—*

*(A) by striking ''POSSESSIONS'' and inserting ''POSSESSIONS'';*

*(B) by inserting ''and'' after ''States,''; and*

*(C) by striking '', and the Trust Territory of the Pacific Islands'';*

*(2) in subsection (c)—*

*(A) in paragraph (5) by striking ''our'' and inserting ''out''; and*

*(B) by adding at the end thereof the following new paragraph:*

*''(6) CONSTRUCTION OR RENOVATION OF FACILITIES.—*

*''(A) REQUEST FOR USE OF FUNDS.—An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.*

*''(B) DETERMINATION.—With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.*

*''(C) LIMITATION.—The Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if such use will result in a decrease in the level of child care services provided by the tribe or organization as compared to the level of such services provided by the tribe or organization in the fiscal year preceding the year for which the determination under subparagraph (A) is being made.*

*''(D) UNIFORM PROCEDURES.—The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph.''; and*

*(3) in subsection (e), by adding at the end thereof the following new paragraph:*

*''(4) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provision of this subchapter in the period for which the grant or contract is made available, shall be allotted by the Secretary to other tribes or organizations that have submitted applications under subsection (c) in accordance with their respective needs.''.*

***SEC. 2714. DEFINITIONS.***

*Section 658P (42 U.S.C. 9858n) is amended—*

*(1) in paragraph (2), in the first sentence by inserting ''or as a deposit for child care services if such a deposit is required of other children being cared for by the provider'' after ''child care services''; and*

*(2) by striking paragraph (3);*

*(3) in paragraph (4)(B), by striking ''75 percent'' and inserting ''85 percent'';*

*(4) in paragraph (5)(B)—*

*(A) by inserting ''great grandchild, sibling (if such provider lives in a separate residence),'' after ''grandchild,'';*

*(B) by striking ''is registered and''; and*

*(C) by striking ''State'' and inserting ''applicable''.*

*(5) by striking paragraph (10);*

*(6) in paragraph (13)—*

*(A) by inserting ''or'' after ''Samoa,''; and*

*(B) by striking '', and the Trust Territory of the Pacific Islands'';*

*(7) in paragraph (14)—*

*(A) by striking ''The term'' and inserting the following:*

*''(A) IN GENERAL.—The term''; and*

*(B) by adding at the end thereof the following new subparagraph:*

*''(B) OTHER ORGANIZATIONS.—Such term includes a Native Hawaiian Organization, as defined in section 4009(4) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4909(4)) and a private nonprofit organization established for the purpose of serving youth who are Indians or Native Hawaiians.''.*

***SEC. 2715. EFFECTIVE DATE.***

*(a) IN GENERAL.—Except as provided in subsection (b), this chapter and the amendments made by this chapter shall take effect on October 1, 1996.*

*(b) EXCEPTION.—The amendment made by section 2803(a) shall take effect on the date of enactment of this Act.*

***CHAPTER 8—MISCELLANEOUS***

***SEC. 2801. APPROPRIATION BY STATE LEGISLATURES.***

*(a) IN GENERAL.—Any funds received by a State under the provisions of law specified in subsection (b) shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.*

*(b) PROVISIONS OF LAW.—The provisions of law specified in this subsection are the following:*

*(1) Part A of title IV of the Social Security Act (relating to block grants for temporary assistance for needy families).*

*(2) Section 27 of the Food Stamp Act of 1977 (relating to the optional State food assistance block grant).*

*(3) The Child Care and Development Block Grant Act of 1990 (relating to block grants for child care).*

***SEC. 2802. SANCTIONING FOR TESTING POSITIVE FOR CONTROLLED SUBSTANCES.***

*Notwithstanding any other provision of law, States shall not be prohibited by the Federal Government from testing welfare recipients for use of controlled substances nor from sanctioning welfare recipients who test positive for use of controlled substances.*

***SEC. 2803. REDUCTION IN BLOCK GRANTS TO STATES FOR SOCIAL SERVICES.***

*(a) IN GENERAL.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended—*

*(1) by striking ''and'' at the end of paragraph (4); and*

*(2) by striking paragraph (5) and inserting the following:*

*''(5) $2,800,000,000 for each of the fiscal years 1990 through 1995;*

*''(6) $2,381,000,000 for the fiscal year 1996;*

*''(7) $2,240,000,000 for each of the fiscal years 1997 through 2002; and*

*''(8) $2,800,000,000 for the fiscal year 2003 and each succeeding fiscal year.''.*

*(b) DEDICATION OF BLOCK GRANT SHARE.—Section 2001 of the Social Security Act (42 U.S.C. 1397) is amended—*

*(1) in the matter preceding paragraph (1), by inserting ''(a)'' before ''For''; and*

*(2) by adding at the end the following:*

*''(b) For any fiscal year in which a State receives an allotment under section 2003, such State shall dedicate an amount equal to 1 percent of such allotment to fund programs and services that teach minors to avoid out-of-wedlock pregnancies.''.*

***SEC. 2804. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.***

*(a) ELIGIBILITY FOR ASSISTANCE.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—*

*(1) in section 6(l)—*

*(A) in paragraph (5), by striking ''and'' at the end;*

*(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and*

*(C) by inserting immediately after paragraph (6) the following new paragraph:*

*''(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—*

*''(A) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or*

*''(2) is violating a condition of probation or parole imposed under Federal or State law.''; and*

*(2) in section 8(d)(1)(B)—*

*(A) in clause (iii), by striking ''and'' at the end;*

*(B) in clause (iv), by striking the period at the end and inserting ''; and''; and*

*(C) by adding after clause (iv) the following new clause:*

*''(v) it shall be cause for termination of the tenancy of a tenant if such tenant—*

*''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or*

*''(II) is violating a condition of probation or parole imposed under Federal or State law;''.*

*(b) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), as amended by sections 2404(d) and 2601 of this Act, is amended by adding at the end the following:*

***''SEC. 29. EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.***

*''Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 6 or 8 of this Act with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this Act, if the officer—*

*''(1) furnishes the public housing agency with the name of the recipient; and*

*''(2) notifies the agency that—*

*''(A) such recipient—*

*''(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is*

a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) is violating a condition of probation or parole imposed under Federal or State law; or

''(iii) has information that is necessary for the officer to conduct the officer's official duties;

''(B) the location or apprehension of the recipient is within such officer's official duties; and

''(C) the request is made in the proper exercise of the officer's official duties.''.

**SEC. 2805. SENSE OF THE SENATE REGARDING ENTERPRISE ZONES.**

(a) FINDINGS.—The Senate finds that:

(1) Many of the Nation's urban centers are places with high levels of poverty, high rates of welfare dependency, high crime rates, poor schools, and joblessness;

(2) Federal tax incentives and regulatory reforms can encourage economic growth, job creation and small business formation in many urban centers;

(3) Encouraging private sector investment in America's economically distressed urban and rural areas is essential to breaking the cycle of poverty and the related ills of crime, drug abuse, illiteracy, welfare dependency, and unemployment;

(4) The empowerment zones enacted in 1993 should be enhanced by providing incentives to increase entrepreneurial growth, capital formation, job creation, educational opportunities, and home ownership in the designated communities and zones.

(b) SENSE OF THE SENATE.—Therefore, it is the Sense of the Senate that the Congress should adopt enterprise zone legislation in the One Hundred Fourth Congress, and that such enterprise zone legislation provide the following incentives and provisions:

(1) Federal tax incentives that expand access to capital, increase the formation and expansion of small businesses, and promote commercial revitalization;

(2) Regulatory reforms that allow localities to petition Federal agencies, subject to the relevant agencies' approval, for waivers or modifications of regulations to improve job creation, small business formation and expansion, community development, or economic revitalization objectives of the enterprise zones;

(3) Home ownership incentives and grants to encourage resident management of public housing and home ownership of public housing;

(4) School reform pilot projects in certain designated enterprise zones to provide low-income parents with new and expanded educational options for their children's elementary and secondary schooling.

**SEC. 2806. SENSE OF THE SENATE REGARDING THE INABILITY OF THE NON-CUSTODIAL PARENT TO PAY CHILD SUPPORT.**

It is the sense of the Senate that—

(a) States should diligently continue their efforts to enforce child support payments by the non-custodial parent to the custodial parent, regardless of the employment status or location of the non-custodial parent; and

(b) States are encouraged to pursue pilot programs in which the parents of a non-adult, non-custodial parent who refuses to or is unable to pay child support must—

(1) pay or contribute to the child support owed by the non-custodial parent; or

(2) otherwise fulfill all financial obligations and meet all conditions imposed on the non-custodial parent, such as participation in a work program or other related activity.

**SEC. 2807. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES.**

(a) IN GENERAL.—Not later than January 1, 1997, the Secretary of Health and Human Services shall establish and implement a strategy for—

(1) preventing out-of-wedlock teenage pregnancies, and

(2) assuring that at least 25 percent of the communities in the United States have teenage pregnancy prevention programs in place.

(b) REPORT.—Not later than June 30, 1998, and annually thereafter, the Secretary shall report to the Congress with respect to the progress that has been made in meeting the goals described in paragraphs (1) and (2) of subsection (a).

**SEC. 2808. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS.**

(a) SENSE OF THE SENATE.—It is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

(b) JUSTICE DEPARTMENT PROGRAM ON STATUTORY RAPE.—Not later than January 1, 1997, the Attorney General shall establish and implement a program that—

(1) studies the linkage between statutory rape and teenage pregnancy, particularly by predatory older men committing repeat offensives; and

(2) educates State and local criminal law enforcement officials on the prevention and prosecution of statutory rape, focusing in particular on the commission of statutory rape by predatory older men committing repeat offensives, and any links to teenage pregnancy.

(c) VIOLENCE AGAINST WOMEN INITIATIVE.—The Attorney General shall ensure that the Department of Justice's Violence Against Women initiative addresses the issue of statutory rape, particularly the commission of statutory rape by predatory older men committing repeat offensives.

**SEC. 2809. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.**

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking ''(d) In the event'' and inserting ''(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

''(1) IN GENERAL.—In the event''; and

(2) by adding at the end the following new paragraph:

''(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER PROGRAMS.—

''(A) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer program established under State or local law or administered by a State or local government.

''(B) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (A) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer program for deposits directly into a consumer account held by the recipient of the benefit.

''(C) RULE OF CONSTRUCTION.—No provision of this paragraph may be construed as—

''(i) affecting or altering the protections otherwise applicable with respect to benefits established by Federal, State, or local law; or

''(ii) otherwise superseding the application of any State or local law.

''(D) ELECTRONIC BENEFIT TRANSFER PROGRAM DEFINED.—For purposes of this paragraph, the term 'electronic benefit transfer program'—

''(i) means a program under which a government agency distributes needs-tested benefits by establishing accounts to be accessed by recipients electronically, such as through automated teller machines, or point-of-sale terminals; and

''(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by Federal, State, or local governments.''.

**SEC. 2810. RULES RELATING TO DENIAL OF EARNED INCOME CREDIT ON BASIS OF DISQUALIFIED INCOME.**

(a) REDUCTION IN DISQUALIFIED INCOME THRESHOLD.—

(1) IN GENERAL.—Paragraph (1) of section 32(i) of the Internal Revenue Code of 1986 (relating to denial of credit for individuals having excessive investment income) is amended by striking ''$2,350'' and inserting ''$2,200''.

(2) ADJUSTMENT FOR INFLATION.—Subsection (j) of section 32 of such Code is amended to read as follows:

''(j) INFLATION ADJUSTMENTS.—

''(1) IN GENERAL.—In the case of any taxable year beginning after 1996, each of the dollar amounts in subsections (b)(2)(A) and (i)(1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

''(2) ROUNDING.—

''(A) IN GENERAL.—If any dollar amount in subsection (b)(2), after being increased under paragraph (1), is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.

''(B) DISQUALIFIED INCOME THRESHOLD AMOUNT.—If the dollar amount in subsection (i)(1), after being increased under paragraph (1), is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''.

(3) CONFORMING AMENDMENTS.—The table contained in section 32(b)(2)(A) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''$6,000'' and inserting ''$6,330'',

(2) by striking ''$11,000'' both places it appears and inserting ''$11,610'',

(3) by striking ''$8,425'' and inserting ''$8,890'',

(4) by striking ''$4,000'' and inserting ''$4,220'', and

(5) by striking ''$5,000'' and inserting ''$5,280''.

(b) DEFINITION OF DISQUALIFIED INCOME.—Paragraph (2) of section 32(i) of such Code (defining disqualified income) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following new subparagraphs:

''(D) the capital gain net income (as defined in section 1222) of the taxpayer for such taxable year, and

''(E) the excess (if any) of—

''(i) the aggregate income from all passive activities for the taxable year (determined without regard to any amount included in earned income under subsection (c)(2) or described in a preceding subparagraph), over

''(ii) the aggregate losses from all passive activities for the taxable year (as so determined). For purposes of subparagraph (E), the term 'passive activity' has the meaning given such term by section 469.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 2811. MODIFICATION OF ADJUSTED GROSS INCOME DEFINITION FOR EARNED INCOME CREDIT.**

(a) IN GENERAL.—Subsections (a)(2)(B), (c)(1)(C), and (f)(2)(B) of section 32 of the Internal Revenue Code of 1986 are each amended by striking ''adjusted gross income'' each place it appears and inserting ''modified adjusted gross income''.

(b) MODIFIED ADJUSTED GROSS INCOME DEFINED.—Section 32(c) of such Code (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

''(5) MODIFIED ADJUSTED GROSS INCOME.—

''(A) IN GENERAL.—The term 'modified adjusted gross income' means adjusted gross income—

''(i) increased by the sum of the amounts described in subparagraph (B), and

''(ii) determined without regard to the amounts described in subparagraph (C).

''(B) NONTAXABLE INCOME TAKEN INTO ACCOUNT.—Amounts described in this subparagraph are—

''(i) interest received or accrued during the taxable year which is exempt from tax imposed by this chapter, and

''(ii) amounts received as a pension or annuity, and any distributions or payments received from an individual retirement plan, by the taxpayer during the taxable year to the extent not included in gross income.

Clause (ii) shall not include any amount which is not includible in gross income by reason of section 402(c), 403(a)(4), 403(b)(8), 408(d) (3), (4), or (5), or 457(e)(10).

''(C) CERTAIN AMOUNTS DISREGARDED.—An amount is described in this subparagraph if it is—

''(i) the amount of losses from sales or exchanges of capital assets in excess of gains from such sales or exchanges to the extent such amount does not exceed the amount under section 1211(b)(1),

''(ii) the net loss from estates and trusts,

''(iii) the excess (if any) of amounts described in subsection (i)(2)(C)(ii) over the amounts described in subsection (i)(2)(C)(i) (relating to nonbusiness rents and royalties), and

''(iv) the net loss from the carrying on of trades or businesses, computed separately with respect to—

''(I) trades or businesses (other than farming) conducted as sole proprietorships,

''(II) trades or businesses of farming conducted as sole proprietorships, and

''(III) other trades or businesses.

For purposes of clause (iv), there shall not be taken into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 2812. SUSPENSION OF INFLATION ADJUSTMENTS FOR INDIVIDUALS WITH NO QUALIFYING CHILDREN.**

(a) IN GENERAL.—Subsection (j) of section 32 of the Internal Revenue Code of 1986, as amended by section 2911(a)(2) of this Act, is amended by adding at the end the following new paragraph:

''(3) NO ADJUSTMENT FOR INDIVIDUALS WITH NO QUALIFYING CHILDREN.—This subsection shall not apply to each dollar amount contained in subsection (b)(2)(A) with respect to individuals with no qualifying children.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 2813. REFUNDABLE CREDIT FOR ADOPTION EXPENSES.**

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

**''SEC. 35. ADOPTION EXPENSES.**

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year the amount of the qualified adoption expenses paid or incurred by the taxpayer during such taxable year.

''(b) LIMITATIONS.—

''(1) DOLLAR LIMITATION.—The aggregate amount of qualified adoption expenses which may be taken into account under subsection (a) with respect to the adoption of a child shall not exceed $5,000.

''(2) INCOME LIMITATION.—The amount allowable as a credit under subsection (a) for any taxable year shall be reduced (but not below zero) by an amount which bears the same ratio to the amount so allowable (determined without regard to this paragraph but with regard to paragraph (1)) as—

''(A) the amount (if any) by which the taxpayer's adjusted gross income exceeds $60,000, bears to

''(B) $40,000.

''(3) DENIAL OF DOUBLE BENEFIT.—

''(A) IN GENERAL.—No credit shall be allowed under subsection (a) for any expense for which a deduction or credit is allowable under any other provision of this chapter.

''(B) GRANTS.—No credit shall be allowed under subsection (a) for any expense to the extent that funds for such expense are received under any Federal, State, or local program.

''(c) QUALIFIED ADOPTION EXPENSES.—For purposes of this section, the term 'qualified adoption expenses' means reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal and finalized adoption of a child by the taxpayer and which are not incurred in violation of State or Federal law or in carrying out any surrogate parenting arrangement. The term 'qualified adoption expenses' shall not include any expenses in connection with the adoption by an individual of a child who is the child of such individual's spouse.

''(d) MARRIED COUPLES MUST FILE JOINT RETURNS.—Rules similar to the rules of paragraphs (2), (3), and (4) of section 21(e) shall apply for purposes of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period '', or from section 35 of such Code''.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the last item and inserting the following:

''Sec. 35. Adoption expenses.

''Sec. 36. Overpayments of tax.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 2814. EXCLUSION OF ADOPTION ASSISTANCE.**

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 137 as section 138 and by inserting after section 136 the following new section:

**''SEC. 137. ADOPTION ASSISTANCE.**

''(a) IN GENERAL.—Gross income of an employee does not include employee adoption assistance benefits, or military adoption assistance benefits, received by the employee with respect to the employee's adoption of a child.

''(b) DEFINITIONS.—For purposes of this section—

''(1) EMPLOYEE ADOPTION ASSISTANCE BENEFITS.—The term 'employee adoption assistance benefits' means payment by an employer of qualified adoption expenses with respect to an employee's adoption of a child, or reimbursement by the employer of such qualified adoption expenses paid or incurred by the employee in the taxable year.

''(2) EMPLOYER AND EMPLOYEE.—The terms 'employer' and 'employee' have the respective meanings given such terms by section 127(c).

''(3) MILITARY ADOPTION ASSISTANCE BENEFITS.—The term 'military adoption assistance benefits' means benefits provided under section 1052 of title 10, United States Code, or section 514 of title 14, United States Code.

''(4) QUALIFIED ADOPTION EXPENSES.—The term 'qualified adoption expenses' means reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal and finalized adoption of a child by the taxpayer and which are not incurred in violation of State or Federal law or in carrying out any surrogate parenting arrangement. The term 'qualified adoption expenses' shall not include any expenses in connection with the adoption by an individual of a child who is the child of such individual's spouse.

''(c) COORDINATION WITH OTHER PROVISIONS.—The Secretary shall issue regulations to coordinate the application of this section with the application of any other provision of this title which allows a credit or deduction with respect to qualified adoption expenses.''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 137 and inserting the following new items:

''Sec. 137. Adoption assistance.

''Sec. 138. Cross references to other Acts.''.

(c) EFFECTIVE DATE.—The amendments made this section shall apply to taxable years beginning after December 31, 1996.

**SEC. 2815. WITHDRAWAL FROM IRA FOR ADOPTION EXPENSES.**

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to tax treatment of distributions) is amended by adding at the end the following new paragraph:

''(8) QUALIFIED ADOPTION EXPENSES.—

''(A) IN GENERAL.—Any amount which is paid or distributed out of an individual retirement plan of the taxpayer, and which would (but for this paragraph) be includible in gross income, shall be excluded from gross income to the extent that—

''(i) such amount exceeds the sum of—

''(I) the amount excludable under section 137, and

''(II) any amount allowable as a credit under this title with respect to qualified adoption expenses; and

''(ii) such amount does not exceed the qualified adoption expenses paid or incurred by the taxpayer during the taxable year.

''(B) QUALIFIED ADOPTION EXPENSES.—For purposes of this paragraph, the term 'qualified adoption expenses' has the meaning given such term by section 137.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

## FOOD QUALITY PROTECTION ACT

Mr. MCCONNELL. I ask unanimous consent that the Senate proceed to the consideration of H.R. 1627 which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1627) to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LUGAR. Today, the Senate takes final action on the Food Quality Protection Act. The legislation before us today passed the House on July 23 by a vote of 417 to 0.

I commend our colleagues in the House for this bipartisan compromise to reform the Delaney clause. Chairman BLILEY, Representative DINGELL, and Representative WAXMAN are to be commended for their efforts. I also want to thank my counterparts on the House Agriculture Committee, Chairman ROBERTS and Representative DE LA GARZA.

This bill represents a carefully crafted compromise. A large list of consumer groups, environmental organizations, food industry organizations, and farm groups support the bill. The administration has indicated the President will sign the bill.

The bill reforms the scientifically outdated Delaney clause enacted in 1958. The Delaney clause ignores the concept of risk. As science continues to develop new means of detecting even the smallest amount of substance in food, the Delaney clause would force more and more safe products off the market.

The compromise bill sets a ''safe'' standard for both raw and processed food. Safe is defined as ''a reasonable certainty that no harm will result from aggregate exposure to pesticide chemical residue.''

The bill also allows for the consideration of benefits when setting tolerances, but limits how much additional risk is acceptable as a tradeoff for benefits. As recommended by the National Academy of Sciences in 1993, EPA is required to give special consideration to infants and children when setting pesticide residue tolerances. For pesticides with threshold effects, an additional tenfold margin of safety shall be applied for infants and children, except EPA may use a different margin of safety on the basis of reliable data.

National uniformity of tolerances is maintained with some exceptions. Uniformity does not apply to warning labels like Prop 65.

The bill contains provisions to encourage development of new minor use pesticides without compromising food safety or adversely affecting the environment.

The bill also addresses antimicrobial registrations by expediting registration procedures for antimicrobial pesticides.

The bill extends EPA authorization to collect $14 million annually in reregistration fees—a provision strongly endorsed by the Environmental Protection Agency.

Finally, I want to commend Senator PRYOR for his efforts to reform the Delaney clause and his strong support for the legislation we introduced. Senator KASSEBAUM, chairman of the Labor and Human Resources Committee, has been a strong supporter of Delaney reform as an original cosponsor of S. 1166 and is supportive of our efforts to move forward. I also want to thank Senator LEAHY for his support of this compromise and his willingness to work to move this bill through the Senate.

I am pleased that we have a compromise bill before us that will reform the outdated Delaney clause and help ensure the continued availability of a safe, affordable and abundant food supply in our Nation. I urge my colleagues to support this important legislation.

I ask unanimous consent to have printed in the RECORD three letters from Dr. Lynn Goldman, Assistant Administrator, Environmental Protection Agency.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
*Washington, DC, July 23, 1996.*

Hon. RICHARD LUGAR,
*Chairman, Committee on Agriculture, Nutrition and Forestry, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: I am writing to clarify some questions your staff has raised concerning certain provisions of H.R. 1627 as unanimously approved by the House of Representatives.

The first issue relates to the tenfold additional margin of safety when assessing risks to infants and children during tolerance evaluations. We have clarified this issue through a letter dated July 23, 1996 to Chairman Bliley (enclosed), and would like to clarify one more point:

Under this provision, as an uncertainty factor, we would require an additional tenfold margin of safety if the Agency does not have complete and reliable data to assess pre or postnatal toxicity relating to infants and children, or if the data indicate pre or postnatal effects of concern. When the data are incomplete, we use an additional uncertainty factor between three and ten based on how much information is incomplete. The data EPA would consider include data submitted in compliance with EPA testing requirements, available data published in the scientific literature, and any other data available to EPA and meeting general scientific standards. Where reproductive and developmental data have been found acceptable by EPA, and the data do not indicate potential pre or postnatal effects of concern, the additional tenfold margin of safety would not be applied.

The second issue regards administrative hearings. With respect to hearings under section 408 (g)(2)(B), EPA will determine whether there are issues of material fact on which a public hearing should be held. Issues of material fact may include, for example, issues as to the magnitude of risk or whether an effect is a threshold or non-threshold effect. Where issues of material fact are raised, and relevant factual information is at issue, the Administrator is required to grant a request for a public hearing.

The third issue regards the classification of certain chemicals as threshold or non-threshold effects. For purposes of the determination of safety under Section 408 (b)(2)(A)(ii), chemicals which currently are classified as Category C carcinogens with no quantification of risk would be treated under the standard applicable to threshold effects.

The Office of management and budget advises that there is no objection to the presentation of these views from the standpoint of the President's program.

Sincerely,

LYNN R. GOLDMAN, M.D.,
*Assistant Administrator.*

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U.S. ENVIRONMENTAL PROTECTION AGENCY,
*Washington, DC, July 23, 1996.*

Hon. RICHARD LUGAR,
*Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: I am writing in response to your question concerning the Agency's Special Review of the pesticide atrazine. As you know, atrazine has been in Special Review since November 1994, and currently we are reviewing the additional information submitted by the registrant and the public comments.

Specifically, you have asked whether possible changes in the Federal Food, Drug, and Cosmetic Act (FFDCA) might obviate the need for completion of the atrazine Special Review under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).

H.R. 1627 as enacted by the House of Representatives contains numerous provisions changing the way we assess tolerances for pesticide residues on food. However, should the bill become law, the Special Review of atrazine would continue as we assess the data submitted by the registrant and others. Our plans for completion of the next step in the Special Review process, the issuance of what we call ''Position Document 2/3,'' remains unchanged. Completion of this document is now planned for late 1997.

We would not expect to examine the tolerances associated with the current uses of atrazine until the later stages of the Special Review process, that is at the ''Position Document 4'' stage.

Commonly, as part of our Special Review process, the Agency discusses risk reduction measures on a continuing basis with the registrant and affected grower community. These are often a valuable part of the pesticide regulatory decision process. Obviously, if the risk issues are resolved through this process, we would terminate the Special Review.

The Office of Management and Budget advises that there is no objection to the presentation of these views from the standpoint of the President's program.

Sincerely,

LYNN R. GOLDMAN, M.D.,
*Assistant Administrator.*

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U.S. ENVIRONMENTAL PROTECTION AGENCY,
*Washington, DC, July 23, 1996.*

Hon. THOMAS BLILEY,
*Chairman, Committee on Commerce, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: We are writing to clarify questions regarding the provision in H.R. 1627 as passed by the Committee on Commerce concerning the ten-fold additional margin of safety when assessing risks to infants and children during tolerance evaluations. We believe that this language when applied with the general safety standard, would provide EPA with an important tool to implement the recommendations found in the National Academy of Sciences' report, Pesticides in the Diets of Infants and Children.

We believe that this provision is consistent with the recommendations found in that report (see attached), and would allow the Agency to ensure that pesticide tolerances are safe for children in those situations where an additional margin of safety is necessary to account for inadequate or otherwise incomplete data. This language provides the Agency with discretion, based on

sound science, to set the margin of safety at an appropriate level to protect infants and children.

This provision is consistent with current Agency risk assessment practices. We have the been actively working to implement the NAS recommendations, and are using the best available science to assess risks to infants and children in a manner consistent with those recommendations. In doing so, EPA scientists exercise their best judgment, based on reliable data, to determine whether studies accurately reflect the risk to children or if an additional margin of safety of up to ten is required. When the data are incomplete, we use an additional uncertainty factor between three and ten based on how much information is incomplete.

We believe that the language passed by the Committee on Commerce strikes the proper balance in setting a strong standard to protect children while giving EPA the discretion to use the best available science. We are pleased that the children's standard will allow us to assure the public that all foods are safe for children.

The Office of Management and Budget advises that there is no objection to the presentation of these views from the standpoint of the President's program.

Sincerely,

LYNN R. GOLDMAN, M.D.,
*Assistant Administrator.*

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PESTICIDES IN THE DIETS OF INFANTS AND CHILDREN

(National Academy of Sciences Recommendations, page 9)

Uncertainty factors.—For toxic effects other than cancer or heritable mutation, uncertainty factors are widely used to establish guidelines for human exposure on the basis of animal testing results. This is often done by dividing the no-observed-effect level (NOEL) found in animal tests by an uncertainty factor of 100-fold. This factor comprises two separate factors of 10-fold each; one allows for uncertainty in extrapolating data from animals to humans; the other accommodates variation within the human population. Although the committee believes that the latter uncertainty factor generally provides adequate protection for infants and children, this population subgroup may be uniquely susceptible to chemical exposures at particularly sensitive stages of development.

At the present, to provide added protection during early development, a third uncertainty factor of 10 is applied to the NOEL to develop the RfD. This third 10-fold factor has been applied by the EPA and FDA whenever toxicity studies and metabolic/disposition studies have shown fetal developmental effects.

Because there exist specific periods of vulnerability during postnatal development, the committee recommends that an uncertainty factor up to the 10-fold factor traditionally used by EPA and FDA for fetal developmental toxicity should also be considered when there is evidence of postnatal developmental toxicity and when data from toxicity testing relative to children are incomplete. The committee wishes to emphasize that this is not a new, additional uncertainty factor but, rather, an extended application of an uncertainty factor now routinely used by the agencies for a narrower purpose.

In the absence of data to the contrary, there should be a presumption of greater toxicity to infants and children. To validate this presumption, the sensitivity of mature and immature individuals should be studied systematically to expand the current limited data base on relative sensitivity.

Mr. PRYOR. Mr. President, today marks the conclusion of a monumental effort by numerous individuals and organizations to finally update food safety laws of this country. With the help of the Clinton administration, members of both the Agriculture and Labor Committees—particularly Senator LUGAR, the chief sponsor of the bill in the Senate—as well as our colleagues in the House, passage of the Food Quality Protection Act has finally become a reality.

This legislation at long last updates the famed Delaney Clause which was first enacted in the 1950's, but became obsolete with the advances in science and technology. Although the provision served a very useful purpose in its day, we have recently found ourselves in a situation where the outdated law was working against the ability of the crop protection industry to find safer alternatives for our farmers and ranchers to use in the production of food and fiber.

Again, Mr. President, I want to complement the Clinton administration for helping find a bipartisan solution to a problem that has plagued farmers and consumers for a number of years. The result is consumers continue to have a safe and abundant food supply and that farmers and agribusiness will be treated more fairly by government regulators. It is a clear victory for both farmers and consumers and proves once again that when we work in a bipartisan fashion we're all the better.

CONSUMER RIGHT TO KNOW SECTION

Mr. SANTORUM. As we prepare to vote on H.R. 1627, I wish to seek clarification on the consumer right to know section if Chairman LUGAR would be kind enough to respond.

Mr. LUGAR. What clarification is the Senator seeking?

Mr. SANTORUM. It is my understanding that under the consumer right to know section, the administrator of EPA in consultation with the Secretary of Agriculture and the Secretary of Health and Human Services will develop and distribute to large retail grocers information relating to the risks and benefits of pesticide residues in or on food items that are purchased by consumers.

Mr. LUGAR. That is correct.

Mr. SANTORUM. In turn, under this section, grocers are expected to display or make available this information in whatever manner best works for that retail store.

Mr. LUGAR. Yes, the legislation makes this type of information available for display.

Mr. SANTORUM. It is also my understanding under this section that a supermarket would not be held liable for any civil or criminal penalties in the event that the store were to be depleted of its supply of brochures or whatever information is provided by EPA, USDA, and FDA. Nor would a grocer be held liable or have products deemed misbranded if the information is not always available, or in the event the Government fails to provide the information to supermarkets.

Mr. LUGAR. It is clearly not the intent of Congress to penalize supermarkets for failure to display the information. It is our intent, however, for grocery stores to serve as a conduit for the display and dissemination of this information to the greatest extent practical in a manner that will be determined by each store. In other words, we do not intend to impose an unfair burden on grocery stores that would subject them to fines or seizure of products simply because the information is not always available.

Mr. SANTORUM. I appreciate this clarification on the consumer right to know section of the legislation.

Mr. HEFLIN. Mr. President, it would be my understanding that with regard to the authority given the administrator to require a period of not less than 60 days for public comment after issuing a regulation under section 408(e)(1) of the Act that this would apply only to those tolerance petitions submitted after the effective date of the Act.

Mr. LUGAR. The Senator from Alabama is correct.

Mr. MCCONNELL. Mr. President, I ask unanimous consent the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to this measure appear at this point in the RECORD.

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

The bill (H.R. 1627) was deemed read a third time, and passed.

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## OFFICE OF GOVERNMENT ETHICS AUTHORIZATION ACT OF 1996

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 429, H.R. 3235.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3235) to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for three years, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. COHEN. Mr. President, today the Senate will pass H.R. 3235, the Office of Government Ethics [OGE] Authorization Act of 1996. OGE was created by the Ethics in Government Act of 1978 to provide overall direction to the executive branch in developing policies to prevent conflicts of interest and ensure ethical conduct by executive branch officers and employees.

Senator LEVIN and I have long been proponents of strong ethics laws. We serve as the chairman and the ranking minority member on the Subcommittee on Oversight of Government Management and the District of Columbia

which has jurisdiction over ethics matters within the executive branch. Senator LEVIN and I have made many changes to strengthen the ethics laws since OGE was created. We authored the Independent Counsel provisions of the Ethics in Government Act which provides for the appointment of an independent counsel to investigate allegations of criminal wrongdoing by top level executive branch officials, and we worked together to strengthen the revolving door and lobbying disclosure laws.

Last year, I, along with Senator LEVIN, introduced S. 699, a bill to reauthorize OGE. The bill was reported out of the subcommittee with no amendments and approved by the full Committee on Governmental Affairs last August. It is nearly identical to legislation which passed the Senate last Congress.

The legislation makes a number of technical changes to the ethics laws and, for the first time, grants OGE gift acceptance authority to address the problem that arises when Federal Government facilities are not adequate either in terms of size or equipment resources to accommodate OGE's ethics education and training programs which are held around the country. This authority is intended to enable OGE to accept the use of certain non-Federal facilities, such as an auditorium that might be offered by a State or local government or a university, which may be better suited for OGE's needs.

Federal agencies are not permitted to accept gifts unless they have specific statutory authority to do so. While OGE has not had this authority in the past, 23 agencies and departments do have some type of gift acceptance authority. The bill requires the Director of OGE to establish written rules to govern the exercise of this authority to safeguard against conflicts of interest or the appearance of conflicts in the acceptance of gifts.

Currently, other agencies that have gift acceptance authority do not have to prescribe regulations governing its use. While other agencies would not be required to follow the example of OGE's regulations in making their own determinations about their gift authority, OGE's regulations would provide useful guidance to other agencies.

OGE has been without an authorization since September 30, 1994, when the previous authorization expired. In April, Congressman CANADY, Chairman of the Constitution Subcommittee, introduced a bill very similar to the legislation Senator LEVIN and I introduced. In an effort to complete action on this measure as quickly as possible, my staff has been working with Congressman CANADY's staff. I am pleased to say that Senator LEVIN and I support H.R. 3235, the reauthorization bill which has come over from the House.

There are a few differences between the bill that is before us today and the bill Senator LEVIN and I introduced last year. I would like to take a few minutes to outline these differences for my colleagues. First, the House bill reauthorizes OGE for 3 years opposed to the 7 years proposed in the Senate bill. While OGE has been reauthorized for 5 or 6 years in previous years, the House felt this was too long. The 3 year authorization continues to ensure that reauthorization does not occur during the first year of a Presidential term when a large portion of OGE's resources are devoted to the nominee clearance process. I continue to support a longer reauthorization than what has been proposed by the House, and while I will not be here when OGE needs to be reauthorized again, I hope that the Congress will once again move toward a long reauthorization.

Second, the House bill includes a provision to correct an unintended effect of the 1989 Ethics Reform Act with respect to the post employment or revolving door rules applicable to high level executive and legislative branch employees who leave Government to work on political campaigns. Under current law, senior executive and legislative branch employees are subject to a 1-year cooling-off period during which they cannot contact their former offices on behalf of another party. There are some exceptions to the current ban, for example, if a Federal employee leaves to work for a State or local government or for an international organization like the U.N. However, there is no exception for employees who leave to go work for a political campaign. So, if an administrative assistant or legislative director takes a leave of absence from a Senator's staff to work on the Senator's reelection campaign, the former staffer is prohibited from contacting the Senator or his or her staffers with the intent to influence official action.

There is a consensus that the current post-employment law doesn't make sense as it applies to campaign work. In drafting the post-employment rules, no one had the campaign example in mind. Moreover, leaving Government service to work on a campaign doesn't involve the kind of abuse the revolving door rules are intended to address, that is, individuals trading on Government information and access for private gain.

In 1991, there was an effort to fix this problem by adding a new exception to the post employment law for staff who leave Government to work on campaigns. The Bush administration supported this legislation, and it passed the House as part of the honoraria reform bill. A companion amendment was circulated in the Senate, but the provision never became law because honoraria reform stalled in the Senate.

The language contained in the House bill is identical to an amendment Senator LEVIN offered to the OGE bill last Congress which was passed by the Senate. It provides that executive and legislative branch employees who would otherwise be subject to the 1-year cooling-off period are not barred from communications with their former offices on behalf of a candidate, political committee, or political party. To guard against potential abuse of the exception or the appearance of impropriety when former employees represent multiple clients, such as when someone works for a consulting firm rather than directly for a campaign, the exception would apply only to individuals who work, No. 1, solely for candidates, campaigns, or political parties, or No. 2, for entities whose only clients are candidates, campaigns, or political parties. The exemption would not apply to FEC employees because of their duties in overseeing the campaign process and would go into effect when the bill becomes law. Therefore, an employee who left Government within the last year, and is still subject to the 1-year cooling off period, can take advantage of this exception.

Finally, the bill addresses another unintended problem with the post employment restrictions. The 1-year cooling-off provisions apply to senior employees of the executive branch. Senior officials are defined as those serving in positions listed on the executive schedule, positions in the uniformed services ranked 07 or above, particular positions within the White House Office, or a position which the pay is equal to or greater than executive level V. This has included SES employees at levels five and six.

Congress has frozen the executive level pay levels for a number of years. However, the pay levels for SES employees are set by the President through Executive order and have continued to increase. As a result, the pay level for SES level four employees has increased above the pay level of executive level V. What this means is that these SES level four employees will now be treated as senior executive branch employees and be subject to the 1-year cooling off restrictions even though they have not taken on any additional duties or responsibilities. It was not Congress' intent to have SES level four employees subject to these post employment restrictions. H.R. 3235 fixes this problem by amending the statute to read that these restrictions will apply to SES levels five and above not executive level V and above.

In closing, OGE is a small office with large responsibilities. Over the years, we have imposed more responsibilities on OGE and we have not always provided the necessary staff or resources to carry out those responsibilities. Specifically, I would note the additional functions OGE had to perform when it became an independent agency in 1989 and in complying with the Ethics Reform Act of 1989. Congress moved to make OGE a separate agency because it was believed that OGE was not independent enough. In addition, Congress wanted to enhance the agency's prestige and authority within the executive branch given its important and sensitive responsibilities.

While OGE's budget has increased rather significantly since we last reauthorized the agency in 1988, OGE still has a lean budget with which to operate when you consider the critically important responsibilities of the agency. That said, in light of looming budget deficits, OGE, like all agencies will be called upon to meet its responsibilities in the most cost-effective manner possible.

Mr. President, OGE's mission is critically important in ensuring strict ethical standards in Government. I hope my colleagues will move expeditiously to pass this important measure reauthorizing OGE. Finally, I want to take this opportunity to thank Senator LEVIN for his efforts on this legislation and his many years of service on Government ethics issues.

Mr. LEVIN. Mr. President, I am pleased we are considering today, H.R. 3235, the Office of Government Ethics Authorization Act of 1996. This is the same as S.699, the bill sponsored by Senator COHEN and myself and reported by the Governmental Affairs Committee. H.R. 3235 would authorize the appropriation of funds necessary for the Office of Government Ethics to carry out its mission from fiscal years 1997 through 1999.

The Office was first established under the Ethics in Government Act of 1978. Since then, it has been the centerpiece for implementing laws and policies governing the executive branch to ensure that Federal agency officers and employees operate free from conflicts of interest.

Unfortunately, this bill would reauthorize the office for only 3 years. I would have preferred 7 years, but we were told by the House that they wouldn't accept a longer reauthorization. Given the fact that the office has been without a reauthorization since September 30, 1994, and that its work is of fundamental importance to the operations of the executive branch, I think the position of the House is unfortunate. Such a short reauthorization will require more of the valuable time of the OGE staff directed to the legislative process and away from the important work of managing their ethics responsibilities. Because it is so short, it is also likely to result in an authorization gap similar to the one we are experiencing now.

The bill contains a provision which would solve an unintended problem with respect to congressional and Presidential staff leaving office to work on reelection campaigns. In 1989, when we strengthened the post employment restrictions, we prohibited all senior executive branch and congressional staff from contacting their former offices on behalf of someone else for 1 year from the time they left office. What we overlooked at the time was the situation where congressional staff and top executive department officials may leave their Government positions to work on the reelection campaigns of the persons for whom they worked while in the Government. For example, the administrative assistant of one of our colleagues may take a leave of absence and work on the reelection campaign for that same Member. If that happens, that administrative assistant should not be barred from contacting the Member or his staff on behalf of the campaign, since the interests of the campaign and the Member are really the same. Such a bar, which was never intended, would basically make such employment impossible.

The bill would correct this error and permit contacts by a former staff person working for a Member's campaign with the Member and the office of the Member if such contacts are on behalf of the campaign. Such contacts would not be permitted if they were made on behalf of someone or some entity other than the campaign. Should the former staff person work, for example, part time for the campaign and part time as a lobbyist, this bill would not permit that former staff person to contact his or her former office during the 1 year cooling off period on behalf of a client for whom he is serving as a lobbyist. The exception this bill makes is only for contacts by former staff on behalf of the campaign organizations of the Member or President-Vice President for whom the staff person previously worked. This limitation avoids giving an otherwise reasonable exception an unintended consequence.

Mr. President, I would like to thank Senator COHEN, Chairman of the Governmental Affairs Oversight Subcommittee, for his support on this issue; and my colleagues for their support in getting this bill to the floor.

Mr. MCCONNELL. I ask unanimous consent that bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements be placed in the appropriate place in the RECORD.

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

The bill (H.R. 3235) was deemed read the third time, and passed.

## ORDERS FOR THURSDAY, JULY 25, 1996

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 on Thursday, July 25; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date; the morning hour be deemed to have expired; the time for the two leaders be reserved for their use later in the day, and the Senate immediately resume the foreign operations appropriations bill.

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

## PROGRAM

Mr. MCCONNELL. For the information of all Senators, tomorrow morning beginning at 9:30 the Senate will resume the foreign operations appropriations bill with a time agreement on the McCain amendment of no more than 30 minutes; therefore, a vote will occur on or in relation to the McCain amendment no later than 10 a.m. Several additional amendments are expected to be offered. Therefore, votes are expected to occur throughout the session of the Senate on Thursday.

Following the disposition of the foreign operations bill, the Senate is then expected to turn to the HUD/VA appropriations bill. Therefore, votes are expected during the session of the Senate on Friday of this week.

## ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MCCONNELL. Mr. President, if there is no further business to come before the Senate, I ask that the Senate now stand in adjournment under the previous order.

There being no objection, the Senate, at 7:47 p.m., adjourned until Thursday, July 25, 1996, at 9:30 a.m.

## NOMINATIONS

Executive nominations received by the Senate July 24, 1996:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

SUSAN FORD WILTSHIRE, OF TENNESSEE, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 25, 2002, VICE HENRY H. HIGUERA, TERM EXPIRED.

NATIONAL INSTITUTE FOR LITERACY

JON DEVEAUX, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING OCTOBER 12, 1998. (REAPPOINTMENT)

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

MICHAEL A. NARANJO, OF NEW MEXICO, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING MAY 19, 2002, VICE BEATRICE RIVAS SANCHEZ, TERM EXPIRED.

## CONFIRMATIONS

Executive nominations confirmed by the Senate July 24, 1996:

THE JUDICIARY

NANETTE K. LAUGHREY, OF MISSOURI, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN AND WESTERN DISTRICTS OF MISSOURI.

DEAN D. PREGERSON, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA.

# EXTENSIONS OF REMARKS

## WHY CATHOLIC SCHOOL MODEL IS TABOO

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GINGRICH. As we consider ways in which we might improve our Nation's inner city schools, I hope that my colleagues take a moment to read the following editorial by Sol Stern from the Wall Street Journal, Wednesday, July 17, 1996. Now is the time for us to ask some very hard questions about how we have been spending taxpayer funds on education. I believe there is a lesson to be learned by the parochial schools who provide an exceptional education at an affordable price.

WHY THE CATHOLIC SCHOOL MODEL IS TABOO

(By Sol Stern)

New York City's Cardinal John J. O'Connor has repeatedly made the city an extraordinary offer: Send me the lowest-performing 5% of children presently in the public schools, and I will put them in Catholic schools—where they will succeed. The city's response: silence.

In a more rational world, city officials would have jumped at the cardinal's invitation. It would have been a huge financial plus for the city. The annual per-pupil cost of Catholic elementary schools is $2,500 per year, about a third of what taxpayers now spend for the city's public schools.

NO IDLE BOAST

More important, thousands more disadvantaged children would finish school and become productive citizens. For Cardinal O'Connor's claim that Catholic schools would do a better job than public schools is no idle boast. In 1990 the RAND Corporation compared the performance of children from New York City's public and Catholic high schools. Only 25% of the public-school students graduated at all, and only 16% took the Scholastic Aptitude Test, vs. 95% and 75% of Catholic-school students, respectively. Catholic-school students scored an average of 815 on the SAT. By shameful contrast, the small ''elite'' of public-school students who graduated and took the SAT averaged only 642 for those in neighborhood schools and 715 for those in magnet schools.

In 1993 the New York State Department of Education compared city schools with the highest levels of minority enrollment. Conclusion: ''Catholic schools with 81% to 100% minority composition outscored New York City public schools with the same percentage of minority enrollment in Grade 3 reading (+17%), Grade 3 mathematics (+10%), Grade 5 writing (+6%), Grade 6 reading (+10%) and Grade 6 mathematics (+11%).''

Yet most of the elite, in New York and elsewhere, is resolutely uninterested in the Catholic schools' success. In part this reflects the enormous power of teachers' unions, fierce opponents of anything that threatens their monopoly on education. In part it reflects a secular discomfort with religious institutions.

I myself have felt this discomfort over the years, walking past Catholic schools like St. Gregory the Great, near my Manhattan home. Every morning, as I took my sons to public school, I couldn't help noticing the well-behaved black and Hispanic children in their neat uniforms entering the drab parish building. But my curiosity never led me past the imposing crucifix looking down from the roof, which evoked childhood images of Catholic anti-Semitism and clerical obscurantism.

Finally, earlier this year, I ventured in, and I was impressed. I sat in, for example, as fourth-grade teacher Susan Viti conducted a review lesson on the geography of the Western United States. All the children were completely engaged and had obviously done their homework. They were able to answer each of her questions about the principal cities and capitals of the Western states—some of which I couldn't name—and the topography and natural resources of the region. ''Which minerals would be found in the Rocky Mountains?'' Miss Viti asked. Eager hands shot up. Miss Viti used the lesson to expand the students' vocabulary; when the children wrote things down, she insisted on proper grammar and spelling.

I found myself wishing that my own son's fourth-grade teachers at nearby Public School 87, reputedly one of the best public schools in the city, were anywhere near as productive and as focused on basic skills as Miss Viti. Both my boys' teachers have wasted an enormous amount of time with empty verbiage about the evils of racism and sexism. By contrast, in Miss Viti's class and in all the other Catholic-school classes I visited, it was taken for granted that a real education is the best antidote to prejudice.

Miss Viti earns $21,000 a year, $8,000 less than a first-year public-school teacher. ''I've taught in an all-white, affluent suburban school, where I made over $40,000,'' she says. ''This time I wanted to do something good for society, and I am lucky enough to be able to afford to do it. I am trying to instill in my students that whatever their life situation is now, they can succeed if they work hard and study.''

You might expect liberals, self-styled champions of disadvantaged children, to applaud the commitment and sacrifice of educators like Susan Viti. You might even expect them to look for ways of getting government money to these underfunded schools. Instead, they've done their best to make sure the wall of separation between church and state remains impenetrable. Liberal child-advocacy groups tout an endless array of ''prevention'' programs that are supposed to stave off delinquency, dropping out of school and teen pregnancy—yet they consistently ignore Catholic schools, which nearly always succeed in preventing these pathologies.

Read the chapter on education in Hillary Clinton's ''It Takes a Village.'' Mrs. Clinton advocates an alphabet soup of education programs for poor kids, but says not a word about Catholic schools. Similarly, in his books on education and inner-city ghettos, Jonathan Kozol offers vivid tours of decrepit public schools in places like the South Bronx, but he never stops at the many Catholic schools that are succeeding a few blocks away.

Why are Catholic schools taboo among those who talk loudest about compassion for the downtrodden? It's hard to escape the conclusion that one of the most powerful reasons is liberals' alliance with the teachers' unions, which have poured hundreds of millions of dollars into the campaign coffers of liberal candidates around the country. Two weeks ago I attended the National Education Association convention in Washington, a week-long pep rally for Bill Clinton punctuated by ritual denunciations of privatization.

Before the teachers' unions rise to political power, it was not unusual to see urban Democrats like former New York Gov. Mario Cuomo support government aid to Catholic schools. Mr. Cuomo's flip-flop on this issue is especially revealing. In 1974, when he first ran for public office, Mr. Cuomo wrote a letter to potential supporters: ''I've spent more than 15 years . . . arguing for aid to private schools,'' he wrote. ''If you believe aid is a good thing, then you are the good people. If you believe it, then it's your moral obligation, as it is my own, to do something about it. . . . Let's try tax-credit plans and anything else that offers any help.''

Mr. Cuomo soon learned his lesson. In his published diaries he wrote: ''Teachers are perhaps the most effective of all the state's unions. If they go all-out, it will mean telephones and vigorous statewide support. It will also mean some money.'' In his 1982 campaign for governor, Mr. Cuomo gave a speech trumpeting the primacy of public education and the rights of teachers. He won the union's enthusiastic endorsement against Ed Koch in the Democratic primary. Over the next 12 years, in private meetings with Catholic leaders, Gov. Cuomo would declare that he still supported tax relief for parochial school parents. Then he would take a completely different position in public. For example, in 1984 he acknowledged that giving tax credits for parochial-school tuition was ''clearly constitutional'' under a recent Supreme Court decision—but he refused to support such a plan.

Politically controlled schools are unlikely to improve much without strong pressure from outside. Thus, the case for government aid to Catholic schools is now more compelling than ever, if only to provide the competitive pressure to force state schools to change. And the conventional wisdom that government is constitutionally prohibited from aiding Catholic schools has been undermined by several recent U.S. Supreme Court decisions.

SUCKER'S TRAP

Since the powerful teachers' unions vehemently oppose any form of government aid to Catholic schools, reformers are often skittish about advocating vouchers or tuition tax credits, fearing that will end the public-school reform conversation before it begins. But to abandon aid to Catholic schools in the name of public-school reform is a sucker's trap. We have ended up with no aid to Catholic schools and no real public-school reform either.

Catholic schools are a valuable public resource not just because they profoundly benefit the children who enroll in them. They also challenge the public school monopoly, constantly reminding us that the neediest kids are educable and that spending extravagant sums of money isn't the answer. No one who cares about reviving our failing public schools can afford to ignore this inspiring laboratory of reform.

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

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

## TRIBUTE TO BOB OLIVE

### HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HOKE. Mr. Speaker, I rise today to congratulate and recognize America's most outstanding public television programmer, Mr. Bob Olive of WVIZ–TV in Cleveland. On June 21, Mr. Olive was named ''1996 Programmer of the Year'' by his peers in the Public Television Programmers Association for demonstrating excellence and expertise within public broadcasting.

This recent award brings much deserved recognition of Bob Olive's successful effort to attract record-breaking viewership to programming on WVIZ–TV. In the past 2 years, overall viewership of the station has risen more than 50 percent with certain time slots rising 200 percent, an absolutely remarkable increase in today's competitive television environment. In 13 of the past 15 months, the station has experienced a rise in the number of viewers.

Of special note is Mr Olive's ability to program effectively for different segments of the television viewing community. WVIZ–TV is the most watched private or public network in Cleveland among young children. Mr. Olive was instrumental in the development of ''KidTV on VIZ'', a daily 12-hour period of creative programming designed to provide the educational initiative for children to learn.

A Cleveland native, Bob Olive graduated from Parma's Valley Forge High School, earned a bachelor of science degree in education at Bowling Green State University, and did graduate work in speech and communication at Case Western Reserve University. An electronics technician for the Navy from 1968 through 1972, Mr. Olive was destined to involve himself in a long and distinguished career within the field of the electronic media.

In an 18-year career with WVIZ–TV, a public television station broadcasting across the Cleveland viewing area, Bob Olive has demonstrated an extraordinary commitment to quality programming. He served the station well, as the director of public affairs, community affairs, and also as an announcer.

He began his career in broadcast communications beginning in 1959 as a morning announces for WSJH, the radio station for Schaaf Junior High School. After 9 years of dedicated service with WVIZ–TV, he served as news manager at WEWS-TV, an ABC affiliate in Cleveland, where he created the long running and very popular news program, ''Live on Five'', which is still aired, before returning to WVIZ.

In addition to his service to the Cleveland area, he extends his talents throughout the country, serving on the National Program Policy Committee as an advisor to the Public Broadcasting System.

Dr. Judy LeRoy, co-director of Trac Media Services, in presenting this award praised Mr. Olive for his ''achievements in creative scheduling, audience enhancement, local outreach and program acquisition.'' She also noted his ability to make ''constant, substantial audience gains over the past several years.''

Mr. Speaker, I could not allow Mr. Bob Olive's exceptional service and achievements to go without notice. His programming achievements, especially in the area of children's broadcasting, have provided the entire WVIZ broadcast audience with a first-rate television product. He has been instrumental in enriching the lives of the people of northeast Ohio and we are grateful for his outstanding contributions and service.

## SMALL COMMUNITIES CDBG MULTIPURPOSE FACILITIES ACT

### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. RICHARDSON. Mr. Speaker, today, I am pleased to introduce legislation that will enable small towns across our Nation to fully benefit from the Community Development Block Grant Program available through the Department of Housing and Urban Development.

My bill would amend the community development block grant regulations to allow municipal employees in towns of 5,000 or less population to use not more than 25 percent of the square footage in facilities purchased, constructed or renovated with CDBG funds.

I am introducing this legislation after learning of a problem in the village of Grady, a small community in eastern New Mexico. Strapped for adequate office space, municipal employees sought and received what they thought was appropriate Government approval to move into a small space in a facility built with CDBG funds. But lo and behold, once the move took place, a further examination of Government regulations revealed that the village is prohibited by law from occupying any space in a building built with CDBG funds. The financially strapped village is now stuck with a $13,500 expense to remain in the building.

A small town has a severely limited tax base. It cannot afford to construct separate buildings for every essential service offered its residents. It cannot afford to purchase duplicate office equipment and supplies nor to pay insurance, utilities and maintenance expenses on several buildings.

Citizens who are hired for municipal jobs in small communities, such as clerks, policemen, firemen, and emergency medical service employees, must often share job responsibilities. Not only is it not economically feasible, but it is very difficult for these employees to work from separate buildings in terms of job communication and coordination.

Small towns must provide vital services to their residents. To do so efficiently, municipal employees must be able to conduct business in decent, affordable, and convenient facilities. We must give our small communities special consideration and enable them to make the best use of limited funding resources. A multipurpose use of facilities purchased, built or renovated with community development block grants is the only answer.

## TRIBUTE HONORING BETTCHER INDUSTRIES

### HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GILLMOR. Mr. Speaker, I rise today to recognize the exciting news for a business in my district. Bettcher Industries of Vermilion. OH, is the proud recipient of the 1995 Industrial Engineers' Excellence in Productivity Improvement Award for the development and manufacturing of the Airshirz pneumatic scissors. Some past winners of this prestigious award have been: Boeing, Anheuser-Busch, Ford Motor Co. and Texas Instruments.

The award is given in recognition of ''diligent and innovative achievements which increased productivity, eliminated human drudgery, and improved the quality of working life.'' Creation of the Airshirz pneumatic scissors dramatically increased worker productivity while reducing exposure to cumulative trauma disorders. After successfully introducing the Airshirz in the poultry processing industry in 1995, they have been installed in a range of industries where workers are involved in cutting light metals, fiberglass and flexible sheet, heavy fabrics, plastics, rubber, and other industrial materials.

Ohio continues to be a leader in developing new products. The ergonomically designed, hand-held Airshirz scissors fit comfortable into the palm of the hand and are fully controllable by a finger loop similar to that of regular scissors. Because cutting power is delivered by air pressure, not the worker's hand, the gripping force and muscle activity required to perform tasks are dramatically reduced.

Bettcher Industries is a company renowned for its civic pride and commitment to service. The company is not only a world-class performer, with offices in Switzerland, on the international stage, but a model citizen in its own community.

Mr. Speaker, it is obvious that Ohio has greatly benefited from the efforts of the employees of Bettcher Industries. I ask my colleagues to join me today in recognizing the achievements of these dedicated achievers and encourage them to continue to uphold what has become the standard for excellence in America.

## STE. ANNE'S DE MICHILIMACKINAC TRICENTENNIAL CELEBRATION

### HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. STUPAK. Mr. Speaker, it is an honor for me to bring to the attention of the House and the entire Nation the tricentennial celebration of Ste. Anne's de Michilimackinac Church on July 26, 1996. Although the exact date of foundation is not known, the church has baptismal records dating back to 1695. The tricentennial celebration was delayed a year in order to wait for the completion of *Fishers of Men,* a book written by Jesuit Brother Jim Boynton of St. Ignace, MI, detailing the extraordinary history of Ste. Anne's de Michilimackinac.

In 1670 Jesuits landed on Mackinac Island, situated between the Michigan's Upper and Lower Peninsulas in the Straits of Mackinac. The missionaries, along with members of the Huron tribe, intended to teach the Chippewa and Ottawa Indians the way of the Lord. However, within a year the Jesuits left Mackinac Island and relocated at St. Ignace, named for St. Ignatius Loyola. The island had proved to be agriculturally weak and the land to the north in the Upper Peninsula was perfect for growing corn. From St. Ignace the missionaries traveled to surrounding areas in attempt to spread the Catholic faith.

The Jesuits became the peacekeepers of the region. In the late 1670's French fur traders entered the straits to buy furs from the American Indians. Unfortunately, the French used less than honorable tactics. It came to the attention of the church that the fur traders were selling brandy to the Indians with the intention of taking the furs, without paying, once the Indians got too drunk to understand what was happening. The Jesuits got involved and the injustices came to an end.

The Jesuits constructed the area's first Roman Catholic church in 1742, within the walls of Fort Michilimackinac located today in Mackinaw City, at the top of the Lower Peninsula. In 1761 tempers flared between the American Indians and the British occupying Fort Michilimackinac. This led to the massacre of many British fur traders and members of the British Army. The Jesuits were responsible for establishing a peaceful relationship between the Indians and surviving British just 1 year after the massacre occurred. This provided an opportunity for the British to occupy the fort once again.

The English colony moved from Fort Michilimackinac in 1781 to prepare for any retribution from the American Revolution. Fort Mackinac was built on Mackinac Island in the same location where it stands today. The civilians established a town just below the walls of the fort. The congregation did not want to leave their church behind on the mainland. That winter, when the straits froze, the church was disassembled, the pieces dragged across the ice, and then the church was rebuilt on the island.

The congregation moved their church again 1827 when Madame Magdelaine LaFromboise donated a large piece of land to the Church. Because of the many renovations which have occurred on the building over the years, none of the original structure remains standing. The new building has been renovated to look just like it did in the 1890's. Father Jim Williams, Ste. Anne's current pastor, made numerous beautiful renovations for this tricentennial celebration.

This has been a very exciting year for Ste. Anne. Brother Jim Boynton completed his thesis, through his extensive studies about the history of Ste. Anne's, to earn his master's degree in history. His research has taken him from Weston Jesuit School of Theology in Cambridge, MA, to Quebec City, Montreal, Paris, and Rome. His research resulted in ''Fishers of Men.'' The book is a chronicle of Catholicism coming into the Straits of Mackinac and the history of Ste. Anne's. Brother Boynton, a native of St. Ignace, will be teaching at the University of Detroit Jesuit High School this fall. Fortunately, he will be able to attend the tricentennial celebration on July 26. Father Jim Williams will begin the celebration with a Thanksgiving mass in the morning. The afternoon will include an ice cream social, and a pageant will be held in the evening honoring the church's builders and rebuilders.

From primitive beginnings, like the tiny mustard seed in Mark's gospel (Mark 4:30–32), Ste. Anne's has grown great inviting all to find shelter in her branches and comfort in her shade. For over 300 years, Ste. Anne's has welcomed visitors and nurtured Mackinac Island, body and soul.

Mr. Speaker, Ste. Anne's de Michilimackinac has a long, rich, proud history. Brother Boynton has been able to capture the fabulous story of Catholicism in northern Michigan in his book ''Fishers of Men.'' On behalf of northern Michigan, the Catholic Church, and the entire Nation, I would like to congratulate Brother Boynton, Father Jim Williams, and the congregation of Ste. Anne's de Michilimackinac on 301 years of prayer and dedication.

## TRIBUTE TO MONSIGNOR ROBERT BLAIR

HON. STEVE C. LaTOURETTE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. LaTOURETTE. Mr. Speaker, Monsignor Robert Blair, who passed away last month, was a clergyman in the Cleveland diocese for more than half a century. While many were saddened by his death, so many more were enriched by his warm heart, his full life and his unparalleled devotion to the church.

At his funeral last month, Auxiliary Bishop A. James Quinn delivered a thoughtful, uplifting address that captures the spirit of Monsignor Robert Blair. I wanted to submit it to the CONGRESSIONAL RECORD as a lasting tribute to a remarkable man who, in the words of Auxiliary Bishop Quinn, ''used well the time God gave him.''

What follows are the June 11, 1996, remarks by Auxiliary Bishop A. James Quinn.

TRIBUTE TO MONSIGNOR ROBERT BLAIR

We are not here out of sympathy. Another mood prevails.

When someone like Monsignor Robert Blair leaves the rest of us behind to join the Lord in heaven, it leaves me with a sense that something must be said in terms of gratitude about graces that came to us through one of God's very best.

We give thanks to God, therefore, for the life and friendship of Monsignor Robert Blair, in our lives and in the lives of all touched by his priesthood.

The readings Bob chose for his funeral speak eloquently of the spirit of his life and the vision of his priesthood.

His readings reflect a priest who walked by faith, not sight. He faithfully served four bishops, but only one master. From simple things like birds and wildflowers, or coins and horses, he drew lessons of what to run after, with the wisdom of one who trusts in the Lord, knowing he has a dwelling place awaiting him in heaven.

When I was a kid hanging around an old fire house on West 112th Street in Cleveland, I came to understand how pairs of boots became sentimental to firemen. The boots of those lost in the line of duty or curbed by injuries were revered, not wasted or neglected. Firemen's boots, as hand-me-downs, met respect, like numbered jerseys in halls of fame. They especially respected those who died with their boots on. To die in service, in the line of duty, being what they were trained to be, putting life on the line! Such values involve commitment, faithfulness, loyalty, dedication... and lots of love of who you are and what you do.

Let's ''rap'' a bit about Monsignor Blair who cherished his priesthood and couldn't quit, not even in retirement, because of who and what he was.

The story of his vocation.

I think of Frost's ''The Road Not Taken.''

''Two roads diverged in a yellow wood.

And sorry I could not travel both.''

Bob, and his brother Ted before him, must have wondered what path in life to take, knowing ''how way leads on to way'' and there is ''no coming back.''

Two roads diverged in a wood, and Bob took the one less traveled. And that made all the difference! For him, and for us, it made a difference when young Bob Blair chose priesthood.

The Story of every man's vocation?

I venture Bob could have been anything he wanted. He had smarts, personality, wit, enthusiasm . . . even good connections. But Bob chose priesthood . . . more than once because he found himself in several classes due to tuberculosis.

Bob chose priesthood, and, hand to the plow, never looked back. Bob gushed the great grace of conviction that he had chosen well. Actually, it was God who chose Bob. But Bob accepted God's call, thank God.

We all have stories to tell.

Bob Blair added color and fun to life, but never at the cost of responsibility or pastoral care. He spent himself on people and on projects that prospered people. With all his wit Bob was serious minded and had volumes to preach about things of moment, things that make a difference.

In some ways Bob was a visionary, but a realist, too. He knew how not to let a vision sink over someone's ''Why bother.''

His blend of wit and wisdom kept his visions soluble in reality, so not to curdle into some forsaken sediment of impracticality.

Other higher up might get the credit, but we know Bob made things happen. He made a difference!

Like you, I'll miss Bob because he was a friend, not just one of those acquaintances we make in life, but a friend who understands what is literal in life. He good naturedly absorbed sharp edges and burrs that surface what is me and you.

For all his fun loving ways Bob was a gentleman. Not formal or fussy, not stiff or starched, but a fun-loving gentleman who saw the best in life before he let the worst get him down. A touch of class wrapped in laughter!

Like you, I account it a great grace we met. I thank God. I learned. I laughed. I struck it rich to be included among his friends. And so did you, I suspect.

These days since Wednesday past I skim a book of memories that run deep, and swell my estimation of the value that is friendship, a friendship that I pray is friendship ever more.

I treasure the measure of time we worked together, at the old Archbishop's house, in the Chancery and Cathedral.

I hope future years will not allow this brook of memory to trickle out of speed except to soak deeper into the recesses of gratitude. After all, old friendships are best because they withstand the tests of time and cross currents and counter-currents of life. As surely as the golden sun melts down to night, gold here can never last. But good friendships last forever in resurrection life.

Speaking of friends, by now Bob's paired off with Frank Carney. He liked Frank: the

repartee was always suburb. While different lights led them, both were equipped for friendly mental combat.

As you know, Bob enjoyed placing an occasional wager on some nag a tout or two would recommend as fast of hoof. But down the home stretch of Bob's own distance, his pace was slowed by sickness. Bob was thoroughbred fast until the evening of life when strokes struck, sight flexed and diabetes reaped its toll.

It's painful to witness a worker bee in health's gloaming. Disability plays treason to future hopes and dreams. In sickness, life's space became so confined that Bob could scarcely enjoy a view except from a wheelchair.

Bob had to count on family and friends who love him so, good friends like Bob Cronenwett and Maggie Patton and his dear, fond Brigade of Captain's Men, so loyal and true. They'll miss him, sure.

Time takes its toll. Why, what is inland in nature becomes ocean isle, with eddies swirling around what once was mountain peak. Why not time's toll on man?

Time levels snowy peaks to running brooks. No wonder time took its toll on Bob. Ah, but Bob used well the time God gave him. He enjoyed the blessings of today, every day, not wasting the joy of a moment on what was past or could be future.

Perhaps most importantly, Bob didn't entrust to time anything he would need forever. That is to say, he was not only kind but generous. He once said to me when I spoke of his personal generosity that he sometimes thought it scary, how when he gave away, God returned him twice or more. Of course God said it would be so. Bob teaches me, and you, to trust and give more.

Even now Bob's priesthood is not silenced but speaks through the beauty of this Cathedral he loved and served. The Cathedral he embellished marks the site of his priestly ordination and final funeral rite. How very fitting!

His priesthood speaks, too, at the airport chapel, his beloved Regina Caeli.

Looking back, Bob dusted our days with the pollen of cheerful conviction that there is plenty of work to do. He needn't be told ''what'' because Bob was a self starter who foiled challenges with wit. Challenge was invitation. The impossible intrigued him. And success was his hallmark, be it a parish festival or a million and more in renovation.

Who else would tackle an airport chapel and the ACLU? Others would say: ''Why bother?'' I think heaven gives a glimpse of vision, don't you, to those who risk the strength of God to do what they can't do?

Labors of love? The cathedral renovation and the airport chapel, while not the most of what he did in ministry, should install him into the diocese's Hall of Fame.

Bob Blair was a modest coin collector who knew how to option short gains into capital investment. His racer's instinct at the mutuals gave him an edge at the bank. Really, God was his broker and the Church was his escrow.

Bob retired, but never retired. He worked on.

Then, like a farmer at planting time, working, came the call that dinner is on the table! A feast and he's expected.

How leave off work with so much to do and time's light dimming? It's not easy to yield to the drift of age or illness, nor to bow and accept the end of labors love.

Yet the planter reluctantly thrusts his hoe into the ground and heads for home, the home from whence he came. The Master calls.

We hate to die. Only in faith do we deny the lie that dead is dead. In faith, the grave that draws the living avows new life beyond.

Then, again, Bob always liked fresh starts. I wonder now what new projects will rise in heaven?

I pray Bob up there continues to remember us whom he served so well in ministry and friendship. We all have projects that could use his vision, wit and wisdom. I pray he will strengthen our resolve and even excite fresh ideas of what can be done with gifts God gives us.

Soon enough, when we break through the pane of time and wade ashore on heaven's side, Bob will meet and greet us. No doubt introduce us to his new visions, this time beatific in size.

Tomorrow has come forever to Bob who breezes with Ted and Frank and even Solomon in all his glory.

Folks, in retirement, and from a wheelchair, Monsignor Robert Blair died with his boots on. Big boots to fill. Empty boots now that challenge us to fill.

When two roads diverge Bob, with wisdom and wit, often took the one less traveled by. That made a difference. He made a difference.

Sympathy aside, today. Quite frankly, we gratefully thank God that Monsignor Robert Blair made a difference in our lives. And now we pray, God rest his soul until we friends come the path he traveled by.''

## BEETLE ACTIVITY SPREADS, 892,831 ACRES INFESTED IN ONE YEAR

HON. DON YOUNG
OF ALASKA
IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. YOUNG of Alaska. Mr. Speaker, I would like to call the attention of my colleagues to an eye-opening article that appeared in the July issue of Resource Review. It details the extent of the ongoing spruce beetle infestation in southcentral Alaska and reports that beetle activity increased 40 percent last year. Over 32,433 acres are infested in the Chugach National Forest alone, with mortality exceeding 60 percent in some stands. The current total for all of southcentral Alaska is a new record—892,831 acres of dead and dying trees. This is not a record we should be proud of.

The infested areas of southcentral Alaska are now far too large to permit wildfires to burn naturally. With so much dead wood lying on the forest floor a fire could burn hot enough to sterilize the soil and threaten the health of some of Alaska's priceless salmon stocks. Such a fire is a disaster waiting to happen. Unfortunately, waiting for disasters instead of preventing them seems to be the preferred policy of the current Secretary of Agriculture.

Every day the beetle infests more and more timber while those entrusted with our National Forests do less and less about it. Rather than taking necessary action under existing law, the Secretary of Agriculture has put up roadblocks every step of the way. He recently directed managers on the Chugach National Forest to cancel the few salvage operations they had planned. Some of these sales, it was reported to me, were in the planning process for years. Canceling them may be sound politics but it is irresponsible forestry. Playing politics with National Forests is playing with fire—I do not want to see Alaskans get burned.

Even without major fires Alaskans are suffering the effects of the beetle infestation: property values are declining as the insect spreads from Federal to private lands; the visitor industry is losing business as once beautiful viewsheds turn brown and decay; and local residents are forced to sit by and watch their favorite recreation and hunting areas become wastelands. All this as Washington bureaucrats bicker and pass the buck.

Through responsible application of salvage logging the spreading sickness in southcentral Alaska can be cured, averting the risk of fire and creating jobs and a healthy forest to pass on to our children. I encourage my colleagues to read the article, the text of which follows my remarks, and hope that it will inspire them to join me in supporting sound forest management under the emergency timber salvage law as well as other long-term initiatives promoting forest health.

BEETLE ACTIVITY SPREADS, 892,831 ACRES INFESTED IN ONE YEAR

While Alaskans continue to debate the merits of cutting dead, beetle-killed timber across private and public lands in Southcentral Alaska, spruce beetle activity increased 40 percent in 1995 over the devastating levels detected the previous year.

Approximately 892,831 acres of on-going and newly infested areas were detected last year, the highest level of activity on record. The most extensive areas of beetle infestations are in Southcentral Alaska (683,281) acres) and the Cooper River basin (170,767 acres). More than 25 million spruce trees have been infested.

The Forest Service's 1995 Forest Health Management Report revealed that beetle activity in the Chugach National Forest doubled in 1995 to more than 32,433 acres. It noted that beetle activity is increasing throughout the Turnagain Arm area, including Girdwood, Twenty Mile, Ingram Creek, Sixmile River drainage and Hope. The Forest Service also noted the beetle infestation is intense throughout many areas of the Kenai Peninsula, including Kachemak Bay. From Tustumena Lake to Homer, beetle activity is extreme. More than 400,000 acres of spruce are infested with many stands having more than 60% mortality.

A significant increase in beetle-killed timber was found on the west side of Cook Inlet and the infestation more than doubled in the Anchorage Bowl where more than 8,000 acres of spruce were hit. Areas in Anchorage with the heaviest activity are Hillside, Fire Island, Kincaid Park, and the Eagle River and Eklutna River drainages.

With a dry, warm summer at hand, foresters believe severe outbreaks of beetle activity will continue throughout the summer. While there is ongoing debate on the fire danger posed by standing, beetle-killed timber compared to green timber, foresters agree that fire danger over the long term is heightened considerably once the dead trees fall over on top of each other and fill the floor of the forest.

Three salvage logging proposals have been proposed for the Chugach National Forest to harvest beetle-killed timber, but the Forest Service—in the face of intense pressure from environmental groups—has scrapped one plan, severely reduced the scope of another and is considering new public comment on a third.

Under the salvage law passed by Congress last year, the Forest Service had initially identified about 1,300 acres of 12,000 heavily-infested forested acres in the Sixmile area for logging. That proposal has now been reduced to a mere 182 acres—2% of the infested trees in the Sixmile area. A logging plan for the heavily-infested Seattle Creek drainage has been discarded, but the Forest Service is

reviewing public comments for a third proposal in the Resurrection and Palmer Creek valleys near Hope.

Environmentalists are not satisfied with the Forest Service decision to scale back logging plans and have admitted they won't be happy until ALL logging plans are dropped.

The Alaska Center for the Environment (ACE) has formed the Forest Defense Network to whip up public opposition against logging and influencing public policy. In a recent mass mailing, ACE noted the Forest Defense Network is kicking into high gear with a door-to-door campaign. Media campaigns are being developed and demonstrations are being planned among other events and programs. ACE is asking Alaskans to join its network, write letters, participate in direct actions and ''help stop senseless logging.''

The Campaign has generated scores of letters to the Anchorage Daily News and the Forest Service in opposition to logging. ACE has asked its members to host letter writing parties targeting not only the Anchorage Daily News, but newspapers outside Alaska, including the Los Angles Times.

The cover of the ACE mailer featured a picture of a clearcut with the superimposed headline, ''It's Time To Clearcut Our Kenai Peninsula: Do You Agree or Disagree?'' The mailer was filled with emotion and left readers with the impression that a healthy and green forest was being clearcut at alarming rates by the worst polluters in the entire Pacific Northwest.

Absent from the mailer was the fact that logging is occurring in areas heavily infested by the spruce bark beetle and that the infestation is transforming Kenai Peninsula viewsheds into grave-yards of brown dead or dying trees.

Forests concede logging cannot stop the infestation, but emphasize that a combined program of harvesting and reforestation can restore forest health much faster than if no action is taken.

Forest scientist explain that new harvesting programs utilizing modern forest management initiatives to protect wildlife and fisheries is a reforestation program that will lead to a young, healthy and vigorous-growing forest. Since most of Southcentral Alaska is now a fire suppression area, they say logging would take out the dead trees, as opposed to nature's way—fire. If no logging is allowed, many timber stands on the Kenai may revert to grasslands.

With its varied patterns of land ownership, the Kenia Peninsula is a great ecological, long-term experiment in forest management. While extensive logging is occurring near Homer on State and private land, very little cutting is taking place on the much larger expanses of the Peninsula. Only a fraction of the beetle infested spruce will be cut on the Chugach while no commercial logging will occur on the Kenia National Wildlife Refuge and Kenai Fjords National Park, Foresters will be watching the different rates of regrowth, company areas actively managed for logging and reforestation with those forests left to stand as gray ghosts.

## NATO ENLARGEMENT FACILITATION ACT OF 1996

SPEECH OF

### HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 23, 1996*

Mr. QUINN. Mr. Speaker, today we have another opportunity to promote peace and security in the world. The NATO Enlargement Facilitation Act will prepare for the eventually inclusion of Poland, Hungary, and the Czech Republic into NATO. As an original cosponsor of the bill, I want to express my strong support for this measure.

The nations of East Central Europe, particularly Poland, have suffered tremendously throughout history. Indeed, they have paid a high price for their unfortunate geographic location. Caught between aggressive neighbors, the sovereignty of these nations has continuously been threatened.

Presently, NATO is in a unique position to help these emerging nations. NATO membership can provide the stability that this region needs as it strives toward democratic institutions and market economies. There is every reason to believe that the presence of NATO will lead to the same political and economic successes that Western Europe has enjoyed in the post-war era.

I am convinced that active engagement with Poland, Hungary, and the Czech Republic is necessary in the tumultuous years following the cold war. Western institutions such as NATO are crucial to fostering a close relationship with these developing democracies and bringing East Central Europe into the community of prosperous, peaceful nations.

## RECOGNITION OF OHIO NORTHERN UNIVERSITY IN ADA, OH

### HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. OXLEY. Mr. Speaker, I would like to take this opportunity to recognize the significant contributions made by Ohio Northern University of Ada, OH. In commending Ohio Northern University for 125 years of prominent service to higher education, I know the rankings are well deserved. As a child I grew up near Ohio northern's campus. My father even graduated from ONU's College of Law. From personal experience, I know ONU is a great contributor to our community. I submit my appreciation and acknowledgment of the efforts taken by the staff, students, and administration. Their combined work has distinguished ONU as one of the best universities in the Midwest according to ''US News and World Report.'' ONU can boast such excellence with a student-faculty ratio of 13:1 and an incoming class in which 1 in 11 is either a valedictorian or salutatorian. Other accolades include recognition in Peterson's ''Competitive College Guide'' and in Barron's ''Profiles of American Colleges'' as a very competitive university. Considering the caliber of schools this fine institution competes with, one easily sees that all of Ohio benefits from such a productive and rewarding partnership. I feel that the tradition of quality higher education is being upheld and improved upon by ONU and all the other fine institutions recently listed among this Nation's best. I sincerely wish them continued success.

## WAGE WOES BENEATH THE ROSY NUMBERS

### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GINGRICH. This article by Bruce Bartlett clearly describes the true economic worries that American families are facing. Because of stagnant wages and a median family income that has remained flat under the Clinton administration's leadership, families are feeling the Clinton economic crunch. This country would benefit instead from lower taxes that raise family income.

[From the Washington Times, July 8, 1996]

WAGE WOES BENEATH THE ROSY NUMBERS

(By Bruce Bartlett)

For many years, economists and political scientists have studied the relationship between elections and the economy. Their unsurprising conclusion is that when the economy is good, voters tend to reward the incumbent president. On this basis, Bill Clinton would appear to be in good shape. The unemployment rate in May was 5.6 percent, down from 7.5 percent in 1992. At the same time, inflation has been stable at about 2.5 percent and real economic growth has been slow but steady at about 2.2 percent per year.

But beneath these adequate, if unspectacular, numbers lies a potentially serious danger for Mr. Clinton. That is the stagnation in wages and incomes. In short, while the macroeconomy has moved upward, workers and families have been left behind. Real median family income—the single best measure of economic well-being—has been flat during the Clinton years, and down considerably from the Reagan years. Real wages have been flat as well, with increasing numbers of workers forced to work two jobs to make ends meet. And the Clinton administration is not unaware of this problem. Indeed, Labor Secretary Robert Reich has been the most eloquent spokesman for the malaise of the working class. As he put it in a 1995 report:

''In the past year, the American economy has caught fire—but the gains to most American workers have gone up in smoke. Last year at this time, the median full-time worker in this country was earning $479 per week. This year, factoring in inflation, the median wage is $475 per week—$4 less in average weekly paycheck. Among working families, 11 percent do not earn enough to lift themselves above the poverty line. Compared with last year, this year some 636,000 more Americans are working two jobs.''

In the year since, all of the concerns expressed by Mr. Reich have gotten worse. The only thing that has changed is the administration line. Recognizing that Mr. Clinton is vulnerable on the issue of wages and incomes, the Council of Economic Advisers issued a report in April totally contradicting Mr. Reich's position. According to the CEA, workers are actually doing great. Since then, Mr. Reich has been noticeably less vocal about the problem of stagnant wages, except for a strained effort to blame the whole thing on a decline in the real minimum wage.

The vast majority of workers make well above the minimum wage. Their problems are the result of slow growth and higher taxes that have reduced their disposable incomes. What they need is faster growth and lower taxes. If the Republicans can make this case, they will find a receptive audience among many Democratic workers and families.

## TRIBUTE TO V.F.W. STATE COMMANDER CRAIG SWARTZ

### HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to Craig Swartz, an outstanding individual and a fine soldier, who was recently installed as State commander of the Veterans of Foreign Wars Department of Ohio.

A resident of Fremont for 45 years, Craig is a U.S. Marine Corps veteran who was wounded three times in Vietnam. He has been active with the V.F.W. since 1983. Over the course of his service, he was elected commander of the Fremont Post 2947 in 1986 and served three terms in that capacity. In 1989, he was elected commander of Firelands County Council and was named all-State and all-American county council commander. He has now been honored six times as an all-American, an accomplishment that had never been achieved by an Ohio member.

I firmly believe that we can never thank our veterans enough for putting their lives on the line in defense of our Nation. As a veteran myself, I am aware of the tremendous service veterans organizations give to their communities and the country as a whole.

Mr. Speaker, Craig Swartz's distinguished military service is a model of patriotism and citizenship. His commitment to the V.F.W. continues this exemplary service. I ask my colleagues to join me in wishing Craig, his wife Cindy, and their children well as the Swartz family begins this new chapter in their lives.

May they fully enjoy the blessings of peace and freedom that Craig Swartz has so ably defended as a U.S. Marine.

## NATO ENLARGEMENT FACILITATION ACT OF 1996

SPEECH OF

### HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 23, 1996*

Mr. HOKE. Mr. Speaker, I rise to submit for the RECORD a statement by Peter Lucaci and Dr. Nicholas Dima of the Union and League of Romanian Societies of America concerning NATO enlargement and the position of American-Romanians. The Union and League of Romanian Societies of America is the largest Romanian-American organization in our country, and strongly supports expanding ties between the United States and Romania.

However, although I often agree with Mr. Lucaci and Dr. Dima's views about Romania, I do not fully share their certainty about Romania's eligibility to join NATO in the near term.

NATO, for the past 45 years, has been a cornerstone of our Nation's defense, and the bulwark of Western democracy and free-market economics. The success of the alliance is without question.

A major reason for that success has been the alliance's intolerance of authoritarian or undemocratic regimes within its ranks. Although democratic governments were overthrown by military juntas in Greece and Turkey, both countries joined NATO as democracies and both countries have reverted to democratic governments. Spain was not permitted to join NATO until it demonstrated its commitment to parliamentary democracy.

It must also be recognized that NATO is not anti-Russian, nor is it even anti-Communist; rather, it is pro-democracy. NATO is, and always has been, a defensive alliance behind which democracy and free-market economies could flourish.

It is my unshakable conviction that NATO membership must only be granted to nations that make a fundamental commitment to democracy, the rule of law, and free-market economics.

NATO membership must not be granted willy-nilly to nations that fail to make these commitments. Membership cannot be granted simply because certain nations fear their neighbors or believe that membership will enhance their prospects for democratic or economic progress or reform.

Some formerly Communist nations of Central and Eastern Europe—such as the Baltic States, Poland, Hungary, and the Czech Republic—have clearly made the transition to free-market democracy and should soon easily qualify to join NATO.

Being half Romanian by descent, I am particularly committed to seeing Romania take its place among the other Central and Western European States with which they share so many political, economic, and cultural traditions. The stability and fate of Romania is vitally important to the peace and security of Europe.

However, I am concerned that many elements of Romania's democratic institutions are fragile and weak. Many veterans of the former Communist regime remain in positions of power. In addition, the government party's financial assets and dominance of the radio and television media give it an unfair advantage over opposition parties.

Thus, I am unconvinced that Romania's progress toward becoming a full fledged democracy with a free-market economy is guaranteed, or that Romania's government is genuinely committed to joining the Western community. For that reason, at this time I have deep reservations concerning Romania's efforts to become a full member of NATO. I now submit for the RECORD the views of Mr. Lucaci and Dr. Dima.

### NATO ENLARGEMENT, AND THE AMERICAN-ROMANIAN POSITION

(By Peter Lucaci)

#### INTRODUCTION

NATO was created as a means of common defense against the Soviet threat and as a safe mechanism to prevent further wars among its own members. In time, the organization fostered political democracy, prompted economic prosperity, and led to the European Union. Almost five decades later, NATO is seeking enlargement for more or less similar reasons. Our premise is that although no longer openly admitted, Russia continues to represent a potential danger for the stability of Europe. Therefore, the enlargement of NATO should aim at containing Russia while cultivating better relations with it. But, more importantly, NATO should aim at expanding itself to strengthen Europe and the Atlantic Alliance.

Currently, Eastern Europe is undergoing a radical transformation. If coopted by NATO and the European Union, it could become democratic, prosperous, and stable. In our opinion, this is chiefly what makes so many countries of the region eager to join the two institutions. Another reason is the continuous fear of its powerful neighbors. Eastern Europe was dominated throughout most of this century by Germany and Russia. While Germany was crushed in 1945 and completely changed its attitude afterwards, Russia did not. Even after the recent dismemberment of the Soviet Union, Moscow is still harboring resentments toward the West and designs over the East. This is another reason that makes Russia's neighbors look for security in an alliance with the West.

In the nutshell, the Romanian-American position is identical to the interests of the Romanian nation. It coincides with the American interests in the area. And to a certain degree, it overlaps with the position of the current government of Romania. We simply believe that (a) it is in the interest of Romania to join NATO; (b) it is in the interest of the United States; and (3) it is in the interest of Europe.

If Russia does not share this sentiment, it is because Moscow did not make a political commitment to become a normal member of the international community. In addition, from an economic point of view, Russia is far from offering any model of development capable of attracting other countries. Thus, one can bring stability to Eastern Europe either by changing Russia, or by linking Eastern Europe with the West.

#### APPROACH TO NATO ENLARGEMENT

Ideally, Russia itself should be coopted into the North Atlantic Organization, but as a culture and mentality, the Russians are not ready to join it. The Russians love their status as great power and the present generation does not appear willing to change this mentality. As a second best, NATO should bring Ukraine into its ranks. However, for the same reasons Moscow would not accept it, and Kiev does not want to challenge Russia. Consequently, if the West wishes to foster more security in this region, the best bet is to coopt as many countries as possible, and make Romania an advanced outpost of NATO.

In this light, from an American-Romanian point of view the best Western approach to any enlargement of NATO would be to bring some countries in on an individual basis if necessary, and to bring others together. If coopted together, Romania and Hungary for example, will be compelled to a more rapid mutual reconciliation, will greatly enhance the stability of the area, and will strengthen NATO position.

#### ROMANIA'S POSITION

According to several polls, almost the entire population of Romania, and most of its political parties and leaders, agree that Romania should strive to become a full member of both the European Union and the North Atlantic Organization. This will guarantee Romania's security and will consolidate its new democracy, market reforms, and economic development. And Romania is willing to join NATO as soon as possible.

Romania in turn will bring into NATO one of the largest medium-size European countries, an unshakable willingness to be part of Europe and to serve the organization, new resources and markets, and a very useful geo-strategic position at the eastern end of the continent. Romania is at the center of Eastern Europe and it borders the Black Sea, where it has one of the best port facilities of southern Europe. Romania also controls a long stretch of the Danube River, its main navigable channel, and a man-made canal linking the great river with the Black Sea. With this location, Romania makes one of the best links between Europe, southern Russia, and Asia Minor.

From an ethno-cultural point of view, the Romanians are a homogeneous nation of

about 23 million people. Except for politics, there are no internal divisions. In addition, there are over three million Romanians living in the present Republic of Moldova. When this former Romanian province will decide to reunite with the country of origin, Romania will become even a stronger NATO member.

In Romania, the only sizeable minority that occasionally expresses dissatisfaction, is the Hungarian minority of Transylvania. It is sad that historically the two nations have had a bitter relationship because visitors perceive both Hungarians and Romanians as very hospitable and very friendly, and because individually, they get along rather well with each other.

From another point of view, the Romanians have their linguistic roots in Rome, have deep cultural affinities with Western Europe, and have developed almost exclusively under the influence of the West. The Romanians also have great admiration for America and in recent decades have had high expectations from it as well.

A NEW RUSSIAN GEO-POLITICAL THEORY

Historically, Romania suffered tremendously at the hands of the Russians. The Romanian lands have been invaded twelve times by the Russians, and the last occupation of 1944 brought along the darkest era in modern Romanian history. This era ended in December 1989, but in spite of the significant changes that followed, the economic, moral, and spiritual ruin caused by the Soviet Union, by the Russians, and by communism, is still having devastating consequences.

It is this disaster and the collective memory of the nation that make even the former communists look toward the West for help and inspiration. And what continues to worry Romanians is the new Russian geo-political attitude and Moscow's stubborness with regard to the old question of Bessarabia.

The Russian heavy-handed involvement in the non-Russian republics started immediately after the break-up of the Soviet Union. This made some researchers conclude that everything was orchestrated by Moscow, which later announced a new geo-political and military doctrine, known as ''The Far Abroad'' and ''The Near Abroad.'' Once in place, even those leaders who were considered liberals and democrats subscribed to it. For example, referring to the Near Abroad, the former Russian Foreign Minister, Andrei Kozyrev, spoke of the danger of ''losing geopolitical positions that took centuries to conquer.'' And during the armed conflict in Yugoslavia, another leading Russian official made it clear that any action in the Black Sea or Danube basin required prior agreement from Moscow because these are areas of ''traditional Russian interests.'' Such aggressive statements and threats abound these days.

In spite of its new policy, for its neighbors Russia has remained the same threatening power as before. The Republic of Moldova, for example, was the victim of an internal war in 1992 and Moscow was fully behind the russian rebels in the Trans-Dnestr area. It was a reminder that a possible reunion of former Bessarabia with Romania would come at a very expensive price. Romania could not do much, and the war was not at all reassuring.

To conclude, there is a new beginning in Romania and there is a new beginning in Eastern Europe. This is the time when the United States and Western Europe can make a significant difference.

Romania and the other Eastern European countries should be integrated into the North Atlantic Organization. They should be brought back to Europe where they belong for the benefit of peace and security of the continent, and for the best interests of the United States in this part of the world.

## ALEXANNA PADILLA HEINEMANN

### HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. RICHARDSON. Mr. Speaker, it is with great respect and admiration that I honor today a fellow New Mexican, good friend and great American, Alexanna Padilla Heinemann.

Alexanna Padilla Heinemann is a fifth-generation New Mexican. Her father, Alex Padilla, now deceased, was a respected and committed Santa Fe City councilman, who was a courageous advocate for the common citizen. Alexanna is continuing in the family tradition of responding to the needs of those whose circumstances have placed their lives in harm's way. She has been especially attentive to the troubled conditions of young children by serving as a founding member, committee chairman and board member of the acclaimed Buckaroo Ball, an annual event held in Santa Fe, NM, that aids children at risk.

In its 3-year existence, the Buckaroo Ball has donated a total of $1.3 million to charitable entities. Only the 11-year-old Santa Fe Opera annual fund-raiser in Santa Fe rivals the financial success of the Buckaroo Ball. Alexanna Padilla Heinemann recently served as cochairman of this June 22 event, and a lion's share of the credit can be given to her for its success. Her leadership, combined with tireless, dedicated and skillful efforts, resulted in a $500,000 net profit. The funds will be donated to painstakingly chosen programs and agencies that provide food, clothing, shelter, protection and love to children in jeopardy.

I am including an article which was published in the Santa Fe New Mexican on June 27, 1996, in order to provide my esteemed colleagues in the House of Representatives additional information about the Buckaroo Ball.

In addition, I am sharing a July 1, 1996 commentary by Alexanna Padilla Heinemann, which was also published in the Santa Fe New Mexican. I provide it to my colleagues because it demonstrates Alexanna's unselfish spirit and altruistic philosophy toward all those who are fortunate enough to be associated with her.

I am extremely proud and grateful to know Alexanna Padilla Heinemann. I respectfully invite all of my colleagues in the House of Representatives to join me in giving tribute to this esteemed New Mexican.

NEWCOMERS, NATIVES BOTH HAVE THE SOLUTIONS

(By Alexanna Padilla Heinemann)

Santa Fe. A place of astonishing beauty and startling anger, with plenty of printed space locally and nationally, devoted to both. Stories abound about the divisions between races and classes, between native and newcomer, with almost celebratory coverage given to this purported fissure. But there is a seed of change being planted in Santa Fe and I have seen it up close and personal.

On a clear, starry night, June 22, the citizens of Santa Fe had reason to cheer. The plight of children at risk mobilized this community and a committee of 80 women volunteers to produce the third annual Buckaroo Ball. The count came in a couple of days later: the Buckaroo Ball had netted $500,000, which it would hand over to meticulously researched children's programs and agencies.

As Buckaroo Ball co-chair this year along with Elizabeth Smith, I can be proud of a committee and grateful for a community that could make it possible to pour this unprecedented amount into a cause that desperately needs it. But there is a subtle dynamic at play here, no less profound than the splashy party or abundant funding the Buckaroo Ball affords.

As a fifth-generation New Mexican with a father who was a city councilman and an uncle who designed the state license plate, my regional roots are firm. I have had my turn at a lamenting, divisive frame of mind. But those years of criticizing and complaining were fed by an erroneous notion: that newcomers are coming here to leave their cash and build their flash without giving one crumb beyond self-serving consumption. The error and harm that lie in this notion hold the potential to undo this community.

What I have seen as a founding member, committee head, board member and, finally, co-chair of the Buckaroo Ball is a vision that totally disputes that erroneous notion; one that should command the attention and inspire the reflection of the community: there are newcomers with the means and energy who, not content with simply writing a check, want to use their resources to better the community. They are searching for ways to help.

In a perfect position to guide them are the native and longtime local Santa Feans who, keyed-in to their community, can shape the incoming resources in an informed and professional manner. One may have a bed the size of a ship; the other, a desk the size of a file folder, but each have talents essential to the process. It is a waste of time for the native or newcomer to show anything but appreciation for the other's assets.

Short-term, righteous anger may satisfy. But how far can that take us in getting the job done? The surge of adrenaline may serve as a motivating force but being either the victim or the blamed leaves neither in the position to help the community.

Conversely, an idea driven by a clear understanding, appreciation, and implementation of all the resources in the community has a life of its own.

The questions then become, ''Who has a good idea?'' and ''Who has the ability to get it done?''

In one arena at least, the walls have come down and, three years later, the children of Santa Fe are over a million dollars richer for it. You don't have to have an agenda, you simply have to love children and feel that gnawing sickness in your gut when you encounter a little one who doesn't have enough: enough food, or safety or love.

You don't have to be either rich or have roots embedded in this dusty soil, to make a big difference in this town. You simply have to be a clever funnel of talent, energy, and resources. The more ideas brought to the pot, the better.

Think of the children who might have lost these benefits had we not chosen to keep our eyes open to possibilities.

BUCKAROO BALL NETS $500,000 FOR CHARITY

(By Hollis Walker)

For the third year in a row, the 80 women who put on the Buckaroo Ball proved they could do a better job than they predicted.

Preliminary accounting shows last Saturday's ball, a three-year old charity benefiting Santa Fe County children, netted about $500,000 — $200,000 more than the Buckaroo Ball Committee pledged to raise.

After this year's contributions are made, the ball will have donated nearly $1.3 million to charities.

Buckaroo Ball co-chair Alexanna Padilla Heinemann said she could not credit any single aspect of the multi-faceted fund-raising effort for the increased success this year.

''But this party had a particularly good feeling about it,'' she said. ''Everybody's spirits were so high; Pam Tillis was an incredibly energetic performer; the tent decorations, which only cost $500, looked great.

''And it even rained for us, just before the party,'' she said. ''It was perfectly cool and wonderful.''

Regular sales of 1,000 tickets to the event (at $200 apiece and up for sponsors) raise only about $70,000, she said. Private and corporate donors contribute the rest.

This year's largest single donor was Ron and Susie Dubin, a Connecticut couple who have a home in Santa Fe. The Dubins contributed $25,000 toward the entertainers' fees, Heinemann said.

The only other fund-raiser in Santa Fe that rivals the financial success of the Buckaroo Ball is the 11-year-old Santa Fe Opera gala weekend, which begins tonight with its annual ball at Eldorado Hotel. The gala weekend raises at least $500,000 a year for the opera's apprentice program.

Heinemann said the Buckaroo Ball committee soon will begin conducting its usual research to develop its list of charities to which it will contribute next year. That research also will be used to determine to which charities the extra $200,000 raised at this year's ball will be donated, she said. Decisions will be made by late August.

Charity projects already slated to receive money from the proceeds of this year's ball are:

The renovation of the Teen Center at the Santa Fe Boys & Girls Club;

A salary for an adult leader for an after-school program offered by Girls Inc.;

Children's educational opportunities and pediatric dental equipment for La Familia Medical/Dental Center, which serves primarily low-income families;

The expansion of grief support and counseling for youth in 10 Santa Fe County elementary schools offered by the Life Center for Youth and Adults;

And a program to identify and treat children and teen-agers with eating disorders coordinated by Women's Health Services.

## COMMUNIST CHINA DOES NOT BELONG IN THE CIVILIZED CLUB OF NATIONS

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. SOLOMON. Mr. Speaker, I would like to insert in the RECORD an article by Jessica Mathews from the Washington Post of July 22 entitled ''Beijing Pulls a Fast One.'' The article describes an act of duplicity that is remarkable even against the low standards of behavior for which the Communist dictatorship in Beijing is notorious.

According to the article, the Communist Chinese Government pressured the IMF to include a Chinese national working at the Fund, Hong Yang, on a delegation to Beijing. Just after arriving, Hong Yang was whisked off by Communist Chinese authorities and tried and convicted on possibly trumped up bribery charges.

Whether or not Hong Yang was guilty, Beijing, as Ms. Matthews puts it ''abused the mutual trust among members and institution that an international organization needs in order to operate.''

Which leads me to ask, Mr. Speaker, why is this totalitarian regime in the IMF at all? And why are we seriously considering letting them into the WTO and the G–7? And why is the rest of the world, led by the United States, loaning this tyrannical government over $4 billion a year? Are there any standards whatsoever for inclusion in these groups other than economic ones?

I say there must be. When considering Communist China's admission to the WTO and G–7, when considering the next Export-Import Bank guarantee, and when considering the next international loan to this regime, we must remember who we are really dealing with. We must remember the intimidation of Taiwan. We must remember the drive for regional military hegemony. We must remember the countless examples of irresponsible and dangerous weapons proliferation. We must remember the piracy of American intellectual property.

And we must remember, as this article displays yet again, the fundamentally duplicitous, dictatorial and abusive nature of this regime.

BEIJING PULLS A FAST ONE

(By Jessica Mathews)

The case of Hong Yang and the International Monetary Fund casts a harsh light on China's attitude toward the community of nations and the leading role therein that it believes it deserves. The incident should influence international strategy to engage the Asian giant.

Hong worked at China's central bank when he was recommended for a one-year training stint at the IMF. Late last year the Chinese government ''pressured'' (the IMF's word) the fund to include him on a delegation for an annual discussion of China's economic policies in Beijing.

Normally, the IMF does not include citizens of the country being visited on such a delegation. Moreover, Hong was far too junior for such a role. However, the fund acquiesced. Shortly after the group arrived in Beijing Hong disappeared, arrested on a charge of having taken a bribe while at the central bank. In March he was tried and after a highly unusual six-week delay, he was sentenced to 11 years in prison late last month.

The next day, several hundred staff members held a silent vigil at the IMF's Washington headquarters demanding a stiffer response from the fund. The staff association issued a press release decrying China for having ''violated the standard of conduct'' expected of IMF members and calling on it to ''void the decision'' against Hong.

The IMF had, in fact, been practicing active, though extremely quiet, diplomacy. It had retained a lawyer for Hong and had extended his contract so that he remained its employee. The long delay before sentencing and the prison term instead of execution—a frequent outcome in such cases—may have been the result of its protests.

Sources at the fund and its sister institution, the World Bank, and at the State Department now suggest—though not explicitly and never for attribution—that Hong was guilty. If so, it is hard to explain why he would have willingly returned to Beijing when he and his family were safely in Washington.

His guilt or innocence may never be known and are, in any case, beside the point. What is clear is that China framed the IMF. It is not merely individual nations—even the likes of the United States and Germany—that Beijing feels it can deal with on its own terms. China has shown itself ready to violate commitments under international agreements from the missile control regime and the nonproliferation treaty to promises to halt the piracy of intellectual property. At the World Bank China is borrowing so much that leverage has shifted from lender to borrower. Until now, though, no country—including the confirmed outlaws—had dared mess with the IMF.

Whether the fund should have smelled something fishy and refused to include Hong on the delegation, or whether it could have done more after the arrest, are matters for Monday morning quarterbacks. What nothing can disguise is the red mark on the institution's face from the stinging—and seemingly gratuitous—slap Beijing has dealt it. Why not, after all, wait until Hong returned from his IMF service to arrest him?

Beijing may have done nothing illegal in duping the fund, but it certainly abused the mutual trust among members and institution that an international organization needs in order to operate. Evidently, China believes that its size and economic clout entitle it to its own rules of behavior.

The next steps up the ladder of international status for China are membership in the World Trade Organization and initiation into the G–7, the club of world economic powers. China still has a long way to go to meet even the clearly defined economic criteria for WTO membership. The Hong case adds to already substantial doubts that China will abide by what it agrees to.

The episode also suggests that recent proposals to include Beijing in an expanded G–7 are premature. The G–7 concept linking economic power and democratic principles may be elastic enough to include uncertain and lightly imperfect democracies, but it cannot stretch far enough to encompass a country openly disdainful of international comity without breaking.

Businesses, too, have to consider the implications. If an international employee—carrying a United Nations laissez-passer, though not diplomatic immunity—can be snatched, the same could certainly happen to a foreign investor's employee.

One of the most curious aspects of the Hong story is the lack of attention it has received. China experts and human rights activists are puzzled by how little they have been able to discover. The IMF is known to be a tight-lipped institution, but in today's world few secrets can be kept this well. As the case unfolds, one of the questions to be explored is whether this one should have been kept under such close wraps.

Did the IMF ask national governments, which share an interest in the integrity of international institutions, to press Beijing? Did it ask other international organizations? Would the pressure of public opinion have helped or hurt Hong? How should a similar incident be handled in the future?

There is, finally, a message here for those who principally blame the United States for the many recent difficulties in the U.S.-Chinese relationship. There is a pattern of behavior emerging for which responsibility rests in Beijing. Demonizing China will gain the United States nothing. Neither will blinking at facts.

## EXTENDING MOST-FAVORED-NATION STATUS TO ROMANIA

SPEECH OF

### HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 16, 1996*

Mr. SMITH of New Jersey. Mr. Speaker, I rise in opposition to the House voting to extend permanently MFN for Romania, H.R. 3161. Romania has just completed, after three rounds, its election of local officials throughout the country, and national elections are now set for early November. I strongly believe that the House should consider the legislation before us only after Romania's national elections.

There are a number of issues, from freedom of the media and rights of the minorities to democratic reform, which remain unresolved. Romania enjoys all the benefits of MFN under the current semiannual review process, and granting permanent MFN now will remove this important review of these remaining issues of concern and the conduct of the upcoming elections. Mr. Speaker, we all know that within a democratic system, the political will to address outstanding problems is always greater during an election season. Let the 105th Congress consider this issue after Romania's national elections.

The current MFN review process has served as a helpful opportunity to gauge Romania's democratic reform and their respect for human rights. Freedom of the media, for example, continues to be a concern. Under Romanian law, individuals who are convicted of insulting or defaming public officials can be subjected to prison terms. The Romanian Senate recently passed legislation which would increase these criminal penalties if the insults are committed in the written or audiovisual press. This type of potential liability, in my opinion, has a chilling effect on the media.

Mr. Speaker, the Government of Romania should ensure absolutely the freedom of the media—at all times—but particularly during the heat of election campaigns. Unfavorable commentary by the media regarding government officials should not be viewed as a threat to national security and result in calls for restrictions on those who dare to criticize. I was dismayed by the reaction of the chairman of the ruling party in Romania to critical news reports filed by the local BBC correspondent during the recent local election campaign. Chairman Adrian Nastase, who is also President of the Romanian Chamber of Deputies, attacked the BBC for its critical reporting and called on the national licensing agency to review that respected international news organization's right to rebroadcast on local Romanian radio stations.

Minority rights continue to be of concern. Ethnic minorities face certain restrictions to their receiving, at the higher levels in particular, instruction in their native language, and a law was passed which now limits the taking of college entrance exams solely in Romanian. This law was not implemented this year but the law remains on the books. And official obstacles remain which prevent the restoration of the Hungarian university in Cluj.

Human rights are best protected by governments which must answer to their electorate. As with any fledgling democracy, the campaign season for the just completed local elections and the conduct of the national elections in the fall are particularly important tests for Romania's commitment to freedom of the press, their conduct of orderly, free, and fair elections, and their provision for domestic observers for the national elections. Reports from objective election observers clearly indicate that the conduct of the local elections did not allay the potential problems which had been raised by NGO's. The most serious concerns included widespread, gross inaccuracy of the voter lists; significant logistical problems which arise when campaign periods are truncated; and uneven interpretation of the election law by local officials with no central election bureau to serve as arbiter, which contributed to inconsistencies around the country and even a lack of trust in the system.

In my view, Mr. Speaker, projecting a vote in the U.S. Congress on the political landscape of Romania would certainly be seen as a congressional judgment on Romania's current political leaders. The vote tallies of the recently held local elections indicate strong, grassroots support for the opposition parties. In fact, the ruling Party of Social Democracy in Romania and the opposition Democratic Convention of Romania [CDR] received about equal percentages of the vote in the mayors' races. The CDR and other opposition parties, including representatives of the Hungarian minority, significantly out-polled the ruling party in country, city, and mayoral races in many regions. Mr. Speaker, this is a political environment in which every issue, especially closely watched foreign policy issues such as Romania's MFN status with the United States, affects the voters' perception of the effectiveness of the ruling party.

Mr. Speaker, there are a number of areas in which the Romanian Government could take timely and constructive steps to ensure that the national elections are conducted in a way which garners confidence in the electoral process. I hope and expect that the Government of Romania will make every effort to ensure that the national elections in November are conducted on the basis of up-to-date, accurate voting lists in each locality, backed up by consistent and uniform interpretation of the election law by local officials. In my view, the establishment of a permanent, professional election bureau would ensure such consistency and accuracy, and go a long way toward enhancing voter confidence in the system.

Finally, it is unclear at this time whether domestic election observers will be permitted at the polling stations in November. A one-time provision for local observers was made during the 1992 national elections, however this authorization has not been renewed. Mr. Speaker, in my view domestic as well as international observers are crucial to ensuring the conduct of free and fair elections. Domestic observers play a positive role in enhancing public confidence in the electoral process and the experience of election monitoring gives ordinary Romanian citizens an opportunity to develop skills and experience applicable to other aspects of democratic citizenship.

I am hopeful and expectant that Romania's next leaders will be chosen through elections which will be free, fair and representative, and that the protection of human rights will continue to improve under the newly elected government. I urge my colleagues to vote against H.R. 3161 today. The people of Romania have had the benefits of MFN since 1992. Making the judgement about the transition to permanent status should be undertaken only after these critical elections are completed in November.

## CABLE'S COMMITMENT TO EDUCATION

### HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GINGRICH. I would like to applaud a recently announced initiative by the cable industry to bring Internet access to schools free of charge. When students can use state-of-the-art technology, they are equipped for bright futures:

CABLE'S ON-GOING COMMITMENT TO EDUCATION

The cable industry has a long-standing, ongoing commitment to use its state-of-the-art technology and quality programming to provide enhanced learning resources for America's students. Cable's High Speed Education Connection is the latest contribution. This initiative builds on the foundation established by the industry's education centerpiece, Cable in the Classroom, and continues to demonstrate how cable technology expands our children's educational opportunities with capabilities unmatched by any other telecommunications provider or technology. The industry's commitment manifests itself in a number of programs and initiatives, including:

CABLE IN THE CLASSROOM

Since 1989, Cable in the Classroom has been the foundation of the cable industry's educational commitment. Cable systems and program networks collectively have spent over $420 million on Cable in the Classroom, a program that benefits students by connecting schools to cable's network, free of charge, and donating other technology, commercial-free programming and curriculum materials. Involving 8,400 cable systems and 32 national cable networks, Cable in the Classroom currently reaches over 38 million students in more than 74,000 schools with over 6,000 hours of commercial-free, educational programming every year—at no cost to schools.

THE FAMILY & COMMUNITY CRITICAL VIEWING PROJECT

The Family & Community Critical Viewing Project is a partnership of the National PTA and the cable industry that provides parents, teachers and children with critical viewing skills to evaluate and analyze what they see on TV. The project is designed to help families make better, more informed choices of the TV shows they watch. Launched in 1994, Critical Viewing Workshops offer parents and teachers concrete steps to control the effects of TV violence and commercialism on young people. To date, more than 1,500 cable & PTA partners have been trained, over 1,000 workshops have been presented nationwide, and more than 75,000 copies of ''How to Take Charge of Your TV,'' a critical viewing resource guide, have been distributed.

CABLE IN FOCUS

Cable in Focus teams cable operators with cable networks to conduct a series of educational screening events each year, promoting high-quality, original cable programming selected according to a theme (e.g. literacy, the environment, diversity). In the past year alone, more than 400 cable systems

have hosted over 800 screenings, providing students with an opportunity to view the abundance of high-quality, educational programming exclusive to cable TV and to engage in interactive group discussions on the various issues addressed by the programming.

DISTANCE LEARNING

Cable's state-of-the-art technology has also provided additional learning opportunities for at-home students, with cable systems across the country delivering instruction and learning opportunities directly to the home from leading universities and other continuing education providers. Distance learning, too, has grown with cable's advanced technology, now featuring virtual ''electronic field trips,'' with students interacting via satellite and over the Internet in real-time to visit and learn with experts in the field from the Berlin Wall, to the rain forests of Costa Rica, the plains of Kenya, and many more.

## TRIBUTE TO OFFICER TODD SHELTON

### HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to the actions of a brave police Officer. Recently, Officer Todd Shelton's quick thinking and cool judgement are responsible for saving the life of a potential drowning victim.

On June 23, 1996 in the Village of Put-In-Bay, OH, Officer Shelton observed a man stumbling on a municipal dock off Lake Erie. The man fell in the water and became trapped beneath a boat. Quickly running to the scene, Officer Shelton located the victim and jumped in after him. By going beneath the water, the officer was able to grab the victim's shirt, free him, and bring him to the surface for air. After making sure he was breathing, Officer Shelton pulled him from the water and summoned medics to treat numerous cuts and abrasions on the victim. Had Officer Shelton not responded in the manner he did, the victim would have assuredly drowned.

Mr. Speaker, Officer Shelton's actions represent the courageous decisions made everyday by police officers all across Ohio and America. These dedicated personnel continue to exemplify the good characteristics in society and are tremendous role models for our children. By risking his own life, Officer Shelton was able to save another. Too often, we forget the awesome responsibilities we ask our safety personnel, whether it is firemen, police, or Coast Guard, to undertake. Safe and responsible behavior is not just important in protecting ourselves but also those whose profession is to serve and protect.

I ask my colleagues to join me in commending Officer Todd Shelton on his good work and encourage him to continue to serve his community with such dedication.

## MURRAY AND BEATRICE SAFRAN HONORED

### HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. ENGEL. Mr. Speaker, Murray and Beatrice Safran are a living affirmation of the institution of marriage. It was 50 years ago, on February 17, 1946, that they were married. They had five children and have contributed to their community and their country with pride and distinction.

Murray served in the U.S. Army from 1942–46 after which he was a guidance counselor and social studies teacher and United Federation of Teachers chapter chairman. He was also active in the Jewish War Veterans. In 1994, he was named Man of the Year by the Association of Americans and Canadians in Israel. Beatrice served as cochairperson of the Association for Help of Retarded Children, as secretary to the president of Hebrew University and involved herself in politics as a member of the Reform Democratic Club.

I want to congratulate Murray and Beatrice on their 50 years of marriage and their children, Judith, Hal, Aron, Sari, and Debra.

## CASEWORK

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 24, 1996, into the CONGRESSIONAL RECORD:

HELPING HOOSIERS WITH CASEWORK

A large part of my work involves helping Hoosiers who are caught up in federal red tape or who feel lost in trying to deal with the government bureaucracy. Although not the kind of thing that gets a lot of public attention, working daily to help individual Hoosiers is one of my most important roles as a Member of Congress.

BACKGROUND

Individuals contact my office looking for a wide range of assistance. Sometimes it is an older person whose Medicare claim was incorrectly denied, a farmer who needs help with a government loan, a family that has not received its tax refund, or someone travelling abroad who needs an emergency passport. Other times it could be someone with a specific question, but just doesn't know where to go or whom to contact.

The variety of individual casework can be enormous. In recent weeks I have worked on everything from getting stalled benefit checks started for recent retirees to helping needy people get into affordable housing to getting assistance for dislocated defense workers. My most frequent contacts are to Medicare, Social Security, Veterans Affairs, the military, and the IRS. Sometimes I contact state agencies, for example, when helping a local family receive child support from a father who has left the state.

Many of my efforts also involve helping local businesses. I recently assisted a local doctor who couldn't get payment from Medicare for services he provided in 1992, a medical center whose reimbursement for care was being held up because the federal agency was misreading the regulations, and businesses prevented by bureaucratic roadblocks from getting start-up funds and needed permits to be able to sell their products. At times I may even need to contact foreign governments, recently helping a local company receive payments for business it did with India.

My office also assist 9th District communities in a variety of ways—from getting assistance for communities damaged by natural disasters to cutting through red tape in redevelopment of closed military bases, such as Jefferson Proving Ground. Often communities have applied for federal grants, which my office can help move along. For example, I helped a local community get a small business revolving loan fund that a federal agency incorrectly thought should be taken away, and recently stepped in when a government agency simply lost a local application for community development assistance. Since the beginning of last year I have supported more than 100 projects bringing in over $62 million to the District. My office frequently checks with local government officials, asking if they are experiencing difficulties with Washington.

THE PROCESS

Requests for casework come by letter, phone, and personal contracts. After someone signs a consent form allowing me to review their file and contact a federal agency on their behalf, my office will then contact the relevant agency to ask that the constituent's problems be given full, prompt, and fair considerations. After the agency has acted on the request, the constituent is informed about the outcome. Most of the casework my office handles is resolved favorably, but if a particular case is not, the constituent is usually given information about appeal rights or any alternative opportunities for assistance.

Each week my office receives some 80 new requests for help. Some may be resolved quickly, while others involving benefit claims can take longer. At any one time my office may have up to 400 cases pending with federal agencies and departments.

LIMITATIONS

Various limitations are placed on what Members of Congress can do on behalf of constituents. Federal law prohibits Members from accepting compensation for government services, and there are restrictions on contacts in formal agency proceedings that resemble court proceedings. But Members can contact agencies and departments about normal regulatory proceedings, such as when a department issues regulations on a new law. On typical contacts by Members on behalf of their constituents, federal law and the courts have generally granted Members broad leeway, based in large part on the view that allowing Congress to communicate as freely as possible is essential to oversight of the unelected bureaucracy.

Congressional ethics guidelines recommend that Members not exert ''undue influence'' upon an agency through threats or promises of rewards. But arguing a matter on the merits, expressing an opinion on an agency matter, or asking for reconsideration of a past decision all have been considered permissible conduct by Members.

My view is that Members should not be trying to secure benefits for their constituents that they don't deserve. The main emphasis should be on providing information and facilitating communication between constituents and the bureaucracy. Constituents should receive exactly what they deserve under law—no more and no less.

IMPORTANCE

Casework is important, first, because people need help dealing with the large government bureaucracy. The ways the government

affects citizens—both favorably and unfavorably—are numerous. Many of the cases brought to my attention are severe. Casework is crucial because it addresses the real needs of people.

Second, members of the bureaucracy can make mistakes. A few years ago, for example, I helped an older man who needed kidney dialysis, but whose Medicare coverage was being cut off because the Social Security Administration thought he was dead. Casework helps reduce the frustration people feel toward what appears to be a massive, impersonal government.

Third, constituent service often alerts Congress to limitations in a law. For instance, farmer contacts about crop insurance regulations led to my pushing a measure which changed the law to allow individual waivers. Many programs, ranging from veterans benefits to regulatory policy, have been amended by Congress because of problems first brought to our attention by constituents asking for help.

CONCLUSION

Constituent service can be tough work for Members of Congress, and an unrelenting demand on our time. But in many ways casework is one of the most rewarding parts of the job. Passing legislation often requires difficult compromise and can take years. With casework, Members can see the impact of their work on the daily lives of individual citizens. Nothing gives more satisfaction than to see that my efforts made a difference and improved the quality of life for a constituent.

## TRIBUTE TO A LEGACY OF EXCELLENCE

### HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. DURBIN. Mr. Speaker, I rise today to recognize the Centralia High School Boys Basketball Program's legacy of excellence. For over 80 years, this program, from the 20th congressional district, has been a dominant force within the great tradition of Illinois high school basketball. The hard work, determination, and commitment to excellence of past and present players and coaches has led to the Centralia High School Boys Basketball Program being named the United States all-time winningest boys basketball program.

The National Federation of High School Associations recognized this national title in its National High School Sports Record Book. According to the 1996 edition, the Centralia Orphans amassed a record of 1,760 wins to 755 losses from 1908 to 1995. This athletic achievement is testament to the program's dedication to excellence that has made the Centralia High School Boys Basketball Program an outstanding success.

I ask my colleagues to join me in a salute to all of the Orphan players, coaches, supporters, and parents who worked to achieve this extraordinary accomplishment.

## TRIBUTE TO SELMA JEAN COHEN

### HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. CARDIN. Mr. Speaker, I rise today to pay tribute to the life of Selma Jean Cohen, a Baltimorean who recently died after dedicating much of her life to helping others.

Mrs. Cohen, who died July 2 at the age of 75, was born in an era that did not encourage women to develop all their talents. But that did not stop her from marching to her own drummer and taking on new challenges. As a mother, wife, volunteer and professional woman, she found innumerable ways throughout her life to make a difference in her community and in the lives of hundreds of families she befriended in times of need.

In her early years of raising her two sons, Ellis and Jerome, Mrs. Cohen was a PTA president, a Cub Scout den mother and the president of the sisterhood at her synagogue. After her sons were grown, Mrs. Cohen began a career at the State department of health and mental hygiene where she became the director of nursing home bed registry, a position she held for 25 of her 34 years with the department.

But her work with the State was just part of her dedication to helping others. Mrs. Cohen and her husband, Leonard, whom she met at a Benny Goodman dance in 1940, have been weekend volunteers at the Ronald McDonald House in Baltimore for the past 10 years. In their work at the Ronald McDonald House, they comforted out-of-town families with very sick children at Baltimore area hospitals and made these families feel at home. She and Leonard also found time to do hospice work at Levindale Hebrew Geriatric Center and Hospital and help sick children at the Mount Washington Pediatric Hospital.

I urge my colleagues to join me in extending our condolences to the family of Selma Jean Cohen. Her cheer and energy will be missed by all who knew her and by all of us who believe that one person can make a difference.

## THANK YOU, RISDEN WALL, FOR YOUR LOYAL SERVICE

### HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. FIELDS of Texas. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff—and because of the genuine friendship I feel for each of them. They have served the men and women of Texas' 8th Congressional District in an extraordinary way.

Today, I want to thank one member of my staff—Risden Wall, a legislative assistant who is serving a congressional fellowship through the Brookings Institution. Risden is a senior special agent with the U.S. Customs Service who began his congressional fellowship in my office in January 1995.

Risden, a native of Ridgeland, SC, earned an associate degree from Brewton Parker Junior College in 1966, and received his bachelors degree from Florida State University in 1970. From 1967 to 1969, he served in the U.S. Army as an airborne combat infantryman with the 82nd Airborne Division at Fort Bragg, NC, and as a rifleman/radio transmitting operator with the 173rd Airborne Brigade in the Republic of Vietnam.

After leaving the Army and obtaining his college degree, Risden went to work for the U.S. Customs Service in Miami, where he served as a ''sky marshall,'' charged with deterring possible skyjacketings of domestic and international commercial flights. Soon thereafter, Risden served as a special agent in the Customs Service's Miami office—working to prevent narcotics smuggling, money laundering, fraud and other criminal activities. He served in that position for 12 years before moving to Washington to become a senior special agent at Customs Service headquarters, where he worked on financial investigations and undercover operations.

In 1986, Risden was asked to represent the Customs Service on the National Drug Enforcement Policy Board. On the board, he helped establish strategic priorities for all federal anti-narcotics activities. From 1986 to 1991, he served as the Customs Service's representative to the U.S. National Central Bureau of INTERPOL, coordinating investigative activities between 160 member countries, 20,000 federal, state and local law enforcement agencies, the Justice Department and other authorities within the executive branch.

Prior to his fellowship, Risden served as the Customs Service's Northeast Area program manager. As such, he was responsible for overseeing all Customs Service investigations in the northeastern United States.

As a member of my staff, Risden has worked on banking, housing, veterans affairs, international relations, military affairs and judiciary issues—keeping me abreast of legislative developments in each of these areas and responding to constituent inquiries.

Risden is one of those hard-working men and women who make all of us in this institution look better than we deserve. I know he has done that for me, and I appreciate this opportunity to publicly thank him for the dedication, loyalty and professionalism he has exhibited throughout his tenure in my office.

Risden's future plans after I retire are as yet uncertain, but knowing him as well as I do, I am confident that the skills and professionalism he has demonstrated in my office will lead to continued success in the future.

Mr. Speaker, I know you join with me in saying ''Thank you'' to Risden Wall for his loyal service to me, to the men and women of Texas' 8th Congressional District, and to this great institution. And I know you join with me in wishing him and his lovely wife, Georgene, the very best in the future.

## AWARDS PRESENTED TO OUTSTANDING HIGH SCHOOL SENIORS

### HON. STEVEN SCHIFF

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. SCHIFF. Mr. Speaker, I rise today to honor the following graduating high school students from the First Congressional District of New Mexico who have been awarded the Congressional Certificate of Merit:

CERTIFICATE OF MERIT AWARD WINNERS 1996

Albuquerque Evening High School, Vera Lujan; Albuquerque High School, Monica Becerra; Bernalillo High School, Lance Darnell; Cibola High School, Jessica Shaw;

Del Norte High School, Kathryn Gruchalla; Eldorado High School, Karli Massey, Matt Kaiser; Estancia High School, Wayne Davidson; Evangel Christian Academy, Jonathon E. Rael; Highland High School, Kelly Shannon McCormick; La Cueva High School, Tracy Carpenter; Los Lunas High School; Nicole J. Nagy; Menaul High School, Adam Cherry; Mountainair High School, Jessica Quintana; Rio Grande High School, Robert G. Coleman; Sandia High School; Krista Madril; Sandia Preparatory School, Anne Elizabeth Mannal; St. Pius X High School, Autumn Nicole Grady, Laura C. Miner; Valley High School, Matthew Tennison; West Mesa High School, Shane Gutierrez.

It is my pleasure to recognize these outstanding students for their academic and leadership accomplishments as well as for their participation in school, community service, and civic activities.

## GOOD THINGS COME IN SMALL BUSINESS

### HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. THOMAS. Mr. Speaker, there is nothing small about small business. In my district alone, small businesses (under 500 employees) account for the vast majority of the total local business establishments. Nationwide, over 21 million small businesses employ more than half of the private work force. The irony is that while small business provides such major benefits to the community, it is the target of the Government's wrath in terms of taxation and regulation.

Time and time again, this vital part of our economy is forced to bear the brunt of higher and new taxes. Small businesses faced the highest tax increase in American history in 1993. Statistics show that 70 percent of those affected by the 1993 tax rate increase were small businesses. Under this type of capital constraint, small businesses can be forced to downsize. Self-employed small business owners have an additional burden as they have not been able to deduct more than 30 percent for health care costs. Small businesses can even be blocked from growing by their inability to get accurate information on ways to comply with laws and regulations.

This Congress is moving to encourage small business. With the passage of the Small Business Job Protection Act, H.R. 3448, in both the House and Senate and health insurance reform (conference pending), H.R. 3103, small businesses can look forward to benefitting from a reduction in taxes through an increase both in their expense limit and their allowable health insurance deduction. The bill also simplifies pension law, making it easier for small businesses to adopt retirement savings programs.

Regulations serve as another impasse for growth in small business. 94 percent of small businesses lack knowledge of current regulations. This apparent ignorance is not the result of stupidity, but rather a constantly changing set of standards expressed frequently in confusing, technical language. This creates involuntary noncompliance on the part of the employer. Now, if an employer is found in violation of this regulation, he or she faces the prospect of fines and ultimately corporate shutdown.

As a cosponsor of the Small Business Regulatory Relief Act, H.R. 3798, I recognize that my constituents cannot be in the dark about regulations that they are required to follow. Nor can they be expected to interpret the language of the mandate without any assistance from those who have direct knowledge of the intentions of the regulations. This act will reappropriate a negligible portion of the EPA, IRS, and OSHA budgets to Small Business Development Centers for purposes of offering counselling services to businesses regarding regulation compliance. In supporting this bill, I am optimistic that small business both in my district and elsewhere will be better equipped to comply in a cost-effective manner with the regulations of today and the future.

Promoting incentives in small business growth is not just a district or a State issue, it is a national issue that demands our attention in order to ensure the stability of our economy. Small business deserves big recognition. It is time that our small image of this industry changes so that it reflects the huge rewards it bestows on our communities. Only then can we truly reap the full benefits of what is contained in small business.

## MEMORIALIZE THE DEATHS OF ISRAELI ATHLETES

### HON. MICHAEL R. McNULTY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. McNULTY. Mr. Speaker, in 1972, 11 Israeli athletes, who came to Munich to participate in the Olympic games, were ruthlessly shot down by terrorists—as a stunned world looked on in horror.

This despicable act was perpetrated against athletes who had come to Munich in the spirit of peace and brotherhood. They were returned to Israel in coffins.

And yet, the International Olympic Committee refuses to officially recognize these 11 victims, claiming that this would be a political act—and that the Olympics are for the living, not for the dead. What on outrageous statement. It is so out of keeping with Olympic principles.

I call upon the International Olympic Committee to reconsider its position and devote at least 1 minute to memorialize the deaths of these 11 athletes.

## PERSONAL EXPLANATION

### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. FAZIO of California. Mr. Speaker, on July 22 and 23, I was in my congressional district working with President Clinton on issues related to local economic development at McClellan Air Force Base. As a result, I missed the following recorded votes. Had I been present, I would have voted accordingly.

| *Rollcall No.* | *Vote* |
|---|---|
| 345 | no |
| 344 | yes |
| 343 | yes |
| 342 | no |
| 341 | yes |
| 340 | yes |
| 339 | yes |
| 338 | yes |
| 337 | yes |
| 336 | yes |
| 335 | yes |
| 334 | yes |
| 333 | no |
| 332 | yes |

## NATIONAL COUNCIL OF NEGRO WOMEN CO-OP CITY SECTION

### HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. ENGEL. Mr. Speaker, for 25 years the National Council of Negro Women, Co-op City section, has been serving the community in numerous ways, giving to the area programs which will make Co-op City better for generations to come. This marvelous group of people has established the Saturday tutorial to give individualized instruction in reading and math for grades 2–12. It also established a youth group for young ladies, teaching them pride, leadership, responsibility, and community participation; the Community Concerns Committee, in which members visit shut-ins or nursing homes in the community; and the annual brotherhood program to recognize an outstanding individual, family, and a youth in the community. This is a wonderful organization which continues to contribute so much to the community. I am proud to have them as neighbors.

## CREATING JOBS

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 17, 1996, into the CONGRESSIONAL RECORD.

CREATING JOB OPPORTUNITIES IN INDIANA

Hoosiers often ask about the availability of good-paying jobs in Indiana. They believe the economy in Indiana is performing better and more jobs are being created, but continue to worry about the long-term prospects for growth.

I share their concerns, and have given a high priority to supporting job creation efforts in southern Indiana. I have taken a leading role in support of several key highway and water projects in the 9th District which will encourage long-term growth, and have led efforts to find productive reuses of closed military bases in and around the District.

HIGHWAY AND WATER PROJECTS

Investment in our infrastructure is vital to maintaining the high quality of life Americans have come to expect. Since last year I have supported over 100 projects, including improving roads and sewer and water systems, in our 21 counties, bringing in over $62 million.

I–265 BRIDGE

I have taken the lead in seeking congressional funding for an I–265 bridge across the

Ohio River. My preference is for an eastern bridge which completes the I–265 beltway. Such a route would promote job creation in southern Indiana and relieve highway congestion in the greater Louisville area. Congress, with my support, approved in 1994 $500,000 for the project, which is now funding a study, to be completed this November, on a possible bridge location. Also, Governor Bayh, at my urging, recently committed $1 million for an environmental impact statement (EIS). The EIS will follow the location study, and is a necessary step, under federal law, before construction can begin on the project. It will investigate the project's effect on the natural, economic and social environments of the area and provide a cost-benefit analysis of the project.

US 231 HIGHWAY

I have also led efforts to upgrade US 231 in Spencer County to a four-lane highway. Governor Bayh, at my request, recently committed $500,000 to conduct an EIS, starting this fall, on the highway project. A four-lane highway will greatly improve the current transportation network in this region, linking I–64 in Indiana to the Natcher Bridge, Owensboro and the Kentucky parkway system in the south. It will also encourage economic development in Spencer, Dubois and Perry Counties.

FLOOD PROTECTION

Heavy rains this year highlight the need for effective flood protection, particularly along the Ohio River, to secure homes, businesses, and public infrastructure in the region. A House committee, at my request, has provided $2.8 million to repair six Ohio River flood protection projects built by the Corps of Engineers from 1943 to 1954 and operated and maintained by the cities of Lawrenceburg, Jeffersonville-Clarksville, New Albany, Cannelton, Tell City, and Evansville. The full House will soon consider the measure.

OHIO RIVER GREENWAY

The greenway will connect the waterfronts in Jeffersonville, Clarksville, and New Albany, and provide residents and visitors with better access to this scenic riverfront corridor and its various attractions, including the Falls of the Ohio National Wildlife Conservation Area, the Louisville skyline, and the historic districts along the riverfront. Congress, at my request, has approved funding over the last few years for initial planning and design work on the project. A House committee is considering a bill to authorize construction of the greenway.

REDEVELOPMENT AT CLOSING BASES

Indiana has been hard hit by the four rounds of military base closings. Four major bases have been closed, including the Jefferson Proving Ground (JPG) in Madison; one, the Indiana Army Ammunition Plant (INAAP), has been inactivated; and another, the Naval Ordnance Station, Louisville (NOSL), which employs several hundred Indiana residents, is being privatized. These closures have had a significant impact on communities throughout the state. My efforts have focused on promoting commercial uses at these installations.

JEFFERSON PROVING GROUND

The Army formally closed JPG last year, and efforts are under way to find productive uses for the 55,000 acre property. A local businessman won an open competition to acquire the 3,400-acre cantonment area, the built-up area south of the firing line. He is now farming the open land and marketing the buildings. An additional 230 acres have been set aside for a county park. The acreage north of the firing line has significant contamination problems. The Army estimates that over 1 million rounds of unexploded ordnance litter the firing range, significantly limiting possible reuses of the property. It appears likely that most of the property will remain wilderness, with perhaps some limited access, in time, to the Old Timbers Lodge and other specific areas, and that the Indiana Air Guard will continue to run training flights into the range.

INDIANA ARMY AMMUNITION PLANT

The Army inactivated the ammo plant in Charlestown in October 1992, but chose not to sell the installation because it wants to be able to reactivate the black powder plant at the facility in the event of a national emergency. The key now is finding productive uses for other portions of the facility. ICI, the plant contractor, has contracted with the Army to use the resources at the installation for commercial development, and has succeeded in attracting 62 businesses, employing over 600 people, to the plant. ICI is now working to locate larger tenants to the property. I have taken the lead in establishing a 2000-acre state park at the far eastern end of the installation. The new Charlestown Park, to be opened later this year, will be an outstanding addition to the state park system, along a scenic stretch of the Ohio River.

NAVAL ORDNANCE STATION, LOUISVILLE

The Base Closure and Realignment Commission voted last year to close NOSL, but gave the Navy the option of privatizing the installation rather than relocating the activities to other facilities. I opposed the decision to close, but now that the decision has been made, have been working to keep good-paying jobs in the greater Louisville area. Under the current plan, two contractors will perform Navy work on site and hire most of the current workforce by mid-August.

CONCLUSION

We have had some setbacks with the recent base closings, but are making progress on redevelopment of these properties. We are also making headway on key infrastructure projects, such as the I–265 bridge. I am committed to working with local leaders on these and other job-creation efforts.

## IN MEMORY OF MR. EDWARD PREE

### HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. DURBIN. Mr. Speaker, I rise today to salute the good works and mourn the passing of Mr. Edward Pree a life-long community activist in Springfield, IL. Mr. Pree shared his life of the arts, sports, and his nation with many in the Springfield community.

After completing his law school education and service in the Army during World War II, Mr. Pree returned to Springfield to practice law with his father. The demands of this successful law practice did not keep Edward from serving those who returned from their tour of duty disabled. Mr. Pree was honored for his distinguished service by the Disabled American Veterans in 1962. He continued his work with veterans as a life member of the Veterans of Foreign Wars.

Edward's life-long work with the American Legion led to his being honored with the American Legion's Americanism Award in 1991. Edward was an enthusiastic and devoted patriot. This was witnessed on many occasions when he would be called on to address a gathering at a Memorial Day, Veterans' Day, or July 4th event.

Mr. Pree's love of the arts will long be remembered because of the endowments and scholarships he established to advance Springfield's artistic community. In 1978, Edward began an endowment to benefit the Springfield Art Association. He also set up the Georg Art Scholarship, the Edward Pree Speech award at Pawnee High School, and the Georg Endowment for the preservation of Edwards Place, a local historic site.

Mr. Pree's work with the Springfield sports community led to his being named one of the first inductees to the Springfield Sports Hall of Fame. Edward was inducted as a ''Friend of Sports'' because of his generosity in team sponsorships and his tenure as president of the American National Sports Corporation and as sports director at American Legion Post 32.

Mr. Speaker, I ask my colleagues to join me in extending their condolences to Mrs. Margaret Pree and the entire Pree Family.

## PERSONAL EXPLANATION

### HON. SUE MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mrs. MYRICK. Mr. Speaker, on Tuesday, July 23, 1996, due to a malfunction of my congressional beeper, I missed rollcall vote No. 342, an amendment to H.R. 3814, the Commerce, Justice, State and the Judiciary Appropriations Act for fiscal year 1997, offered by Representative GEORGE RADANOVICH. I intended to vote ''Yea'' on Mr. RADANOVICH's amendment, as I fully support increased efforts to combat the escalating use of drugs in our country.

## THOMAS J. BALSHI, DDS, IS HONORED

### HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. FOX of Pennsylvania. Mr. Speaker, for almost a quarter of a century, Thomas J. Balshi, a fellow of the American College of Prosthodontists, has impacted the health of thousands of individuals worldwide by contributions to research, education, and the clinical practice of prosthetic dentistry.

He trained others from Bosnia and Herzegovina to bring healing and restoration to that war-torn population. He has championed the benefits of prosthetic care throughout the country of India, in Uruguay and Colombia, and has spoken before the Royal Society of Medicine in London.

Dr. Balshi is a pioneer in the field of implant prosthetics. His work has renewed the health and self-confidence of his patients. Dr. Balshi commits himself clinically and personally to the careful renewal of every patient's smile, whether the patient be indigent or celebrity. Through his years of professional practice, he has earned the reputation of being a dental court of last resort. By engineering innovative solutions, he has specialized in saving diagnosed hopeless dental cases.

Dr. Balshi is a recent recipient of the prestigious George Washington Medal of Honor from the National Freedoms Foundation at Valley Forge, PA. He was honored for his contributions to dental science through education. The Freedoms Foundation honors Americans whose lives reinforce and exhibit the patriotic values of our country's Founding Fathers.

A former captain in the U.S. Army, 1972 tp 1974, Dr. Balshi was chief, department of fixed prosthetics, Mills Army Dental Clinic, Fort Dix, NJ. He received the Army Commendation Medal for Extraordinary Service.

He became a fellow of the American College of Prosthodontists in 1976, following graduation from Temple University School of Dentistry in 1972. He is a 1968 graduate of Villanova University.

He served as editor of the International College of Prosthodontists Newsletter for its inaugural 10 years. In this role, he actively participated in establishing worldwide communication among practitioners of his specialty.

Dr. Thomas J. Balshi is commended for his masterful way of blending heart, art, and science to serve those in need.

## REPUBLIC OF CHINA'S NEW FOREIGN MINISTER SPEAKS

### HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HINCHEY. Mr. Speaker, as White House National Security Adviser Anthony Lake recently met with the Chinese leaders in Beijing. I believe it is imporant for Members of Congress to know what the Republic of China's leaders have been thinking about the reunification and other foreign policy issues. The best answers were provided by Mr. John H. Chang, the newly appointed foreign minister of the Republic of China, in a news conference on June 25, 1996, in Taipei.

Minister Chang made essentially the following points: First, the Republic of China will not and should not engage in any reunification talks with Beijin unless the Republic of China and the People's Republic of China enjoy equal international status.

Second, Minister Chang asks the People's Republic of China not to sabotage the Republic of China's diplomatic efforts abroad, otherwise the People's Republic of China will simple hasten the appearance of the ''Republic of Taiwan.''

Third, Minister Chang hopes that the leaders in Beijing will keep their promise of ''Chinese not fighting Chinese'' by not derailing the Republic of China's efforts in joining international organizations.

Fourth, Minister Chang stresses that the Republic of China's foreign policy and its mainland policy are of equal importance and priority. Both policies are complementary to each other.

Fifth, the Republic of China, being a sovereign country, has no reason not to pursue its goal of rejoining the United Nations. The campaign to return to the United Nations is only one of the objectives of the Republic of China's government, not the top priority item. Returning to the United Nations is a long-term goal of the government, and at present the Republic of China only requests the United Nations to set up an ad hoc committee to study the representation case.

Sixth, the Republic of China's diplomatic initiatives are not intended to aggravate or challenge the People's Republic of China. They are intended to create a beneficial environment for the Republic of China to survive internationally, to allow its citizens to live peaceably and to prosper at home and to afford its citizens pride and confidence as they travel abroad.

Mr. Speaker, I believe Minister Chang's June 25 press interview is helpful to our understanding of the latest developments in the Taiwan Strait.

## RECOGNIZING A CHALLENGE TO OUR YOUNG LEADERS

### HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. STOKES. Mr. Speaker, I rise today to share with my colleagues a special message. Mr. Harold B. Williams, the former secretary of the Cleveland branch NAACP and a retired U.S. Department of Transportation official, recently addressed the Tabernacle A.M.E. Church in Idlewild, MI. This speech, which was delivered for the celebration of Black History Month, allowed him to send a message to our bright, young leaders of tomorrow. Mr. Williams reminded the audience that no one can reach the stars alone. He also challenged our youth to blaze their own trails and follow their own paths.

Mr. Williams also reminds us that we are here by the grace of our forefathers. He did a fine job of illuminating this point in his motivating address. Mr. Speaker, I particularly liked Harold Williams' speech because it reminds all young people that it will eventually be their responsibility to nurture, teach, and guide their successors, as well as their colleagues, toward goals which strengthen us as a Nation and a people. It is my hope that my colleagues will read this outstanding speech by Harold Williams and share its invaluable message. I ask that the following address be entered into the CONGRESSIONAL RECORD.

A LETTER TO YOUNG AFRICAN AMERICANS PRESENTED IN OBSERVANCE OF BLACK HISTORY MONTH, FEBRUARY 1996

(By Harold B. Williams)

Go! Go! Young Achievers—Excel to Olympian Heights. Bravo, African Americans of 1996. You are our pride. Come back and take someone with you!

Remember, no person makes it on their own! He or she walks in the footprints of the past. The antecedent of today's progress is found in the powerful energy unleashed generations ago to create today's chemistry for new opportunities.

Remember, young physicians and scientists, Daniel Hale Williams, pioneer in open heart surgery; Charles Drew, blood plasma research; Ben Carson, neurosurgeon, separator of Siamese twins; Louis Sullivan, Secretary of Health and Human Services, President of Morehouse College of Medicine; Jocelyn Elders, Surgeon General; Lonnie R. Bristow, President of American Medical Association, and others.

Go! Go! Young people of science. We are proud of you. Choose a cause for African Americans and humanity—health care for the poor, nutrition for children, hypertension, cancer or aids. You can do it. We are counting on you. Come back and take someone with you!

Young attorneys, at the bar of justice you jet from an orbit set by Charles Houston, NAACP counsel, Dean of Howard University Law School; Thurgood Marshall, NAACP counsel, U.S. Supreme Court Justice; William Coleman, U.S. Secretary of Transportation, corporate lawyer, Chairman of NAACP Legal Defense and Education Fund; Patricia R. Harris, U.S. Secretary of Housing and Urban Affairs, ambassador and corporate lawyer; Johnny Cochran, trial lawyer for defense, and many more.

Go! Go! Young barristers, you successful legal specialist. Welcome to the prestigious law firms of ''Able, Best, Class, and Dollar,'' Reach for a new orbit, guardians of our civil rights. We are proud of you. Bravo! Come back and take someone with you.

Twentieth Century African Americans, captains of business—from door to door salesmen to auto dealerships to international food chains—how impressive! Remember Madam C.J. Walker, entrepreneur of hair products and hair care; John Johnson, publisher of Ebony and Jet Magazines; Robert Maynard, Editor/Publisher, Oakland Tribune, a major U.S. daily newspaper; Reginald Lewis of Beatrice Foods, first African American C.E.O. of a billion dollar corporation; Andrew Brimmer, economist and a former governor of the Federal Reserve Board; Jessie Hill, Chairman, Atlanta Life Insurance Company; and the new breed of diversified investors/proprietors: J. Bruce Llewellyn, Philadelphia Coca-Cola Bottling Company, chairman ABC T.V., Buffalo N.Y.; Percy Sutton, chairman, Inner City Broadcasting N.Y., past President, Borough of Manhattan; Bill Cosby, Oprah Winfrey, Michael Jordan, Magic Johnson, and others.

Go! Go! Young Tycoons! There is always room at the top for ''BUPPIES,'' Wall Streeters and super achievers. Go alumni from the University of Entrepreneurial Self Help. We are very, very proud of you! Hats off to you alphabets—Ph.D's, CPA's, JD's, MBA's, etc. Bravo! You are proud of yourselves—You should be. Where would you be without your smarts? But what would you be without the past to use your smarts? Go! Create opportunity, goodwill and Come back and take someone with you!

African American artists—Our first frontier of interracial progress, we are proud and happy with your accomplishments. You are our hope for the future. Remember Marian Anderson, Metropolitan opera diva and concert artist; Scott Joplin, composer; Josephine Baker, international singer and entertainer; Paul Robeson, concert artist and actor; W.C. Handy, composer of ''St. Louis Blues''; Lena Horne, actress and singer, Katherine Dunham, dance and choreographer; Sidney Poitier, actor; Spike Lee, producer; Quincy Jones, musician, composer, arranger; James Earl Jones, actor; Barry Gordy, founder and chairman of Motown Records; Whitney Houston, singer; Ossie Davis and Ruby Dee, husband and wife actor and actress and producers. Remember the Great Duke Ellington! And many, many others who left the stage door open and the lights on.

Go! Go! Young artists (no stereotypes!) Win your Pulitzers for writing and your Image, Emmy and Oscar awards for drama, comedy, classical music, Broadway song and dance. Bravo! Young electronic media performers, writers, sculptors, painters and poets. Leave the stage door open and the lights on—Come back and take someone with you!

African American statesmen and other persona are gifted and respected individuals upon our horizons—from Privates to Admirals and Generals—from Annapolis, West

Point and Tuskegee—from the battlefield of Bunkerhill and ships at Pearl Harbor, African American patriotism and bravery is legendary.

Listen closely young African Americans to this roll call: Colonel Charles Young; Brigadier General B.O. Davis, Sr.; Lieutenant General B.O. Davis, Jr.; Four Star General Daniel ''Chappie'' James; Admiral Samuel Gravely, U.S. Navy; Colin Powell, Four Star General, Chairman of the U.S. Joint Chiefs of Staff and proposed President candidate.

Go!Go! Young soldiers and sailors. Earn your stripes, bars, eagles and stars. Reach for the top brass. You can do it!

African American statesmen and international achievers of rare distinction are our authentic heroes. Remember Ralph J. Bunch, Deputy Secretary General of the United Nations, Awardee of the Nobel Peace Prize; Donald McHenry, Ambassador to the United Nations; Andrew J. Young, Ambassador to the United Nations; Ruth Simmons, President of Smith College; Dorothy Height, President of the National Council of Negro Women; Ronald McNair, physicist, astronaut, perished in space exploration; Mae Jemison, M.D., first Afro-American in space exploration; Alex Haley, author of Roots; Ron Brown, Chairman, Democratic National Committee, Secretary, U.S. Department of Commerce; Marion Wright Edelman, President of the Children's Defense Fund; Joe Louis, Muhammed Ali, boxers; Benjamin Mays, theologian, President of Morehouse College; Samuel Proctor, President, Virginia Union University, theologian, Boston and Duke University Divinity Schools; Franklin Thomas, President, Ford Foundation; Toni Morrison, novelist and awardee of the Nobel Prize for Literature.

Go!Go! You super high chargers! There is no limit on what you can accomplish. There are new words to conquer. Always questions in search of answers. Give it your very best! Come back and take someone with you!

The African American political legacy, a chronicle of Elan Vital, fifty years of precedent setters, who have progressed from ward leaders to mayors, to State Houses, to the U.S. Congress. They are the unmatchables of their time. Remember Adam Clayton Powell, Congressman from Harlem; Eddie Brooke, U.S. Senator from Massachusetts; Shirley Chisolm, Congresswoman from Brooklyn; Carl B. Stokes, Mayor of Cleveland, Ambassador; Louis Stokes, Congressman from Cleveland and Chairman of U.S. House Assassination Committee; Barbara Jordan, attorney, Congresswoman from Houston, Texas and professor of government; Carol Mosely-Braun, U.S. Senator from Illinois; Tom Bradley, 20-year Mayor of Los Angeles; Willie Brown, Speaker, State Assembly of California and Mayor of San Francisco; William Gray, III, Congressman from Philadelphia and Chairman, U.S. House Budget Committee, President, United Negro College Fund; Douglas Wilder, Governor of the Commonwealth of Virginia, Kewesi Mfume, Congressman from Baltimore, Chairman of Congressional Black Caucus, President of the NAACP, and many illustrious others.

Young African American politicians, you have an amazing legacy. Big Boots? 'Yes, try them on—in success. One size fits all; no problem. You can do it! New political gerrymandered district lines, Plessy/Ferguson mentality, Christian ''Wrong'' Coalition and Affirmative Action reversals are mandates to go and scale the mountains of hypocrisy. Climb! Progress is like a pyramid—each block at the base makes possible many more on the way up. Hang in thre, intrepid ones! Climb down and take someone back with you!

African American Revolutionaries for cange are keepers of the Covenant of Freedom, torch lighters and standard bearers for the fearless marching feet of souls in the army of Justice. The rolls are too numerous to call, but their record is enshrined in memory—ink and blood. Forget them not!

Remember Richard Allen, founder of the AME Church; Nat Turner, insurrectionist; Harriet Tubman, Engineer underground Railroad; Frederick Douglas, abolitionist writer and orator, Daniel Payne, Founder of Wilberforce University, first African American institution of higher education, Bishop, AME Church W.E.B. Dubois, founder NAACP, expatriate; Reverdy C. Ranson, Niagara Movement, leader hiring of first Black policeman in New York City, Bishop AME Church; Mary M. Bethune, educator, founder, Bethune Cookman College; Marcus Garvey, self help and back to Africa movement; A. Phillip Randolph, founder of the Brotherhood of Sleeping Car Porters, father of Black protest marches on Washington and Chair of NAACP National Labor and Industry Committee; Roy Wilkins, Executive Secretary of NAACP; Joseph Gomez, pastor, lecturer, philosopher, bishop, AME Church; Jackie Robinson, barrier breaker, major league baseball, do-chairman, NAACP life membership committee; Rosa Parks, member, AME Church, NAACP youth council adviser and mother of the civil rights movement; Robert Williams, President, Union County, North Carolina NAACP, founder and president of People's Association for Human Rights; Jesse Jackson, founder of PUSH, Presidential candidate; Myrlie Evers-Williams, chairperson, NAACP; Harry Moore, slain NAACP official in Florida; Edgar Evers, slain NAACP Field Secretary in Mississippi; Malcolm X, slain Muslim leader; Martin Luther King, Jr., slain leader of the civil rights movement, Preident of SCLC, awardee of the Nobel Peace Prize and many, many more.

Go! Go! You, young African Americans—Excel! Lead on, you new keepers of the Covenant. Be fearless, honest to your African American heritage—speak up for justice, protect the weak, banish poverty of the spirit, pursue protest with diligence and strengthen your religious faith. You can do it! Go, super charger achievers! We are counting on you! Come back and take someone with you!

Young African Americans—The past is an encyclopedia of redeemable legacies, not just a record of subjugation, but a call to fulfill an ancient pledge given to each generation to make its payment to justice and destiny.

Keep the faith, young African Americans! Charge onward and upward and take someone with you.

## PERSONAL EXPLANATION

### HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HORN. Mr. Speaker, on rollcall No. 347, the Allard amendment, which would eliminate $5 million in appropriations for the Technology Administration which develops and promotes politics and programs that facilitate private sector innovations, I was unavoidably detained on official business with staff members of the Subcommittee on Government Management, Information, and Technology.

Had I been present, I would have voted ''nay.''

## FOOD QUALITY PROTECTION ACT OF 1996

SPEECH OF

### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 23, 1996*

Mr. FAZIO of California. Mr. Speaker, I was unavoidably absent during the legislative session on Tuesday, July 23. President Clinton was my guest in my congressional district. The President made import announcements concerning privatization efforts at McClellan Air Force Base, and my proper place on Tuesday was with my constituents and the President.

But I very much wanted to be present for the unanimous vote on the Food Quality Protection Act, H.R. 1627. Had I been present, I would have supported a unanimous House in voting to approve this important legislation.

H.R. 1627 is a significant leap forward on an issue critical to the future of agriculture production in the United States.

I am proud to be a cosponsor of H.R. 1627 in this Congress and similar legislation in past congresses, and I have recently supported efforts to move this legislation forward during this session.

Many people thought that was an impossibility for several reasons. They said the 104th Congress is too partisan. They said the issues were too complex. They said no balance could be found between the health and safety of our people and the needs of our growers and others in agriculture.

But I felt all along that there was common ground. I felt we could set strong health standards and provide consumers with the information they need to make informed choices. I felt we could update the Delaney clause while preserving food safety for our citizens.

The unanimity of both the Commerce Committee and now the House demonstrates that we could indeed achieve that balance. This overwhelming support is indicative of a spirit sometimes lacking in our deliberations on other important issues, and I hope the spirit is catching.

The compromise legislation replaces the zero residue standard for raw and processed foods with one that protects consumer health. Safety standard would ensure that pesticide residues on both raw and processed foods pose no reasonable risk of harm.

Yet our growers have assurance that they can continue to use pesticides critical to domestic food production. And there will be more leeway for our companies who are developing the products of the future that will help us continue to produce the most abundant and affordable food supply in the world.

In addition, by creating a reasonable health-based national standard, uniformity is achieved that will facilitate commerce across our country. Manufacturers, suppliers and others engaged in supplying pesticides for agricultural production can do so with full knowledge of all applicable standards and regulations.

Perhaps most importantly, this bill protects our children. By treating our children and their eating habits as the special cases they are, even stricter safety rules are permitted to protect kids during critical stages of development.

In short, this bill is a ''win-win'' situation for our farmers and others involved in food production, and for all Americans who depend on

the supply of safe, expensive, and abundant raw and processed foods from day-to-day.

I commend Chairman BLILEY, ranking Democrat JOHN DINGELL, Representative HENRY WAXMAN and other members of the Commerce Committee for putting this compromise together. I will do everything I can to see that their efforts are not in vain, and see this bill through passage by the Senate and signing by the President.

## PERSONAL EXPLANATION

### HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, July 24, 1996*

Mr. HORN. Mr. Speaker, on rollcall No. 346, the Goss amendment which sought to cut the Economic Development Administration by 30 percent, I was unavoidably detained on official business with staff members of the Subcommittee on Government Management, Information, and Technology, and could not come to the floor to support EDA based on the positive contribution which that agency has made to the redevelopment of Long Beach, CA.

Had I been present, I would have voted ''nay.''

## SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 25, 1996, may be found in the Daily Digest of today's RECORD.

## MEETINGS SCHEDULED

### JULY 29

10:00 a.m.
Foreign Relations
To hold hearings to examine international drug trafficking and its local impact.
SD–419

2:00 p.m.
NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE
To hold a closed executive session.
SD–192

### JULY 30

9:30 a.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings to examine the conditions that have made the national forests in Arizona susceptible to fires and disease.
SD–366

Labor and Human Resources
To hold hearings on S. 1035, to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests.
SD–430

Special on Aging
To hold hearings to examine incidents of suicide among the elderly.
SD–628

10:00 a.m.
Foreign Relations
To hold hearings on the nominations of Pete Peterson, of Florida, to be Ambassador to the Socialist Republic of Vietnam, Genta Hawkins Holmes, of California, to be Ambassador to Australia, Arma Jane Karaer, of Virginia, to be Ambassador to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador to Solomon Islands, and as Ambassador to the Republic of Vanuatu, and John Stern Wolf, of Maryland, for the rank of Ambassador during his tenure of service as U.S. Coordinator for Asia Pacific Economic Cooperation.
SD–419

Judiciary
To hold hearings to examine the incidents of drug smuggling at U.S. borders.
SD–226

2:00 p.m.
Judiciary
Constitution, Federalism, and Property Rights Subcommittee
Business meeting, to mark up S.J.Res. 8, proposing an amendment to the Constitution of the United States to prohibit retroactive increases in taxes, and proposed legislation authorizing funds for the United States Commission on Civil Rights.
SD–226

3:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings on the implementation of the Cuban Liberty and Democratic Solidarity Act (Libertad) (P.L. 104-114).
SD–419

### JULY 31

9:30 a.m.
Environment and Public Works
Transportation and Infrastructure Subcommittee
To hold hearings on the Intermodal Surface Transportation Efficiency Act and the role of Federal, State, and local governments in surface transportation.
SD–406

Labor and Human Resources
Business meeting, to mark up S. 1490, to improve enforcement of Title I of the Employee Retirement Income Security Act of 1974 and benefit security for participants by adding certain provisions with respect to the auditing of employee benefit plans.
SD–430

10:00 a.m.
Judiciary
To hold hearings to examine competition in the telecommunications industry.
SD–226

### AUGUST 1

10:00 a.m.
Foreign Relations
To hold hearings to review foreign policy issues.
SD–419

Judiciary
Business meeting, to consider pending calendar business.
SD–226

2:00 p.m.
Energy and Natural Resources
To hold oversight hearings on the implementation of Section 2001, Emergency Timber Salvage, of Public Law 104-19.
SD–366

### SEPTEMBER 5

2:00 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 931, to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, S. 1564, to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality and transmission projects, S. 1565, to supplement the Small Reclamation Projects Act of 1956 and to supplement the Federal Reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects, S. 1649, to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, S. 1719, Texas Reclamation Projects Indebtedness Purchase Act, and S. 1921, to transfer certain facilities at the Minidoka project to Burley Irrigation District.
SD–366

### SEPTEMBER 17

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion.
334 Cannon Building

## CANCELLATIONS

### JULY 25

10:00 a.m.
Governmental Affairs
To hold hearings on S. 1794, to provide for the forfeiture of retirement benefits in the case of any Member of Congress, congressional employee, or Federal justice or judge who is convicted of an offense relating to official duties of that individual, and for the forfeiture of the retirement allowance of the President for such a conviction.
SD–342

## POSTPONEMENTS

### JULY 25

10:00 a.m.
Judiciary
To hold hearings on S. 1961, to establish the United States Intellectual Property Organization, and to amend the provisions of title 35, United States Code, relating to procedures for patent applications, commercial use of patents, reexamination reform.
SD–226

# Daily Digest

HIGHLIGHTS

Senate passed Agriculture Appropriations, 1997.

# Senate

## Chamber Action

*Routine Proceedings, pages S8583–S8740*

Measures Introduced: Five bills and one resolution were introduced, as follows: S. 1984–1988, and S. Res. 282. **Page S8636**

Measures Reported: Reports were made as follows:

S. 1645, to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources. (S. Rept. No. 104–332)

H.R. 2909, to amend the Silvio O. Conte National Fish and Wildlife Refuge Act to provide that the Secretary of the Interior may acquire lands for purposes of that Act only by donation or exchange, or otherwise with the consent of the owner of the lands.

S. Res. 270, urging continued and increased United States support for the efforts of the International Criminal Tribunal for the former Yugoslavia to bring to justice the perpetrators of gross violations of international law in the former Yugoslavia.

S. Res. 275, to express the sense of the Senate concerning Afghanistan, with an amendment.

S. Res. 276, congratulating the people of Mongolia on embracing democracy in Mongolia through their participation in the parliamentary elections held on June 30, 1996. **Pages S8635–36**

Measures Passed:

*Agriculture Appropriations, 1997:* By 97 yeas to 1 nay (Vote No. 237), Senate passed H.R. 3603, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, after taking action on further amendments proposed thereto, as follows:

**Pages S8583–S8600, S8602–17**

Adopted:

Leahy Amendment No. 4987, to implement the recommendations of the Northern Forest Lands Council. **Pages S8612–13**

Brown Modified Amendment No. 5002, to establish an interim moratorium on bypass flows.

**Pages S8586–87, S8594, S8614**

Kennedy Amendment No. 5003, to protect the public health of the consuming public through effective medication guides and goals. **Pages S8611–12**

Burns Amendment No. 5004, to increase barley contract payments by $20,000 in fiscal year 1998, and reduce payments in each of fiscal years 1999–2002. **Pages S8613–14**

Cochran (for Simpson) Amendment No. 5005, relating to the establishment of a wetland conservation easement. **Pages S8614–16**

Cochran (for Hatfield) Amendment No. 5006, to provide funds for grants to rural public television stations. **Pages S8614–16**

Cochran (for Kempthorne) Amendment No. 5007, to provide that the Secretary of Agriculture may use funds in the Fund for Rural America for grants to develop and apply precision agricultural technologies. **Pages S8614–16**

Cochran (for Shelby) Amendment No. 5008, to provide funds for investigations of arson or violence at religious institutions. **Pages S8614–16**

Cochran (for Domenici) Amendment No. 5009, to provide funds for emergency insured loans resulting from natural disasters. **Pages S8614–16**

Bumpers (for Kerrey) Amendment No. 5010, to increase funding for the Grain Inspection, Packers and Stockyards Administration and the Food Safety and Inspection Service. **Page S8616**

Bumpers (for Dorgan) Amendment No. 5011, to express the sense of the Senate regarding Canadian wheat and barley exports to the United States.

**Page S8616**

Bumpers (for Mikulski) Amendment No. 5012, relating to the study of imported crab meat.

**Page S8616**

Bumpers (for Leahy) Amendment No. 5013, to provide for the production of certain crops.

**Page S8616**

Bumpers (for Wellstone/Grams) Amendment No. 5014, to prohibit the use of funds to administer the provision of contract payments to a producer for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice. **Page S8616**

Rejected:

Santorum Amendment No. 4995, to prohibit the use of funds to provide a total amount of nonrecourse loans to producers for peanuts in excess of $125,000. (By 64 yeas to 34 nays (Vote No. 234). Senate tabled the amendment.) **Pages S8589–90**

Santorum Amendment No. 4967, to prohibit the use of funds to carry out a peanut program that is operated by a marketing association if the Secretary of Agriculture determines that a member of the Board of Directors of the association has a conflict of interest with respect to the program. (By 61 yeas to 37 nays (Vote No. 235), Senate tabled the amendment.) **Pages S8588–91**

Bryan Amendment No. 4977, to establish funding limitations for the market access program. (By 55 yeas to 42 nays (Vote No. 236), Senate tabled the amendment.) **Pages S8591–92**

Withdrawn:

Kerrey Amendment No. 4978, to increase funding for the Grain Inspection, Packers and Stockyards Administration and the Food Safety and Inspection Service. **Page S8614**

Senate insisted on its amendments, requested a conference with the House thereon, and the Chair appointed the following conferees: Senators Cochran, Specter, Bond, Gorton, McConnell, Burns, Hatfield, Bumpers, Harkin, Kerrey, Johnston, Kohl, and Byrd. **Page S8616**

*Food Quality Protection Act:* Senate passed H.R. 1627, to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, clearing the measure for the President. **Pages S8736–38**

*Office of Government Ethics Authorization:* Senate passed H.R. 3235, to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, clearing the measure for the President. **Pages S8738–40**

Foreign Operations Appropriations, 1997: Senate began consideration of H.R. 3540, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, with a committee amendment in the nature of a substitute, and taking action of amendments proposed thereto, as follows: **Pages S8617–33**

Pending:

McCain Amendment No. 5017, to require information on cooperation with United States anti-terrorism efforts in the annual country reports on terrorism. **Pages S8631–33**

Coverdell Amendment No. 5018, to increase the amount of funds available for international narcotics control programs. **Page S8633**

A unanimous-consent agreement was reached providing for further consideration of the bill and amendments pending thereto, on Thursday, July 26, 1996. **Page S8740**

Nuclear Waste Policy—Agreement: A unanimous-consent time-agreement was reached providing for consideration of S. 1936, to amend the Nuclear Waste Policy Act of 1982, on Wednesday, July 31, 1996. **Page S8593**

Messages From the President: Senate received the following messages from the President of the United States:

Transmitting the report of U.S. participation in the United Nations for calendar year 1995; referred to the Committee on Foreign Relations. (PM–165). **Page S8635**

Nominations Confirmed: Senate confirmed the following nominations:

Nanette K. Laughrey, of Missouri, to be United States District Judge for the Eastern and Western Districts of Missouri.

Dean D. Pregerson, of California, to be United States District Judge for the Central District of California. **Pages S8629, S8740**

Nominations Received: Senate received the following nominations:

Susan Ford Wiltshire, of Tennessee, to be a Member of the National Council on the Humanities for a term expiring January 26, 2002.

Jon Deveaux, of New York, to be a Member of the National Institute for Literacy Advisory Board for a term expiring October 12, 1998.

Michael A. Naranjo, of New Mexico, to be a Member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term expiring May 19, 2002. **Page S8740**

Messages From the President: **Page S8635**

Messages From the House: **Page S8635**

Measures Placed on Calendar: **Page S8635**

Communications: **Page S8635**

Statements on Introduced Bills: **Pages S8636–43**

Additional Cosponsors: **Page S8643**

Amendments Submitted: **Pages S8645–67**

Authority for Committees: **Pages S8667–68**

Additional Statements: **Pages S8668–72**

Text of H.R. 3734, as Previously Passed: **Pages S8673–S8736**

Record Votes: Four record votes were taken today. (Total–237) **Pages S8590–92, S8616**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:47 p.m., until 9:30 a.m., on Thursday, July 25, 1996. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S8740.)

# Committee Meetings

*(Committees not listed did not meet)*

## BUSINESS MEETING

*Committee on Agriculture, Nutrition, and Forestry:* Committee ordered favorably reported S. 1166, to improve the registration of pesticides, to provide minor use crop protection, and to improve pesticide tolerances to safeguard infants and children, with an amendment in the nature of a substitute. (As approved by the committee the amendment incorporates the text of S. 1491).

Also, committee announced the following subcommittee assignments:

*Subcommittee on Production and Price Competitiveness:* Senators Cochran (Chairman), Warner, Helms, Coverdell, Grassley, Gramm, Pryor, Daschle, Baucus, Kerrey, and Heflin.

*Subcommittee on Marketing, Inspection, and Product Promotion:* Senators Helms (Chairman), Cochran, McConnell, Santorum, Gramm, Conrad, Pryor, Baucus, and Heflin.

*Subcommittee on Forestry, Conservation, and Rural Revitalization:* Senators Craig (Chairman), Coverdell, Warner, Helms, Grassley, Heflin, Harkin, Conrad, and Kerrey.

*Subcommittee on Research, Nutrition, and General Legislation:* Senators McConnell (Chairman), Santorum, Craig, Gramm, Harkin, Daschle, and Pryor.

## CONSUMER CREDIT

*Committee on Banking, Housing, and Urban Affairs:* Subcommittee on Financial Institutions and Regulatory Relief concluded oversight hearings on recent developments in consumer lending in the United States, the implications of consumer credit trends and the risks they impose on financial institutions, after receiving testimony from Janet L. Yellen, Member, Board of Governors of the Federal Reserve System; Ricki T. Helfer, Chairman, Federal Deposit Insurance Corporation; Eugene A. Ludwig, Comptroller, Office of the Comptroller of the Currency; James Chessen, American Bankers Association, Washington, D.C.; Donald Ratajczak, Economic Forecasting Center/Georgia State University, Atlanta; and Edward Bankole, Moody's Investors Service, New York, New York.

## SPACE STATION/SPACE SHUTTLE PROGRAMS

*Committee on Commerce, Science, and Transportation:* Subcommittee on Science, Technology, and Space concluded oversight hearings to examine the status of the National Aeronautics and Space Administration's space station and space shuttle programs, after receiving testimony from Wilbur Trafton, Associate Administrator for Space Flight, Frederick D. Gregory, Associate Administrator for Office of Safety and Mission Assurance, both of NASA; and Thomas Schulz, Associate Director of National Security and International Affairs, General Accounting Office.

## BUSINESS MEETING

*Committee on Environment and Public Works:* Committee ordered favorably reported the following business items:

S. 1873, authorizing funds for programs of the National Environmental Education Act, with an amendment in the nature of a substitute;

H.R. 2909, to provide that the Secretary of the Interior may acquire lands for purposes of the Silvio O. Conte National Fish and Wildlife Refuge Act only by donation or exchange, or otherwise with the consent of the owner of the lands;

S. 1875, to designate the United States Courthouse in Medford, Oregon, as the ''James A. Redden Federal Courthouse'';

H.R. 2504, to designate the Federal building located at the corner of Patton Avenue and Otis Street, and the United States courthouse located on Otis Street, in Asheville, North Carolina, as the ''Veach-Baley Federal Complex'';

H.R. 3186, to designate the Federal building located at 1655 Woodson Road in Overland, Missouri, as the ''Sammy L. Davis Federal Building'';

H.R. 3400, to designate the United States courthouse to be constructed at a site on 18th Street between Dodge and Douglas Streets in Omaha, Nebraska, as ''Roman L. Hruska United States Courthouse'';

H.R. 3572, to designate the bridge on United States Route 231 which crosses the Ohio River between Maceo, Kentucky, and Rockport, Indiana, as the ''William H. Natcher Bridge''; and

S. 1977, to designate a United States courthouse located in Tampa, Florida, as the ''Sam M. Gibbons United States Courthouse''.

## NOMINATIONS

*Committee on Environment and Public Works:* Committee concluded hearings on the nominations of Nils J. Diaz, of Florida, and Edward McGaffigan, Jr., of Virginia, each to be a Member of the Nuclear Regulatory Commission, after the nominees testified and answered questions in their own behalf. Mr. Diaz was introduced by Senators Mack and Graham, and Mr. McGaffigan was introduced by Senators Domenici and Bingaman.

## BUSINESS MEETING

*Committee on Foreign Relations:* Committee ordered favorably reported the following business items:

The Extradition Treaty with Hungary (Treaty Doc. 104–5), with a proviso, the Extradition Treaty with Belgium (Treaty Doc. 104–7), with a proviso, the Supplementary Extradition Treaty with Belgium (Treaty Doc. 104–8), with a proviso, the Extradition Treaty with Switzerland (Treaty Doc. 104–9), with a proviso, the Extradition Treaty with the Philippines (Treaty Doc. 104–16), with a proviso, the Extradition Treaty with Bolivia (Treaty Doc. 104–22), with a proviso, the Extradition Treaty with Malaysia (Treaty Doc. 104–26), with a proviso, the Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–1), with two provisos, the Treaty with the United Kingdom on Mutual Legal Assistance on Criminal Matters (Treaty Doc. 104–2), with two provisos, the Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Treaty Doc. 104–18), with two provisos, the Treaty with Hungary on Legal Assistance in Criminal Matters (Treaty Doc. 104–20), with two provisos, and the Treaty with Austria on Legal Assistance in Criminal Matters (Treaty Doc. 104–21), with two provisos;

S. Res. 270, urging continued and increased United States support for the efforts of the International Criminal Tribunal for the former Yugoslavia to bring to justice the perpetrators of gross violations of international law in the former Yugoslavia;

S. Res. 275, to express the sense of the Senate concerning Afghanistan, with an amendment;

S. Res. 276, congratulating the people of Mongolia on embracing democracy in Mongolia through their participation in the parliamentary elections held on June 30, 1996; and

The nominations of Senators Grams and Pell, each to be a United States Representative to the 51st Session of the General Assembly of the United Nations, Jeffrey Davidow, of Virginia, to be an Assistant Secretary of State for Inter-American Affairs, Alan Philip Larson, of Virginia, to be Assistant Secretary of State for Economic and Business Affairs, and a foreign service officers' promotion list received in the Senate on June 26, 1996.

## NOMINATION

*Committee on Governmental Affairs:* Committee concluded hearings on the nomination of Franklin D. Raines, of the District of Columbia, to be Director of the Office of Management and Budget, after the nominee further testified and answered questions in his own behalf.

## CONGRESSIONAL BUDGET REFORM

*Committee on Governmental Affairs:* Subcommittee on Financial Management and Accountability held hearings on S. 1434, to amend the Congressional Budget Act to provide for a two-year (biennial) budgeting cycle, and other related proposals, receiving testimony from Senators Domenici, Thomas, and Ford; Susan J. Irving, Associate Director, Budget Issues, Accounting and Information Management Division, General Accounting Office; James L. Blum, Deputy Director, Congressional Budget Office; Ohio State Senator Richard H. Finan, Columbus; John Keel, Texas Legislative Budget Board, Austin; and Stephen Moore, Cato Institute, and Thomas E. Mann, Brookings Institution, both of Washington, D.C.

Hearings were recessed subject to call.

## AUTHORIZATION—COMMISSION ON CIVIL RIGHTS

*Committee on the Judiciary:* Subcommittee on Constitution, Federalism and Property Rights concluded hearings on proposed legislation authorizing funds for the United States Commission on Civil Rights, after receiving testimony from Mary Frances Berry, Chairperson, and Carl Anderson and Russell Redenbaugh, both Commissioners, all of the U.S. Commission on Civil Rights; and Wade Henderson, Leadership Conference on Civil Rights, Washington, D.C.

## ACCESS TO GOVERNMENT INFORMATION

*Committee on Rules and Administration:* Committee resumed hearings to examine the role of the Federal Depository Library Program of the Government Printing Office in ensuring public access to Government information, receiving testimony from Judge Royce C. Lamberth, United States District Court for the District of Columbia; Sally Katzen, Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget; Christopher H. Schroeder, Acting Assistant Attorney General, Office of Legal Counsel, Department of Justice; Donald R. Johnson, Director, National Technical Information Service, Department of Commerce; Michael F. DiMario, Public Printer, Government Printing Office; and Roy M. Francis, Chairman, Interagency

Council on Printing and Publications Services, Department of the Interior.

Hearings were recessed subject to call.

## SMALL BUSINESS REGULATORY ENFORCEMENT

*Committee on Small Business:* Committee held oversight hearings on the implementation of the Small Business Regulatory Enforcement Fairness Act of 1996, receiving testimony from Sally Katzen, Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget; Jere Glover, Chief Counsel, Office of Advocacy, Small Business Administration; William Smiland, Smiland Paint Company, Los Angeles, California; Richard Hardy, XIM Products, Inc., Westlake, Ohio; Jean Mohler, Petroleum Marketers Association of America, Arlington, Virginia; and Willis J. Goldsmith, Jones, Day, Reavis & Pogue, Washington, D.C.

Hearings were recessed subject to call.

## BUSINESS MEETING

*Committee on Veterans' Affairs:* Committee ordered favorably reported the following bills:

S. 1791, to increase, effective as of December 1, 1996, the rates of disability compensation for veterans with service connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans;

S. 1711, to establish a commission to evaluate the programs of the Federal Government that assist members of the Armed Forces and veterans in readjusting to civilian life, with an amendment in the nature of a substitute. (As approved by the committee, the amendment incorporates provisions of S. 1711, S. 996, S. 281, S. 749, S. 994, S. 1342, S. 995, S. 1751, and Title III of H.R. 2289);

S. 1359, to revise certain authorities relating to management and contracting in the provision of health care services, with an amendment in the nature of a substitute. (As approved by the committee, the amendment incorporates provisions of S. 1359, S. 1750, S. 1752, S. 1753, S. 403, S. 293, S. 425, S. 644, S. 612, and S. 548);

An original bill to authorize construction projects for fiscal year 1997 and for other purposes relating to VA real property management, including outpatient facility construction, inpatient facility construction, VA-requested leases of outpatient care facilities, and a VA-requested lease for a parking facility. (As approved by the committee, the bill incorporates provisions of S. 1669 and S. 1749); and

An original bill to reform veterans' health care eligibility requirements.

## BUSINESS MEETING

*Committee on Indian Affairs:* Committee ordered favorably reported the following business items:

S. 1962, to resolve certain legal disputes with regard to adoption procedures under the Indian Child Welfare Act of 1978;

S. 199, to repeal certain provisions of law relating to trading with Indians;

S. 1972, to improve provisions relating to Indian programs under the Older Americans Act of 1965;

S. 1893, to provide for the settlement of issues and claims related to the trust lands of the Torres-Martinez Desert Cahuilla Indians of California;

H.R. 2464, to provide additional lands within the State of Utah for the Goshute Indian Reservation;

H.R. 3068, to accept the request of the Prairie Island Indian Community to revoke their charter of incorporation issued under the Indian Reorganization Act, with an amendment in the nature of a substitute; and

S. 1970, to make improvements to the National Museum of the American Indian Act.

## DAYTON PEACE ACCORDS

*Select Committee on Intelligence:* Committee held hearings to assess the current state of the implementation of the Dayton peace accords and the prospect for complete implementation by December, 1996, focusing on intelligence support and all military and civilian aspects of compliance with the Dayton peace accords, as well as the effort to bring war criminals in the former Yugoslavia to justice, receiving testimony from John Gannon, Deputy Director for Intelligence, Central Intelligence Agency; Lt. Gen. Patrick Hughes, USA, Director, Defense Intelligence Agency; Thomas Fingar, Deputy Assistant Secretary of State for Intelligence and Research; Susan Woodward, Brookings Institution, Washington, D.C.; John Huffman, World Vision, Newport Beach, California; and H. Roy Williams, International Rescue Committee, New York, New York.

Hearings were recessed subject to call.

# House of Representatives

## Chamber Action

Bills Introduced: 10 public bills, H.R. 3884–3893; 1 private bill, H.R. 3894; and 2 resolutions, H. Con. Res. 199–200 were introduced. **Pages H8374–75**

Reports Filed: Reports were filed as follows:

H.R. 3680, to amend title 18, United States Code, to carry out the international obligations of the United States under the Geneva Convention to provide criminal penalties for certain war crimes (H. Rept. 104–698);

H.R. 3435, to make technical amendments to the Lobbying Disclosure Act of 1995, amended (H. Rept. 104–699);

H.R. 3287, to direct the Secretary of the Interior to convey the Crawford National Fish Hatchery to the city of Crawford, Nebraska, amended (H. Rept. 104–700);

H.R. 3546, to direct the Secretary of the Interior to convey the Walhalla National Fish Hatchery to the State of South Carolina, amended (H. Rept. 104–701);

H.R. 3557, to direct the Secretary of the Interior to convey the Marion National Fish Hatchery to the State of Alabama, amended (H. Rept. 104–702);

H.R. 3660, to make amendments to the Reclamation Wastewater and Groundwater Study and Facilities Act, amended (H. Rept. 104–703);

H.R. 488, providing for consideration of H.R. 2391, to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees (H. Rept. 104–704);

H.J. Res. 166, granting the consent of Congress to the Mutual Aid Agreement between the city of Bristol, Virginia, and the city of Bristol, Tennessee (H. Rept. 104–705); and

H.J. Res. 113, granting the consent of Congress to the compact to provide for joint natural resources management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland (H. Rept. 104–706).

**Pages H8329–30, H8374**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designates Representative Everett to act as Speaker pro tempore for today. **Page H8251**

Commmittees to Sit: The following committees and their subcommittees received permission to sit today during proceedings of the House under the 5-minute rule: Committees on Agriculture, Banking and Financial Services, Commerce, Economic and Educational Opportunities, Government Reform and Oversight, International Relations, Judiciary, Resources, Science, and Small Business. **Page H8253**

Commerce, Justice, State, and the Judiciary Appropriations: By a yea-and-nay vote of 246 yeas to 179 nays, Roll No. 352, the House passed H.R. 3814, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997. **Pages H8254–93**

Rejected the Obey motion to recommit the bill to the Committee on Appropriations with instructions to report it back promptly with an amendment to increase funding for contributions to international peacekeeping activities with appropriate offsets.

**Page H8293**

Agreed To:

The Rogers amendment that allocates National Oceanic and Atmospheric Administration funding by increasing National Marine Fisheries Service funding by $6 million for endangered species recovery;

**Page H8254**

The Ensign amendment that limits any funding to distribute or provide prisoners with commercially published information or material that is sexually explicit or features nudity; **Pages H8261–62**

The Deutsch amendment that limits State and local law enforcement funding to jurisdictions that do not provide public safety officers continued health benefits, similar to benefits paid at the time of retirement or separation, for injuries sustained in the line of duty while responding to an emergency situation; **Pages H8264–66**

The Ganske amendment that limits any funding by the Patent and Trademark Office to issue patents for surgical procedures, with exceptions dealing with patents for equipment, composition of matter, and biotechnological processes (agreed to by a recorded vote of 295 ayes to 128 noes, Roll No. 349);

**Pages H8276–80, H8289–90**

The Hutchinson amendment that limits funding to jails, prisons, or other similar facilities that do not report to the Attorney General the death of any individual who dies in custody, and the circumstances surrounding that death; and **Pages H8283–84**

The Norton amendment, as modified, that increases Equal Employment Opportunity commission funding by $7 million with offsetting reductions from the Small business Administration disaster loan program account for administrative expense.

**Pages H8284–86**

Rejected

The Goss amendment, debated on July 23, that sought to reduce Economic Development Administration funding by $98.550 million (rejected by a recorded vote of 113 ayes to 301 noes, Roll No. 346); **Pages H8256–57**

The Allard amendment that sought to remove the $5 million funding for the Commerce Department Under Secretary for Technology and Office of Technology Policy (rejected by a recorded vote of 183 ayes to 229 noes, Roll No. 347); **Pages H8254–56, H8257–58**

The Frank amendment that sought to limit any funding by the Federal Communications Commission to assign a license for advanced television services (rejected by a recorded vote of 16 ayes to 408 noes, Roll No. 348). **Pages H8267–72, H8289**

The Jackson-Lee amendment that sought to increase the National Telecommunications and Information Administration grants program by $10 million and reduce Federal Prison System funding accordingly; **Pages H8272–74**

The Gutknecht amendment that sought to reduce all discretionary appropriations by 1.9 percent (rejected by a recorded vote of 125 ayes to 300 noes, Roll No. 350); and **Pages H8281–83, H8290**

The Collins of Georgia amendment that sought to require Federal Prison Industries, to consider 20 percent as a reasonable share of the Federal market for new products and to describe the products produced using the Standard Industrial Classification Code and the National Stock Number assigned under the Federal Stock Classification System (rejected by a recorded vote of 182 ayes to 244 noes, Roll No. 351). **Pages H8286–88, H8290–91**

Points of Order Sustained Against:

The Frank amendment that sought to limit any funding by the Federal Communications Commission to assign a license for advanced television services until the commission specifies, by rulemaking, the obligations of holders to operate in the public interest unless the license is assigned by competitive bidding; and **Pages H8266–67**

The Gekas amendment that sought to provide an automatic continuing resolution when Congress and the President fail to enact a regular appropriations bill for a fiscal year. **Pages H8275–76**

Withdrawn:

The Fowler amendment was offered, but subsequently withdrawn, that sought to limit any funding for the COPS program for purposes other than to prevent crimes against persons or private property; and **Pages H8258–61**

The Brown of California amendment was offered, but subsequently withdrawn, that sought to increase National Weather Service Operations and Research funding and prohibit funding for the Great Lakes Sea Lampricide Eradication program. **Pages H8262–64**

Welfare Reform: It was made in order to disagree with the Senate amendment to H.R. 3734, to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, and agree to a conference. **Pages H8319–29**

Appointed as conferees Representatives Kasich, Archer, Goodling, Roberts, Bliley, Shaw, Talent, Nussle, Hutchinson, McCrery, Bilirakis, Smith of Texas, Johnson of Connecticut, Camp, Franks of Connecticut, Cunningham, Castle, Goodlatte, Sabo, Gibbons, Conyers, de la Garza, Clay, Ford, Miller of California, Waxman, Stenholm, Kennelly, Levin, Tanner, Becerra, Thurman, and Woolsey. **Page H8329**

By a recorded vote of 418 ayes, Roll No. 353, agreed to the Sabo motion to instruct conferees to do everything possible within the scope of the conference to eliminate any provisions in the House and Senate bills which shift costs to States and local governments and result in an increase in the number of children in poverty; maximize the availability of food stamps and vouchers for goods and services for children to prevent any increase in the number of children thrown into poverty while their parents make the transition from welfare to work; ensure that the bill preserves Medicaid coverage so that the number of people without access to health care does not increase and more children and old people are not driven into poverty; and provide that any savings that redound to the Federal Government as a result of this legislation be used for deficit reduction. **Pages H8319–29**

Capital Markets: It was made in order to disagree with the Senate amendment to H.R. 3005, to amend the Federal securities laws in order to promote efficiency and capital formation in the financial markets, and to amend the Investment Company Act of 1940 to promote more efficient management of mutual funds, protect investors, and provide more effective and less burdensome regulation and agree to a conference. **Page H8330**

Appointed as conferees Representatives Bliley, Fields of Texas, Oxley, Tauzin, Schaefer, Deal of Georgia, Frisa, White, Dingell, Markey, Boucher, Gordon, Furse, and Klink. **Page H8330**

Energy and Water Development Appropriations: The House completed debate on H.R. 3816, making appropriations for energy and water development for the fiscal year ending September 30, 1997, and began consideration of amendments. Consideration will resume on Thursday, July 25. **Pages H8302–19, H8328–29, H8330–72**

Agreed To:

The Solomon amendment that prohibits any contract or grant to institutions of higher learning (other than those with a long standing tradition of pacifism based on religious affiliation) that presents ROTC access to its campus or students, prevents military recruiting on its campus, and further prohibits expenditures to any contractor subject to the requirement in section 4214(d) of title 38, United States Code, that has not submitted an annual report to the Secretary of Labor concerning the employment of veterans; **Pages H8336–37**

The Traficant amendment that prohibits contracts with persons who affix a ''Made in America'' inscription, or any inscription with the same meaning, to any product that is not made in the United States; **Pages H8337–38**

The Barton of Texas amendment that increases Department of Energy Inspector General funding by $1 million and decreases departmental administration funding accordingly; **Pages H8340–41**

The Roemer amendment that decreases Department of Energy field activity funding by $9.6 million; **Page H8341**

The Kolbe amendment that reduces funding for the Central Arizona Project by $20.573 million; **Pages H8342–43**

The Bereuter amendment that limits any Corps of Engineer funding to revise the Missouri River Master Water Control Manual that includes an increase in the springtime water release program during the spring heavy rainfall and snow melt period; **Pages H8351–52**

The Petri amendment that eliminates the $10 million funding for the Animas-LaPlata Water project (agreed to by a recorded vote of 221 ayes to 200 noes, Roll No. 354); and **Pages H8343–46, H8352–53**

The Hilleary amendment that limits any funds by the Tennessee Valley Authority to impose a performance deposit on persons constructing docks or making other residential shoreline alterations. **Pages H8371–72**

Rejected:

The Klug amendment that sought to reduce Tennessee Valley Authority economic development funding by $16 million (rejected by a recorded vote of 184 ayes to 236 noes with 1 voting ''present'', Roll No. 355); **Pages H8347–49, H8353–54**

The Rohrabacher amendment that sought to allocate Department of Energy funding for photovoltaic energy research (rejected by a recorded vote of 90 ayes to 331 noes with 1 voting ''present'', Roll No. 356); and **Pages H8349–51, H8354**

The Gutknecht amendment that sought to reduce all discretionary appropriations by 1.9 percent. **Page H8369**

Amendments Withdrawn:

The Rogers amendment was offered, but subsequently withdrawn, that sought to include funding for the New Madrid Floodway; **Page H8337**

The Roemer amendment was offered, but subsequently withdrawn, that sought to decrease funding for Department of Energy laboratories by $10 million; **Pages H8341–42**

The Pickett amendment was offered, but subsequently withdrawn, that sought to allocate funding of $283,000 for Sandbridge Beach, Virginia erosion control and hurricane protection; and **Page H8346**

The Filner amendment that sought to allocate Corps of Engineers funding of $600,000 to conduct a study concerning the Tijuana River Basin. **Pages H8370–71**

Pending:

The Obey amendment that seeks to eliminate the $17 million funding for the Advanced Light Water Reactor Program; **Pages H8356–62**

The Schaefer amendment that seeks to increase funding by $30 million for renewable energy programs; and **Pages H8362–66**

The Markey en bloc amendment that seeks to eliminate the $20 million funding for pyroprocessing or electrometallurgical treatment by reducing energy research and development by $5 million and defense environmental restoration and waste management by $15 million. **Pages H8366–69**

H. Res. 483, the rule under which the bill is being considered, was agreed to earlier by a voice vote. **Pages H8293–H8302**

Presidential Message—United Nations: Read a message from the President wherein he transmits his report concerning the activities of the United States Government in the United Nations—referred to the Committee on International Relations. **Page H8372**

United States Naval Academy: The Chair announced the Speaker's appointment of Representative McHale as a member of the Board of Visitors to the United States Naval Academy to fill the existing vacancy thereon. **Page H8372**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H8375–79.

Senate Messages: Messages received from the Senate today appear on page H8309.

Quorum Calls—Votes: One yea-and-nay votes and ten recorded votes developed during the proceedings of the House today and appear on pages H8256–57, H8257–58, H8289, H8289–90, H8290, H8291,

H8293, H8329, H8352–53, H8353–54, and H8354. There were no quorum calls.

Adjournment: Met at 10 a.m. and adjourned at 12:08 on Thursday, July 25.

# Committee Meetings

## HEDGE-TO-ARRIVE CONTRACTS

*Committee on Agriculture:* Subcommittee on Risk Management and Specialty Crops and the Subcommittee on General Farm Commodities held a joint hearing to review cash market forward contracts between producers and merchants, commonly known as hedge-to-arrive contracts. Testimony was heard from John Tull, Acting Chairman, Commodity Futures Trading Commission; and public witnesses.

## OVERSIGHT—FANNIE MAE AND FREDDIE MAC

*Committee on Banking and Financial Services:* Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises held an oversight hearing on Fannie Mae and Freddie Mac. Testimony was heard from Lawrence H. Summers, Deputy Secretary, Department of Treasury; Nicholas Retsinas, Assistant Secretary, Housing, Department of Housing and Urban Development; and public witnesses.

## MISCELLANEOUS MEASURES

*Committee on Commerce:* Ordered reported the following bills: H.R. 3553, Federal Trade Commission Reauthorization Act of 1996; H.R. 447, amended, to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made; H.R. 2579, amended, United States National Tourism Organization Act of 1996; H.R. 2976, amended, Patient Right to Know Act of 1996; H.R. 3871, to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations; H.R. 3056, to permit county-operated health insuring organization to qualify as an organization exempt from certain requirements otherwise applicable to health insuring organizations under the Medicaid program notwithstanding that the organization enrolls Medicaid beneficiaries residing in another county; H.R. 3867, Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996; H.R. 3868, to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996.

## LANGUAGE OF GOVERNMENT ACT

*Committee on Economic and Educational Opportunities:* Ordered reported amended H.R. 123, Language of Government Act of 1995.

## MISCELLANEOUS MEASURES

*Committee on International Relations:* Ordered reported the following bills: H.R. 3846, to amend the Foreign Assistant Act of 1961 to authorize the provision of assistance for microenterprises; and H.R. 3735, amended, to amend the Foreign Assistance Act of 1961 to reauthorize the Development Fund for Africa under chapter 10 of part I of that Act.

The Committee also favorably considered and adopted a motion urging the Chairman to request that the following bill be considered on the Suspension Calendar: H.R. 3870, to authorize the Agency for International Development to offer voluntary separation incentive payments to employees of that agency.

## OVERSIGHT—U.S. TRUSTEE PROGRAM

*Committee on the Judiciary:* Subcommittee on Commercial and Administrative Law held an oversight hearing on the U.S. Trustee Program. Testimony was heard from the following officials of the Executive Office, U.S. Trustees, Department of Justice; Joseph Patchan, Director; M. Scott Michel, and Clarkson Dow, both Regional Trustees; and public witnesses.

## OVERSIGHT—COMMISSION ON CIVIL RIGHTS

*Committee on the Judiciary:* Subcommittee on the Constitution held an oversight hearing on the U.S. Commission on Civil Rights. Testimony was heard from the following officials of the U.S. Commission on Civil Rights: Mary Frances Berry, Chairperson; Robert George, Carl A. Anderson and Russell Redenbaugh, all Commissioners and Mary Mathews, Staff Director; and a public witness.

## LABORER'S INTERNATIONAL UNION OF NORTH AMERICA

*Committee on the Judiciary:* Subcommittee on Crime held a hearing on the Administration's efforts against the influence of organized crime in the Laborer's International Union of North America. Testimony was heard from public witnesses.

Hearings continue tomorrow.

## OVERSIGHT

*Committee on Resources:* Held an oversight hearing on implementation of the Endangered Species Act with regard to Section 10(a) permits (Habit Conservation Plan) and other incentives. Testimony was heard from Representative Smith of Texas; George T. Frampton, Assistant Secretary, Fish and Wildlife and Parks, Department of the Interior; and public witnesses.

## OVERSIGHT—TERRITORIAL TECHNICAL MATTERS; OMNIBUS TERRITORIES ACT

*Committee on Resources:* Subcommittee on Native American and Insular Affairs held an oversight hearing on territorial technical matters, with discussion of H.R. 3721, Omnibus Territories Act. Testimony was heard from Allen Stayman, Director, Insular Affairs, Department of the Interior; and the following officials from Guam: Madeline Bordallo, Lt. Governor; Elizabeth Barrett-Anderson, and Hope Cristobal, both Senators.

## WORKING FAMILIES FLEXIBILITY ACT

*Committee on Rules:* Granted, by voice vote, a modified open rule providing one hour general debate on H.R. 2391, Working Families Flexibility Act. The rule makes in order the Committee on Economic and Educational Opportunities amendment in the nature of a substitute as an original bill for the purpose of amendment, with each section as read. The rule waives clause 7 of rule XVI (germaneness) against the committee amendment in the nature of a substitute.

The rule provides for the consideration of the manager's amendment printed in the report of the Committee on Rules, which is considered as read, not subject to amendment or to a division of the question. The amendment is debatable for 10 minutes equally divided between the proponent and an opponent. The amendment may amend portions of the bill not yet read. If adopted, the amendment is considered as part of the base text for further amendment purposes.

The rule provides for consideration of only those amendments that are pre-printed in the Congressional Record. The rule provides for a 2 hour limit on the amendment process. The Chairman of the Committee of the Whole may postpone votes during consideration of the bill, and reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides one motion to recommit, with or without instructions. Testimony was heard from Representatives Ballenger and Clay.

## BUILDING ON CHANGE: PREPARING FOR THE 105TH CONGRESS

*Committee on Rules:* Subcommittee on Rules and Organization of the House and the Subcommittee on Legislative and Budget Process held a joint hearing on Building on Change: Preparing for the 105th Congress. Testimony was heard from Representatives Bass, White, Farr, Hamilton and Cardin; and public witnesses.

## EFFECTS OF A SIX-YEAR BUDGET ON CIVILIAN R&D

*Committee on Science:* Concluded hearings on the Effects of a Six-Year Balanced Budget on Civilian Research and Development, Part II. Testimony was heard from Senator Bond; Martha Krebs, Director, Office of Energy Research, Department of Energy; Neal Lane, Director, NSF; and Daniel Goldin, Administrator, NASA.

## PAPERWORK REDUCTION ACT—FDA'S COMPLIANCE

*Committee on Small Business:* Subcommittee on Government Programs held a hearing on the FDA's compliance with the Paperwork Reduction Act of 1995. Testimony was heard from Robert Byrd, Acting Deputy Commissioner, Systems and Management, FDA, Department of Health and Human Services; and public witnesses.

## COMMITTEE MEETINGS FOR THURSDAY, JULY 25, 1996

*(Committee meetings are open unless otherwise indicated)*

### Senate

*Committee on Banking, Housing, and Urban Affairs,* to hold hearings to review the General Accounting Office (GAO) report on the Federal Reserve System, 9:15 a.m., SD–538.

*Committee on Commerce, Science, and Transportation,* to resume hearings on S. 1726, to promote electronic commerce by facilitating the use of privacy-enhancing technologies, 9:30 a.m., SR–253.

*Committee on Energy and Natural Resources,* Subcommittee on Parks, Historic Preservation and Recreation, to hold hearings on S. 1699, to establish the National Cave and Karst Research Institute in the State of New Mexico, and S. 1809, entitled the ''Aleutian World War II National Historic Areas Act'', 9:30 a.m., SD–366.

*Committee on Foreign Relations,* to hold hearings to examine World Bank projects in Xinjiang, China, 2 p.m., SD–419.

*Committee on Governmental Affairs,* business meeting, to consider the nomination of Franklin D. Raines, of the District of Columbia, to be Director, Office of Management and Budget, and to mark up S. 1376, to terminate unnecessary and inequitable Federal corporate subsidies, S. 1931, to provide that the United States Post Office building that is to be located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton Post Office and Courthouse'', and S. 1629, to protect the rights of the States and the people from abuse by the Federal Government, to strengthen the partnership and the intergovernmental relationship between State and Federal governments, and to enforce the Tenth Amendment to the U.S. Constitution, 10 a.m., SD–342.

*Committee on the Judiciary,* business meeting, to consider pending calendar business, 10 a.m., SD–226.

*Committee on Labor and Human Resources,* to hold hearings to examine recent developments in genetics research and public policy issues surrounding the application of new genetic technologies, 9:30 a.m., SD–430.

## NOTICE

For a listing of Senate Committee Meetings scheduled ahead, see page E1369 in today's Record.

## House

*Committee on Agriculture,* Subcommittee on Livestock, Dairy, and Poultry, oversight hearing on the processor-funded milk promotion program (MilkPEP) established by the Fluid Milk Promotion Act of 1990, 9:30 a.m., 1300 Longworth.

*Committee on Banking and Financial Services,* to mark up Budget Reconciliation, 10 a.m., 2128 Rayburn.

*Committee on Commerce,* Subcommittee on Energy and Power, hearing on Federal Energy Efficiency Standards for Consumer Products, 10 a.m., 2123 Rayburn.

*Committee on Economic and Educational Opportunities,* Subcommittee on Early Childhood, Youth and Families, to mark up a measure to amend the Juvenile Justice and Delinquency Prevention Act, 10 a.m., 2175 Rayburn.

*Committee on Government Reform and Oversight,* to consider the following bills and draft reports: H.R. 3841, Omnibus Civil Service Reform Act of 1996; H.R. 1907, Federal-Aid Facility Privatization Act; H.R. 3864, GAO Management Reform Act; H.R. 3452, Presidential and Executive Office Accountability Act; H.R. 3637, Travel Reform and Savings Act of 1996; H.R. 3802, Electronic Freedom of Information Act; H.R. 3869, Electronic Reporting and Streamlining Act; H.R. 1281, War Crimes Disclosure Act; H.R. 3625, National Historical Publications and Records Commission Reauthorization Act; H.R. 3768, to designate a United States Post Office to be located in Groton, MA, as the ''Augusta 'Gusty' Hornblower United States Post Office''; H.R. 3834, to redesignate the Dunning Post Office in Chicago, IL, as the ''Roger P. McAuliffe Post Office''; ''Protecting the Nation's Blood Supply from Infectious Agents: The Need for New Standards to Meet New Threats''; Health Care Fraud: All Public and Private Payers Need Federal Criminal Anti-Fraud Protections''; ''Investigation into the Activities of Federal Law Enforcement Agencies Toward the Branch Davidians''; and ''Two Year Review of the White House Communications Agency Reveals Major Mismanagement, Lack of Accountability and Mission Creep'', 9:30 a.m., 2154 Rayburn.

*Committee on International Relations,* hearing on Syria and Support for International Terrorism, 10 a.m., 2172 Rayburn.

Subcommittee on International Operations and Human Rights, hearing on Human Rights and Democracy in Albania, 2 p.m., 2172 Rayburn.

*Committee on the Judiciary,* Subcommittee on Commercial and Administrative Law, oversight hearing to review whether Congress should adopt legislation that would exempt from local taxation wireless service providers who transmit satellite-delivered video programming, 10 a.m., 2226 Rayburn.

Subcommittee on the Constitution, to mark up H.R. 3874, Civil Rights Commission Act of 1996, 10 a.m., 2237 Rayburn.

Subcommittee on Crime, to continue hearings on the Administration's efforts against the influence of organized crime in the Laborer's International Union of North America, 9:30 a.m., 2141 Rayburn.

*Committee on Resources,* Subcommittee on Energy and Mineral Resources, oversight hearing on Outer Continental Shelf moratoria, 2 p.m., 1324 Longworth.

Subcommittee on Fisheries, Wildlife and Oceans, oversight hearing on National Wildlife Refuge System, and to mark up pending business, 10 a.m., 1334 Longworth.

Subcommittee on National Parks, Forests and Lands hearing on the following: H.R. 3099, Washita Battlefield National Historic Site Act of 1996; H.R. 3819, to amend the Act establishing the National Park Foundation; H.R. 3486, to dispose of certain Federal properties at Dutch John, Utah, and to assist local government in the interim delivery of basic services to the Dutch John community; H.R. 3769, to provide for the conditional transfer of the Oregon and California Railroad Grant Lands, the Coos Bay Military Wagon Road Lands, and related public domain lands to the State of Oregon; and H.R. 3497, Snoqualmie National Forest Boundary Adjustment Act of 1996, 10 a.m., 1324 Longworth.

Subcommittee on Water and Power Resources, oversight hearing on deferred maintenance and energy reliability issues at facilities generating power marketed by the Southeastern Power Administration, 2 p.m., 1334 Longworth.

*Committee on Rules,* to consider H.R. 2823, International Dolphin Conservation Program Act, 2:30 p.m., H–313 Capitol.

*Committee on Small Business,* Subcommittee on Procurement, Exports, and Business Opportunities, oversight hearing on the Effectiveness of U.S. Export Assistance Centers, 10 a.m., 2359 Rayburn.

*Committee on Standards of Official Conduct,* executive, to consider pending business, 2:30 p.m., HT–2M Capitol.

*Committee on Transportation and Infrastructure,* Subcommittee on Surface Transportation, to continue hearings on ISTEA Reauthorization Maintaining Adequate Infrastructure: The Surface Transportation Program, 9:30 a.m., 2167 Rayburn.

*Committee on Ways and Means,* Subcommittee on Social Security, to mark up the Social Security Miscellaneous Amendments Act of 1996, 9:30 a.m., to be followed by a hearing to Review the Performance of the Social Security Administration as an Independent Agency, 10 a.m., B–318 Rayburn.

Subcommittee on Trade, hearing on U.S. Trade Competitiveness and Workforce Education and Training, 11 a.m., 1100 Longworth.

## Joint Meetings

*Conferees,* on H.R. 3734, to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, 11 a.m., 345 Cannon Building.

*Next Meeting of the* SENATE

9:30 a.m., Thursday, July 25

Senate Chamber

Program for Thursday: Senate will resume consideration of H.R. 3540, Foreign Operations Appropriations, 1997.

*Next Meeting of the* HOUSE OF REPRESENTATIVES

10 a.m., Thursday, July 25

House Chamber

Program for Thursday: Complete consideration of H.R. 3816, Energy and Water Development Appropriations Act for FY 1997 (open rule, 1 hour of general debate); and

Consideration of H.R. 3820, Campaign Finance Reform Act (modified closed rule, 1 hour of general debate).

## Extensions of Remarks, as inserted in this issue

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