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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. HASTERT].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
September 28, 1996.

I hereby designate the Honorable DENNIS J. HASTERT 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:

We pray, gracious God, that wherever we are or whatever we do, Your benediction will accompany us and Your blessing shall ever be with us. We are specially appreciative this day of those who have served in this place and who have sought to use their abilities to do the works of justice for all people and have been diligent in service to the people in their communities. With gratitude we remember those women and men who have been faithful in their commitment to the ideals of this Nation and for their concern for the traditions of this institution. Bless them and each of us so that in all things, justice will flow down as waters and righteousness like an everflowing stream. 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.

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

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

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

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

The SPEAKER pro tempore. Evidently a quorum is not present.

Pursuant to clause 5, rule I, further proceedings on this vote will be postponed and the vote will be taken later today.

The point of no quorum is considered withdrawn.

NOTICE

A final issue of the Congressional Record for the 104th Congress will be published on October 21, 1996, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–220 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m., through October 21. The final issue will be dated October 21, 1996 and will be delivered on October 23.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event, that occurred after the sine die date.

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By order of the Joint Committee on Printing.

WILLIAM M. THOMAS, *Chairman.*

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

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PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair would request that the gentleman from Mississippi [Mr. MONTGOMERY], who led the House for the first time in the pledge of allegiance on September 13, 1988, lead the House in the pledge of allegiance at the end of the 104th Congress.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed, without amendment, bills and a concurrent resolution of the House of the following titles:

H.R. 657. An act to extend the deadline under the Federal Power Act applicable to the construction of three hydroelectric projects in the State of Arkansas;

H.R. 680. An act to extend the time for construction of certain FERC licensed hydro projects;

H.R. 1011. An act to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Ohio;

H.R. 1014. An act to authorize extension of time limitation for a FERC-issued hydroelectric license;

H.R. 1290. An act to reinstate the permit for, and extend the deadline under the Federal Power Act applicable to the construction of, a hydroelectric project in Oregon, and for other purposes;

H.R. 1335. An act to provide for the extension of a hydroelectric project located in the State of West Virginia;

H.R. 1366. An act to authorize the extension of time limitation for the FERC-issued hydroelectric license for the Mt. Hope Waterpower Project;

H.R. 1791. An act to amend title XIX of the Social Security Act to make certain technical corrections relating to physicians' services;

H.R. 2501. An act to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Kentucky, and for other purposes;

H.R. 2630. An act to extend the deadline for commencement of construction of a hydroelectric project in the State of Illinois;

H.R. 2695. An act to extend the deadline under the Federal Power Act applicable to the construction of certain hydroelectric projects in the State of Pennsylvania;

H.R. 2773. An act to extend the deadline under the Federal Power Act applicable to the construction of 2 hydroelectric projects in North Carolina, and for other purposes;

H.R. 2816. An act to reinstate the license for, and extend the deadline under the Federal Power Act applicable to the construction of, a hydroelectric project in Ohio, and for other purposes;

H.R. 2869. An act to extend the deadline for commencement of construction of a hydroelectric project in the State of Kentucky;

H.R. 2988. An act to amend the Clean Air Act to provide that traffic signal synchronization projects are exempt from certain requirements of Environmental Protection Agency Rules;

H.R. 3074. An act to amend the United States-Israel Free Trade Area Implementation Act of 1985 to provide the President with additional proclamation authority with respect to articles of the West Bank or Gaza Strip or a qualifying industrial zone;

H.R. 3877. An act to designate the United States Post Office building located at 351 West Washington Street in Camden, Arkansas, as the ''David H. Pryor Post Office Building'';

H.R. 4167. An act to provide for the safety of journeymen boxers, and for other purposes; and

H. Con. Res. 216. Concurrent resolution providing for relocation of the Portrait Monument.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2700. An act to designate the building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, as the ''Amos F. Longoria Post Office Building.''

The message also announced that the Senate agrees to the amendment of the House to the amendments of the Senate to the bill (H.R. 3166) ''An act to amend title 18, United States Code, with respect to the crime of false statement in a Government matter.''

The message also announced that the Senate has passed bills of the following titles, in which the concurrence of the House is requested:

S. 737. An act to extend the deadlines applicable to certain hydroelectric projects, and for other purposes; and

S. 2153. An act to designate the United States Post Office building located in Brewer, Maine, as the ''Joshua Lawrence Chamberlain Post Office Building,'' and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 640) ''An act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.''

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 811) ''An act to authorize research into the desalinization and reclamation of water and authorize a program for States, cities or qualifying agencies desiring to own and operate a water desalinization or reclamation facility to develop such facilities, and for other purposes.''

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 919) ''An act to modify and reauthorize the Child Abuse Prevention and Treatment Act, and for other purposes.''

The message also announced that pursuant to Public Law 99–498, the Chair, on behalf of the President pro tempore, appoints Dr. Robert C. Khayat, of Mississippi, to the Advisory Committee on Student Financial Assistance for a 3-year term effective October 1, 1996.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

NO ACCOMPLISHMENTS FOR 104TH CONGRESS

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

Mr. PALLONE. Mr. Speaker, I listened to my Republican colleagues outside the Capitol yesterday saying how they are going to go home and tout their commonsense accomplishments. I would say that nothing could be further from the truth. Looking at the Congress and the Republican leadership, they shut down the Government twice for nearly an entire month, wasting $1.4 billion of taxpayers' money. They abandoned a balanced budget by essentially proposing extreme proposals for tax breaks that would primarily benefit wealthy Americans.

They voted for the largest education cuts in history, essentially abandoning our Nation's children. They undermined crime fighting efforts by voting to kill the COPS initiatives by the President that would put 100,000 new policemen on the streets, and they voted to roll back 25 years of bipartisan progress on environmental protection.

These are the accomplishments of the 104th Congress, and as far as I am concerned, the sooner the Gingrich Congress is put to rest, the better.

SORRY RECORD OF REPUBLICAN CONGRESS

(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, yesterday House Republicans held a campaign rally on the steps of the Capitol to celebrate their 2 years of running Congress with balloons and a brass band.

But as someone once said, you can put wings on a pig but that doesn't make it an eagle.

What's really going on here, and the reason why we are meeting in a highly unusual Saturday session is that Republicans are in a desperate hurry to get out of town and start putting some distance between themselves and the sorry record of failure they have accumulated.

Don't just take my word for it. Listen to what the Los Angeles Times said earlier this week:

The 104th Congress, which began almost 2 years ago with Republicans storming the barricades of the Washington establishment is ending with a mad dash for the exits—their forced march toward adjournment looks more like a hasty retreat.

REPUBLICAN CONGRESS IS MELTING

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

Mr. KLINK. Mr. Speaker, as we bring this 104th Congress to an end, I look at the pieces of legislation that the Republicans are so proud of, the fact that they brag about bringing the Members of Congress under all of the laws that the rest of the Nation are under. Well, that was the very first bill that I introduced back at the beginning of the 103d Congress.

And they are so proud, of course, of the fact that they passed the Kennedy-Kassebaum bill, even though Senator KENNEDY, who was one of the authors of the bill, is one of the liberals they love to hate.

They are so proud of the fact that they were able to raise the minimum wage and indeed that was something that Senator KENNEDY, the liberal that they love to hate, also put forward.

It kind of reminds me of the politician who is talking to the farmer, and he is bragging about all the things he did, and he noticed the smile on the farmer's face, and he says, ''Why are you smiling?'', and the farmer points out the fact that the politician is standing in a big, fresh cow pie and he says, ''I think you are melting.''

I think indeed as the bucket brigade from the Republican side walks around talking about how they saved us from all of the ice that was delivered to our offices, that they better look around, because I think they are melting.

TOO MANY PRODUCTS AND TOO FEW JOBS

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

Mr. TRAFICANT. Mr. Speaker, the U.S. trade deficit once again is at a record level. Japan is in to us for more than $60 billion. China is eating our clock at about $40 billion. Mexico and Canada are now approaching $40 billion.

The result is, since 1991, we have lost 13 million jobs and 60 percent of those workers today are in jobs that pay less than half of what they previously earned. So when some spin-master coined the term ''downsizing,'' they were very conservative.

The truth is, it does not take a rocket scientist, since NAFTA, GATT, WTO, ''GNAT'' and ''PMS,'' I say to my colleagues, America is sending jobs and money overseas, and in return, we get a boatload of Suzukis and two baseball players to be named later.

Beam me up. What is next, folks? NAFTA II?

Mr. Speaker, I yield back the balance of the jobs left.

104TH CONGRESS MOST SUCCESSFUL IN A GENERATION

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

Mr. WALKER. Mr. Speaker, the American people may wonder why over the last few weeks they have heard so much hate, venom and smear uttered on this floor. People who should know better have been on this floor, making hateful statements, venomous statements and statements of smear.

The fact is that this is their political agenda, and what they are worried about is the fact that the 104th Congress has been the most successful Congress in a generation, and the Speaker of the House, NEWT GINGRICH, has been the most successful Speaker of this century. That is what they are concerned about.

MUCH ACCOMPLISHED, MUCH YET TO BE DONE

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

Mr. LINDER. Mr. Speaker, it is always humorous to listen to the gentleman from Pennsylvania [Mr. KLINK] stand here and complain about this Congress. The gentleman said that the Accountability Act was one that he introduced in the 103d Congress. That was a Democrat Congress with a Democrat President, and he could not get it passed.

We have heard that the minimum wage was a Democratic initiative, but they had a Democrat Congress and a Democrat President in the 103d and they could not get it passed.

This Congress has also imposed congressional reforms and the line-item veto. Indeed, 7 of the 14 accomplishments listed by the President in his acceptance speech in Chicago were items in the Contract With America that he signed. Seventy percent of that contract is signed into law and the President is proudly taking credit for it.

This has been a successful Congress. We have achieved much telecommunications reform, welfare reform, the Farm Act. We have achieved much, but we have much left to do, and we intend to be back here in the majority in January, completing our work.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken later in the day.

SAVINGS IN CONSTRUCTION ACT OF 1996

Mr. WALKER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4233) to provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects, and for other purposes.

The Clerk read as follows:

H.R. 4233

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 ''Savings in Construction Act of 1996''.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The Metric Conversion Act of 1975 was enacted in order to set forth the policy of the United States to convert to the metric system. Section 3 of that Act requires that each Federal agency use the metric system of measurements in its procurement, grants, and other business-related activities, unless that use is likely to cause significant cost or loss of markets to United States firms, such as when foreign competitors are producing competing products in non-metric units.

(2) In accordance with that Act and Executive Order 12770, of July 25, 1991, Federal agencies increasingly construct new Federal buildings in round metric dimensions. As a result, companies that wish to bid on Federal construction projects increasingly are asked to supply materials or products in round metric dimensions.

(3) While the Metric Conversion Act of 1975 currently provides an exemption to metric usage when impractical or when such usage will cause economic inefficiencies, amendments are warranted to ensure that the use of specific metric components in metric construction projects do not increase the cost of Federal buildings to the taxpayers.

SEC. 3. DEFINITIONS.

Section 4 of the Metric Conversion Act of 1975 (15 U.S.C. 205c) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking ''Commerce.'' in paragraph (4) and inserting ''Commerce;''; and

(3) by inserting after paragraph (4) the following:

''(5) 'full and open competition' has the same meaning as defined in section 403(6) of title 41, United States Code;

''(6) 'total installed price' means the price of purchasing a product or material, trimming or otherwise altering some or all of that product or material, if necessary to fit with other building components, and then installing that product or material into a Federal facility;

''(7) 'hard-metric' means measurement, design, and manufacture using the metric system of measurement, but does not include measurement, design, and manufacture using English system measurement units which are subsequently reexpressed in the metric system of measurement;

''(8) 'cost or pricing data or price analysis' has the meaning given such terms in section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b); and

''(9) 'Federal facility' means any public building (as defined under section 13 of the Public Buildings Act of 1959 (40 U.S.C. 612) and shall include any Federal building or construction project—

''(A) on lands in the public domain;

''(B) on lands used in connection with Federal programs for agriculture research, recreation, and conservation programs;

''(C) on or used in connection with river, harbor, flood control, reclamation, or power projects;

''(D) on or used in connection with housing and residential projects;

''(E) on military installations (including any fort, camp, post, naval training station, airfield, proving ground, military supply depot, military school, or any similar facility of the Department of Defense);

''(F) on installations of the Department of Veteran Affairs used for hospital or domiciliary purposes; or

''(G) on lands used in connection with Federal prisons,

but does not include (i) any Federal Building or construction project the exclusion of which the President deems to be justified in the public interest, or (ii) any construction project or building owned or controlled by a State government, local government, Indian tribe, or any private entity.''.

SEC. 4. IMPLEMENTATION IN ACQUISITION OF FEDERAL FACILITIES.

(a) The Metric Conversion Act of 1975 (15 U.S.C. 205 et sec.) is amended by inserting after section 13 the following new section:

''SEC. 14. IMPLEMENTATION IN ACQUISITION OF CONSTRUCTION SERVICES AND MATERIALS FOR FEDERAL FACILITIES.

''(a) IN GENERAL.—Construction services and materials for Federal facilities shall be procured in accordance with the policies and procedures set forth in chapter 137 of title 10, United States Code, section 2377 of title 10, United States Code, title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), and section 3(2) of this Act. Determination of a design method shall be based upon preliminary market research as required under section 2377(c) of title 10, United States Code, and section 314B(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 264b(c)). If the requirements of this Act conflict with the provisions of section 2377 of title 10, United States Code, or section 314B of the Federal Property and Administrative Services Act of 1949, then the provisions of 2377 or 314B shall take precedence.

''(b) CONCRETE MASONRY UNITS.—In carrying out the policy set forth in section 3 (with particular emphasis on the policy set forth in paragraph (2) of that section) a Federal agency may require that specifications for the acquisition of structures or systems of concrete masonry be expressed under the metric system of measurement, but may not incorporate specifications, that can only be satisfied by hard-metric versions of concrete masonry units, in a solicitation for design or construction of a Federal facility within the United States or its territories, or a portion of said Federal facility, unless the head of the agency determines in writing that—

''(1) hard-metric specifications are necessary in a contract for the repair or replacement of parts of Federal facilities in existence or under construction upon the effective date of the Savings in Construction Act of 1996; or

''(2) the following 2 criteria are met:

''(A) the application requires hard-metric concrete masonry units to coordinate dimensionally into 100 millimeter building modules; and

''(B) the total installed price of hard-metric concrete masonry units is estimated to be equal to or less than the total installed price of using non-hard-metric concrete masonry units. Total installed price estimates shall be based, to the extent available, on cost or pricing data or price analysis, using actual hard-metric and non-hard-metric offers received for comparable existing projects. The head of the agency shall include in the writing required in this subsection an explanation of the factors used to develop the price estimates.

''(c) RECESSED LIGHTING FIXTURES.—In carrying out the policy set forth in section 3 (with particular emphasis on the policy set forth in paragraph (2) of that section) a Federal agency may require that specifications for the acquisition of structures or systems of recessed lighting fixtures be expressed under the metric system of measurement, but may not incorporate specifications, that can only be satisfied by hard-metric versions of recessed lighting fixtures, in a solicitation for design or construction of a Federal facility within the United States or its territories unless the head of the agency determines in writing that—

''(1) the predominant voluntary industry consensus standards include the use of hard-metric for the items specified; or

''(2) hard-metric specifications are necessary in a contract for the repair or replacement of parts of Federal facilities in existence or under construction upon the effective date of the Savings in Construction Act of 1996; or

''(3) the following 2 criteria are met:

''(A) the application requires hard-metric recessed lighting fixtures to coordinate dimensionally into 100 millimeter building modules; and

''(B) the total installed price of hard-metric recessed lighting fixtures is estimated to be equal to or less than the total installed price of using non-hard-metric recessed lighting fixtures. Total installed price estimates shall be based, to the extent available, on cost or pricing data or price analysis, using actual hard-metric and non-hard-metric offers received for comparable existing projects. The head of the agency shall include in the writing required in this subsection an explanation of the factors used to develop the price estimates.

''(d) LIMITATION.—The provisions of subsections (b) and (c) of this section shall not apply to Federal contracts to acquire construction products for the construction of facilities outside of the United States and its territories.

''(e) EXPIRATION.—The provisions contained in subsections (b) and (c) of this section shall expire 10 years from the effective date of the Savings in Construction Act of 1996.''.

SEC. 5. OMBUDSMAN.

Section 14 of the Metric Conversion Act of 1975, as added by section 4 of this Act, is further amended by adding at the end the following new subsection:

''(f) AGENCY OMBUDSMAN.—(1) The head of each executive agency that awards construction contracts within the United States and its territories shall designate a senior agency official to serve as a construction metrication ombudsman who shall be responsible for reviewing and responding to complaints from prospective bidders, subcontractors, suppliers, or their designated representatives related to—

''(A) guidance or regulations issued by the agency on the use of the metric system of measurement in contracts for the construction of Federal buildings; and

''(B) the use of the metric system of measurement for services and materials required for incorporation in individual projects to construct Federal buildings.

The construction metrication ombudsman shall be independent of the contracting officer for construction contracts.

''(2) The ombudsman shall be responsible for ensuring that the agency is not implementing the metric system of measurement in a manner that is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms in violation of the policy stated in section 3(2), or is otherwise inconsistent with guidance issued by the Secretary of Commerce in consultation with the Interagency Council on Metric Policy while ensuring that the goals of the Metric Conversion Act of 1975 are observed.

''(3) The ombudsman shall respond to each complaint in writing within 60 days and make a recommendation to the head of the executive agency for an appropriate resolution thereto. In such a recommendation, the ombudsman shall consider—

''(A) whether the agency is adequately applying the policies and procedures in this section;

''(B) whether the availability of hard-metric products and services from United States firms is sufficient to ensure full and open competition; and

''(C) the total installed price to the Federal Government.

''(4) After the head of the agency has rendered a decision regarding a recommendation of the ombudsman, the ombudsman shall be responsible for communicating the decision to all appropriate policy, design, planning, procurement, and notifying personnel in the agency. The ombudsman shall conduct appropriate monitoring as required to ensure the decision is implemented, and may submit further recommendations, as needed. The head of the agency's decision on the ombudsman's recommendations, and any supporting documentation, shall be provided to affected parties and made available to the public in a timely manner.

''(5) Nothing in this section shall be construed to supersede the bid protest process established under subchapter V of chapter 35 of title 31, United States Code.''.

SEC. 6. EFFECTIVE DATE AND MISCELLANEOUS PROVISIONS.

(a) EFFECTIVE DATE.—This Act and the amendments made by this Act shall take effect 90 days after the date of enactment of this Act.

(b) SAVINGS PROVISIONS.—This Act shall not apply to contracts awarded and solicitations issued on or before the effective date of this Act, unless the head of a Federal agency makes a written determination in his or her sole discretion that it would be in the public interest to apply one or more provisions of this Act or its amendments to these existing contracts or solicitations.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from California [Mr. BROWN] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to bring before the House of Representatives H.R. 4233, the Savings in Construction Act of 1996. H.R. 4233 was introduced yesterday by Congressman CHRIS COX and Congresswoman CONNIE MORELLA, chairwoman of the Technology Subcommittee. I would like to thank both these Members for their tireless work on this important legislative measure.

H.R. 4233 is a modified version of H.R. 2779, a bill by the same name. H.R. 2779 was ordered reported by the Science Committee on June 26, 1996, and passed the House on July 23, 1996 as part of the Corrections Day Calendar.

H.R. 4233 represents a compromise worked out with the Senate which I hope the other body will send expeditiously to the President. The bill is now entirely noncontroversial, and I

hope all my colleagues will support the measure.

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

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

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

Mr. BROWN of California. Mr. Speaker, I will be brief, although in light of the schedule that I observe today, we might as well take as much time as we can.

I would like to confirm the statement that the gentleman from Pennsylvania [Mr. WALKER] has already made. The bill before us has been the result of bipartisan, bicameral cooperation and has produced a good piece of legislation.

There are a couple of points that I would like to make.

I rise in support of H.R. 4233, the Savings in Construction Act, which is now before us. The text of this bill has been agreed upon by the Senate and is based on the House-passed H.R. 2779.

I would like to express my appreciation of the courtesy shown to House Members on both sides of the aisle by our Senate colleagues in developing this new bill.

This bipartisan and bicameral cooperation has produced H.R. 4233 which is superior to the previously House-passed H.R. 2779 on a number of points. I would like to mention a few examples.

First, H.R. 4233 clearly demonstrates that the legislative intent of the Metric Conversion Act of 1975 and the subsequent 1988 amendments remain the policy of the United States as well as the law of the land.

Nothing in this bill is contrary to our longstanding goal of catching up to the rest of the world in the use and understanding of the metric system of measurement.

As Congressman EHLERS so eloquently stated during the Science Committee debate on this measure, it is really a shame that our economy has lost billions of dollars over the years due to the inability of U.S. industry to meet the metric requirements of export markets.

The sooner the metric system becomes the standard for measurement here as it is in the rest of the world, the better off we will be.

Second, H.R. 4233 continues the House intent of easing the transition to metric by the concrete masonry industry and the recessed fluorescent lighting industry by taking into consideration their special needs.

The decision of the Senate to sunset both of these exemptions to metric conversion after 10 years is sensible. This 10-year exemption provides these industries plenty of time to convert while preserving the overall goal of U.S. metric-based construction. These two exemptions are consistent with the policy of the 1988 amendments of exempting industries from metric conversion where conversion does not make economic sense.

Third, H.R. 4233's transition rules and other qualifications on the exemptions are helpful and add certainty to the process. H.R. 4233 takes a number of positive steps to make sure delaying metric conversion does not increase Federal costs and ensures that metric projects that are now underway are not required to absorb the costs associated with reengineering to the inch-pound system.

Finally, H.R. 4233 has done a credible job of streamlining the original ombudsman provisions in H.R. 2779. These new provisions will reduce costs and better serve the need of potential Government contractors.

Therefore, I urge my colleagues to support this legislation which gives small businesspeople a needed break while still helping us move forward to when the U.S. economy will reap the benefits of being fully metric.

□ 0915

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

Mr. WALKER. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the chairman for yielding me time. I appreciate the remarks of the ranking member.

As the sponsor of this legislation, I am pleased we are here at the conclusion of the 104th Congress to see this measure enacted into law. There is not much question that the metric system is a superior alternative to the other random measures that have been employed throughout the ages. In particular, it is the superior system in the world today. The question before us is not whether the metric system is a good idea or whether Congress in 1975 was wise to put us on an inextricable path toward metrification, but, rather, whether we can inject some common sense into the enterprise.

We have to ask ourselves what is good about the metric system to begin with. Probably the best thing about it is that it permits the addition, multiplication, subtraction, division, with ease, of fractions. The metric system is not new. In fact, the Mohenjo-Daro civilization on the Indus River about 5,000 years ago used the decimal system. The Scotsman, John Napier, who pioneered the use of the decimal point so that we could show fractions to the right-hand side and whole numbers to the left, lived at the turn of the 16th century.

There is nothing new about this at all. What is new is that we are finding increasingly better ways to use tiny measures. It is routine now for us to measure in angstroms. We have to ask ourselves whether or not the Congress should pass a law outlawing the use of fractions, when after all, the great attraction of the decimal system is we can use with great facility fractions. That, unfortunately, is at least what the administration had been doing up until we introduced this measure.

Specifically, they said that using the metric system in America means you cannot use fractions, you have to use whole numbers, and it was an edict, a fiat, a new case, that fractions should be outlawed in American manufacturing.

Let me give you an example. In Wilmington, MA, a company named Lightolier that manufactured light fixtures, has done so for 70 years, employing about 200 people, was told they had to use round numbers if they wanted to sell light fixtures to the Federal Government for Federal buildings. This was no small thing, because they would have had to buy all new equipment. They would have had to retool in their entire factory. The general manager of the plant told the local newspaper they could not do this without spending at least $5 million. This is a company with 200 workers.

We cannot retool, he lamented, and if somebody else does, we are at a disadvantage. During the past year, Lightolier sales have fallen due to their inability to participate in Federal projects, forcing them to lay off 35 workers.

Now, the taxpayer is not any better off for this, because the cost of the projects goes up 15 to 20 percent. Many examples: Kansas City, MO, the courthouse was estimated to cost $117 million. Fortunately for the American taxpayer, the Clinton administration was forced to drop their hard metric requirement, let people use decimal fractions, and the revised cost of the project turned out to be $97 million, or a savings of about $20 million.

That is what this bill is all about. I am very, very pleased our colleagues on the Senate side, as well as our colleagues here, the minority and majority working together, have come up with a bill that is acceptable to everyone that will put us on the path of common sense.

We ought to, as we try to serve the interests of the American people, remember that there is a limit to what Government can do. When Arabic numerals were introduced into Europe, it was not because a Government passed a law saying you cannot use Roman numerals anymore, and, by the way, there are always advantages to Arabic numerals, they add up to columns and are much superior. It was because merchants of the time found it worked a lot better.

That is what is happening in commerce in America around the world right now. The Federal Government's job should be to facilitate that. What we have seen here is an example, if I may say so, of stupidity, or at least a preference for complex error to simple truth. The advantage of the metric system is its ability to work in fractions. We should not outlaw fractions, we should welcome them.

Mr. Speaker, I thank my colleagues for the work on this bill, particularly

the chairman of the committee, the gentleman from Pennsylvania [Mr. WALKER]. This is a measure that originally came up on Corrections Day for obvious reasons. I am pleased as we adjourn this Congress momentarily, that this will be part of our finished work.

Mrs. MORELLA. Mr. Speaker, today we are considering H.R. 4233, the Savings in Construction Act of 1996, introduced by Congressman COX of California.

H.R. 4233 reflects bipartisan modifications made by both the House and the Senate to H.R. 2779, the original Savings in Construction Act. H.R. 2779 passed the House on July 23 under corrections day calendar consideration and was reported out of the Science Committee and the Technology Subcommittee, which I chair.

H.R. 4233 provides for the appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects.

The Metric Conversion Act, as amended, requires all Federal agencies to use the metric system in procurements, grants, and other business-related activities, except when such use is impractical or is likely to cause significant inefficiencies or loss of markets to U.S. firms.

In the implementation of the Act, however, certain American construction industries have suffered an adverse economic impact and the government has had to incur additional costs for using metric in certain Federal construction projects.

There is a need to correct the Metric Conversion Act by providing for flexibility in its implementation.

With H.R. 42233, we can achieve the goals of the act, in Federal construction projects, without closing project bids to American companies, especially small manufacturers who do not export and who cannot afford to retool their production facilities at great cost to produce products which are identific except for a slight change in size.

In subcommittee hearings, we heard testimony from these affected companies that, under the current implementation of the act, domestic producers are at a competitive disadvantage with respect to foreign metric producers, the number of companies that compete for contracts with the Federal Government are reduced, and manufacturers are forced to maintain double inventories of similar but incompatible products.

Mr. Speaker, as the chair of the Technology Subcommittee, which has jurisdiction over our Nation's technology and competitiveness policy, I am a strong supporter of encouraging the use of the metric system in the interests of our Nation's industrial competitiveness in world markets.

Despite our current laws to promote metric, the United States still remains the only major industrialized country in the world which does not predominately use metric as a standard measurement system.

Converting to the metric system is a goal that Congress has wisely decided and should be fully supported. We must continue to promote, sensibly, and as vigorously as possible, the metric system to advance our Nation's long-term international competitiveness.

H.R. 4233 is a bill worthy of our support because it balances the need for the Federal Government to maintain our current efforts to promote metric which providing for appropriate implementation of the Metric Conversion Act in Federal construction.

I commend Congressman COX for his corrective legislation providing for this less costly and less intrusive method of meeting the goals of the Metric Conversion Act.

I also wish to recognize the chairman of the Science Committee, Congressman WALKER, the Committee's Ranking Member, Mr. BROWN, and the Ranking Member of the Technology Subcommittee, Mr. TANNER, for their bipartisan efforts in reporting this legislation to the House.

I urge all of my colleagues to support H.R. 4233.

Mr. WALKER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTERT). The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALKER] that the House suspend the rules and pass the bill, H.R. 4233.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

CROWS LANDING CALIFORNIA LAND CONVEYANCE

Mr. WALKER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4088) to provide for the conveyance of certain property from the United States to Stanislaus County, CA, as amended.

The Clerk read as follows:

H.R. 4088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONVEYANCE OF PROPERTY

Notwithstanding any other provision of law or regulation, as soon as practicable after the date of the enactment of this Act, the Administrator of the National Aeronautics and Space Administration (in this Act referred to as ''NASA'') shall convey to Stanislaus County, California, all right, title, and interest of the United States in and to the property described in section 2.

SEC. 2. PROPERTY DESCRIBED.

The property to be conveyed pursuant to section 1 is—

(1) the approximately 1528 acres of land in Stanislaus County, California, known as the Crows Landing Facility of NASA Ames Research Center (formerly known as the Naval Auxiliary Landing Field, Crows Landing);

(2) all improvements on the land described in paragraph (1); and

(3) any other Federal property that is—

(A) under the jurisdiction of NASA;

(B) located on the land described in paragraph (1); and

(C) designated by NASA to be transferred to Stanislaus County, California.

SEC. 3. TERMS.

(a) CONSIDERATION.—The conveyance required by section 1 shall be without consideration other than that required by this section.

(b) ENVIRONMENTAL REMEDIATION.—(1) The conveyance required by section 1 shall not relieve any Federal agency or any responsibility under law for any environmental remediation of soil, groundwater, or surface water. Nothing in this subsection shall be construed to alter the allocation of environmental responsibility contained in the Memorandum of Understanding between the Department of the Navy and NASA, dated December 22, 1992.

(2) Any remediation of contamination, other than that described in paragraph (1), within or related to structures or fixtures on the property described in section 2 shall be subject to negotiation to the extent permitted by law.

(c) RETAINED RIGHT OF USE.—NASA shall retain the right to use the property described in section 2 for aviation activities, without consideration and on other terms and conditions mutually acceptable to NASA and Stanislaus County, California.

(d) RELINQUISHMENT OF LEGISLATIVE JURISDICTION.—NASA shall relinquish, to the State of California, legislative jurisdiction over the property conveyed pursuant to section 1 by filing a notice of relinquishment with the State of California, which shall take effect upon acceptance thereof as prescribed by the laws of California.

(e) ADDITIONAL TERMS.—The Administrator of NASA may negotiate such additional terms and conditions in connection with the conveyance required by section 1 as are appropriate to protect the interests of the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. WALKER] and the gentleman from California [Mr. BROWN] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill would transfer the Crows Landing facility at Ames Research Center to the surrounding jurisdiction. The landing facility is no longer essential to NASA's needs. But if transferred to the county, it will provide that county with a potential economic development tool by providing needed airport capability. However, if in the future NASA needs to use the facility, it would be able to do so, and has therefore given its approval for this transfer.

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

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

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, the chairman has properly described the bill. I have nothing further to add. I ask that the House pass the bill.

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

Mr. WALKER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. WALKER] that the House suspend the rules and pass the bill, H.R. 4088, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Mr. WALKER. Mr. Speaker, pursuant to House Resolution 525, I announce that the following measures have been added to the Suspension Calendar:

H.R. 1332/S. 1804, omnibus territories—may take up S. 1804 if ready; H.R. 3487, National Marine Sanctuaries, as amended by Senate; H.R. 3163, Oregon-Washington tax; H.R. 4165, Canadian boater landing—Hoke; and H.R. 4123, Larson Creek Land Exchange.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 25 minutes a.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. LATOURETTE] at 12 o'clock and 18 minutes p.m.

DIRECTING THE SECRETARY OF THE SENATE TO MAKE CORRECTIONS IN ENROLLMENT OF S. 1004, COAST GUARD AUTHORIZATION

Mr. SHUSTER. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 229) directing the Secretary of the Senate to make corrections in the enrollment of S. 1004, and I ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the requests of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 229

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill S. 1004, the Secretary of the Senate shall make the following corrections:

(1) In section 1106(c), in the text added to section 5 of the Act of January 2, 1951—

(A) strike ''This section does not prohibit, nor many any State make'' and insert in lieu thereof ''With respect to a vessel operating in Alaska, this section does not prohibit, nor may the State of Alaska make'';

(B) strike ''except that a State may'' and insert in lieu thereof ''except that such State may''; and

(C) strike paragraph (2) and insert in lieu thereof the following:

''(2) A voyage referred to in paragraph (1) is a voyage that—

''(A) includes a stop in Canada or in a State other than the State of Alaska;

''(B) includes stops in at least 2 different ports situated in the State of Alaska; and

''(C) is of at least 60 hours duration.''.

(2) In section 1113(d), in the text added to section 12106 of title 46, United States Code, in subsection (e)(1)(E) strike ''section 12102'' and insert in lieu thereof ''this section''.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT REGARDING LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Mr. LAZIO of New York. Mr. Speaker, pursuant to House Resolution 525, the following suspensions are expected to be considered today:

H.R. 543, H.R. 4236, H.R. 4264, H.R. 3633, and H.R. 2779.

NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3219) to provide Federal assistance for Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3219

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Native American Housing Assistance and Self-Determination Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Congressional findings.
Sec. 3. Administration through Office of Native American Programs.
Sec. 4. Definitions.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

Sec. 101. Block grants.
Sec. 102. Indian housing plans.
Sec. 103. Review of plans.
Sec. 104. Treatment of program income and labor standards.
Sec. 105. Environmental review.
Sec. 106. Regulations.
Sec. 107. Effective date.
Sec. 108. Authorization of appropriations.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

Sec. 201. National objectives and eligible families.
Sec. 202. Eligible affordable housing activities.
Sec. 203. Program requirements.
Sec. 204. Types of investments.
Sec. 205. Low-income requirement and income targeting.
Sec. 206. Certification of compliance with subsidy layering requirements.
Sec. 207. Lease requirements and tenant selection.
Sec. 208. Availability of records.
Sec. 209. Repayment.
Sec. 210. Continued use of amounts for affordable housing.

TITLE III—ALLOCATION OF GRANT AMOUNTS

Sec. 301. Annual allocation.
Sec. 302. Allocation formula.

TITLE IV—COMPLIANCE, AUDITS, AND REPORTS

Sec. 401. Remedies for noncompliance.
Sec. 402. Replacement of recipient.
Sec. 403. Monitoring of compliance.
Sec. 404. Performance reports.
Sec. 405. Review and audit by Secretary.
Sec. 406. GAO audits.
Sec. 407. Reports to Congress.

TITLE V—TERMINATION OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

Sec. 501. Repeal of provisions relating to Indian housing assistance under United States Housing Act of 1937.
Sec. 502. Termination of Indian housing assistance under United States Housing Act of 1937.
Sec. 503. Termination of new commitments for rental assistance.
Sec. 504. Termination of youthbuild program assistance.
Sec. 505. Termination of HOME program assistance.
Sec. 506. Termination of housing assistance for the homeless.
Sec. 507. Savings provision.
Sec. 508. Effective date.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

Sec. 601. Authority and requirements.
Sec. 602. Security and repayment.
Sec. 603. Payment of interest.
Sec. 604. Training and information.
Sec. 605. Limitations on amount of guarantees.
Sec. 606. Effective date.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

Sec. 701. Loan guarantees for Indian housing.
Sec. 702. 50-year leasehold interest in trust or restricted lands for housing purposes.
Sec. 703. Training and technical assistance.
Sec. 704. Public and Assisted Housing Drug Elimination Act of 1990.
Sec. 705. Effective date.

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes in safe and healthy environments and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State, tribal, and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a unique trust responsibility to protect and support Indian tribes and Indian people;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed a trust responsibility for the protection and preservation

of Indian tribes and for working with tribes and their members to improve their housing conditions and socioeconomic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable homes in safe and healthy environments is an essential element in the special role of the United States in helping tribes and their members to improve their housing conditions and socioeconomic status;

(6) the need for affordable homes in safe and healthy environments on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of Indian self-determination and tribal self-governance by making such assistance available directly to the Indian tribes or tribally designated entities under authorities similar to those accorded Indian tribes in Public Law 93–638 (25 U.S.C. 450 et seq.).

SEC. 3. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this Act through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 4. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) ADJUSTED INCOME.—The term ''adjusted income'' means the annual income that remains after excluding the following amounts:

(A) YOUTHS, STUDENTS, AND PERSONS WITH DISABILITIES.—$480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household)—

(i) who is under 18 years of age; or

(ii) who is—

(I) 18 years of age or older; and

(II) a person with disabilities or a full-time student.

(B) ELDERLY AND DISABLED FAMILIES.—$400 for an elderly or disabled family.

(C) MEDICAL AND ATTENDANT EXPENSES.—The amount by which 3 percent of the annual income of the family is exceeded by the aggregate of—

(i) medical expenses, in the case of an elderly or disabled family; and

(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed.

(D) CHILD CARE EXPENSES.—Child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education.

(E) EARNED INCOME OF MINORS.—The amount of any earned income of any member of the family who is less than 18 years of age.

(F) TRAVEL EXPENSES.—Excessive travel expenses, not to exceed $25 per family per week, for employment- or education-related travel.

(G) OTHER AMOUNTS.—Such other amounts as may be provided in the Indian housing plan for an Indian tribe.

(2) AFFORDABLE HOUSING.—The term ''affordable housing'' means housing that complies with the requirements for affordable housing under title II. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(3) DRUG-RELATED CRIMINAL ACTIVITY.—The term ''drug-related criminal activity'' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(4) ELDERLY FAMILIES AND NEAR-ELDERLY FAMILIES.—The terms ''elderly family'' and ''near-elderly family'' mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the Indian housing plan for the agency to be essential to their care or well-being.

(5) ELDERLY PERSON.—The term ''elderly person'' means a person who is at least 62 years of age.

(6) FAMILY.—The term ''family'' includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(7) GRANT BENEFICIARY.—The term ''grant beneficiary'' means the Indian tribe or tribes on behalf of which a grant is made under this Act to a recipient.

(8) INCOME.—The term ''income'' means income from all sources of each member of the household, as determined in accordance with criteria prescribed by the Secretary, except that the following amounts may not be considered as income under this paragraph:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(9) INDIAN.—The term ''Indian'' means any person who is a member of an Indian tribe.

(10) INDIAN AREA.—The term ''Indian area'' means the area within which a tribally designated housing entity is authorized by one or more Indian tribes to provide assistance under this Act for affordable housing.

(11) INDIAN HOUSING PLAN.—The term ''Indian housing plan'' means a plan under section 102.

(12) INDIAN TRIBE.—

(A) IN GENERAL.—The term ''Indian tribe'' means a tribe that is a federally recognized tribe or a State recognized tribe.

(B) FEDERALLY RECOGNIZED TRIBE.—The term ''federally recognized tribe'' means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

(C) STATE RECOGNIZED TRIBE.—

(i) IN GENERAL.—The term ''State recognized tribe'' means any tribe, band, nation, pueblo, village, or community—

(I) that has been recognized as an Indian tribe by any State; and

(II) for which an Indian Housing Authority has, before the effective date under section 107, entered into a contract with the Secretary pursuant to the United States Housing Act of 1937 for housing for Indian families and has received funding pursuant to such contract within the 5-year period ending upon such effective date.

(ii) CONDITIONS.—Notwithstanding clause (i)—

(I) the allocation formula under section 302 shall be determined for a State recognized tribe under tribal membership eligibility criteria in existence on the date of the enactment of this Act; and

(II) nothing in this paragraph shall be construed to confer upon a State recognized tribe any rights, privileges, responsibilities, or obligations otherwise accorded groups recognized as Indian tribes by the United States for other purposes.

(13) LOW-INCOME FAMILY.—The term ''low-income family'' means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the findings of the Secretary or the agency that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.

(14) MEDIAN INCOME.—The term ''median income'' means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(15) NEAR-ELDERLY PERSON.—The term ''near-elderly person'' means a person who is at least 55 years of age and less than 62 years of age.

(16) NONPROFIT.—The term ''nonprofit'' means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(17) PERSON WITH DISABILITIES.—The term ''person with disabilities'' means a person who—

(A) has a disability as defined in section 223 of the Social Security Act;

(B) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which—

(i) is expected to be of long-continued and indefinite duration;

(ii) substantially impedes his or her ability to live independently; and

(iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for housing assisted under this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(18) RECIPIENT.—The term ''recipient'' means an Indian tribe or the entity for one or more Indian tribes that is authorized to receive grant amounts under this Act on behalf of the tribe or tribes.

(19) SECRETARY.—Except as otherwise specifically provided in this Act, the term ''Secretary'' means the Secretary of Housing and Urban Development.

(20) STATE.—The term ''State'' means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern

Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(21) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms ''tribally designated housing entity'' and ''housing entity'' have the following meaning:

(A) EXISTING IHA'S.—With respect to any Indian tribe that has not taken action under subparagraph (B), and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this Act that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this Act,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—With respect to any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this Act for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of one or more Indian tribes independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

(C) ESTABLISHMENT.—A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

SEC. 101. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this Act) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) PLAN REQUIREMENT.—

(1) IN GENERAL.—The Secretary may make a grant under this Act on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary an Indian housing plan for such fiscal year under section 102; and

(B) the plan has been determined under section 103 to comply with the requirements of section 102.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or cannot comply with such requirements due to circumstances beyond the control of the tribe.

(c) LOCAL COOPERATION AGREEMENT.—The Secretary may not make any grant under this Act on behalf of an Indian tribe unless the governing body of the locality within which any affordable housing to be assisted with the grant amounts will be situated has entered into an agreement with the recipient for the tribe providing for local cooperation required by the Secretary pursuant to this Act.

(d) EXEMPTION FROM TAXATION.—A grant recipient for an Indian tribe may receive a block grant under this Act only if—

(1) the affordable housing assisted with grant amounts received by the recipient (exclusive of any portions not assisted with amounts provided under this Act) is exempt from all real and personal property taxes levied or imposed by any State, tribe, city, county, or other political subdivision; and

(2) the recipient makes annual payments of user fees to compensate such governments for the costs of providing governmental services, including police and fire protection, roads, water and sewerage systems, utilities systems and related facilities, or payments in lieu of taxes to such taxing authority, in an amount equal to the greater of $150 per dwelling unit or 10 percent of the difference between the shelter rent and the utility cost, or such lesser amount as—

(A) is prescribed by State, tribal, or local law;

(B) is agreed to by the local governing body in the agreement under subsection (c); or

(C) the recipient and the local governing body agree that such user fees or payments in lieu of taxes shall not be made.

(e) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding subsection (d), a grant recipient that does not comply with the requirements under such subsection may receive a block grant under this Act, but only if the tribe, State, city, county, or other political subdivision in which the affordable housing development is located contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed the amounts prescribed in subsection (d)(2).

(f) AMOUNT.—Except as otherwise provided under this Act, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 301 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 301 for each such Indian tribe.

(g) USE FOR AFFORDABLE HOUSING ACTIVITIES UNDER PLAN.—Except as provided in subsection (h), amounts provided under a grant under this section may be used only for affordable housing activities under title II that are consistent with an Indian housing plan approved under section 103.

(h) ADMINISTRATIVE EXPENSES.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this Act for any reasonable administrative and planning expenses of the recipient relating to carrying out this Act and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this Act and expenses of preparing an Indian housing plan under section 102.

(i) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this Act, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved Indian housing plan.

SEC. 102. INDIAN HOUSING PLANS.

(a) PLAN SUBMISSION.—The Secretary shall provide—

(1) for an Indian tribe to submit to the Secretary, for each fiscal year, a housing plan under this section for the tribe;

(2) for the tribally designated housing entity for the tribe to submit the plan as provided in subsection (d) for the tribe; and

(3) for the review of such plans.

(b) 5-YEAR PLAN.—Each housing plan under this section shall be in a form prescribed by the Secretary and shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) MISSION STATEMENT.—A general statement of the mission of the Indian tribe to serve the needs of the low-income families in the jurisdiction of the Indian tribe during the period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the Indian tribe to enable the tribe to serve the needs identified in paragraph (1) during the period.

(3) ACTIVITIES PLAN.—An overview of the activities planned during the period including an analysis of the manner in which the activities will enable the tribe to meet its mission, goals, and objectives.

(c) 1-YEAR PLAN.—A housing plan under this section for an Indian tribe shall be in a form prescribed by the Secretary and contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) GOALS AND OBJECTIVES.—A statement of the goals and objectives to be accomplished during that period.

(2) STATEMENT OF NEEDS.—A statement of the housing needs of the low-income Indian families residing in the jurisdiction of the Indian tribe and the means by which such needs will be addressed during the period, including—

(A) a description of the estimated housing needs and the need for assistance for the low-income Indian families in the jurisdiction, including a description of the manner in which the geographical distribution of assistance is consistent with the geographical needs and needs for various categories of housing assistance; and

(B) a description of the estimated housing needs for all Indian families in the jurisdiction.

(3) FINANCIAL RESOURCES.—An operating budget for the recipient, in a form prescribed by the Secretary, that includes—

(A) an identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this Act, including an explanation of the manner in which amounts made available will leverage additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under title II and administrative expenses.

(4) AFFORDABLE HOUSING RESOURCES.—A statement of the affordable housing resources currently available and to be made available during the period, including—

(A) a description of the significant characteristics of the housing market in the jurisdiction, including the availability of housing from other public sources, private market housing, and the manner in which such characteristics influence the decision of the recipient to use grant amounts to be provided under this Act for rental assistance, production of new units, acquisition of existing units, or rehabilitation of units;

(B) a description of the structure, coordination, and means of cooperation between the recipient and any other governmental entities in the development, submission, or implementation of housing plans, including a description of the involvement of private, public, and nonprofit organizations and institutions, and the use of loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes, including loans, grants, and mortgage insurance;

(C) a description of the manner in which the plan will address the needs identified pursuant to paragraph (2);

(D) a description of the manner in which the recipient will protect and maintain the viability of housing owned and operated by the recipient that was developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937;

(E) a description of any existing and anticipated homeownership programs and rental programs to be carried out during the period, and the requirements and assistance available under such programs;

(F) a description of any existing and anticipated housing rehabilitation programs necessary to ensure the long-term viability of the housing to be carried out during the period, and the requirements and assistance available under such programs;

(G) a description of all other existing or anticipated housing assistance provided by the recipient during the period, including transitional housing, homeless housing, college housing, supportive services housing, and the requirements and assistance available under such programs;

(H) a description of any housing to be demolished or disposed of, a timetable for such demolition or disposition, and any other information required by the Secretary with respect to such demolition or disposition;

(I) a description of the manner in which the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency;

(J) a description of the requirements established by the recipient to promote the safety of residents of such housing, facilitate the undertaking of crime prevention measures, allow resident input and involvement, including the establishment of resident organizations, and allow for the coordination of crime prevention activities between the recipient and tribal and local law enforcement officials; and

(K) a description of the entity that will carry out the activities under the plan, including the organizational capacity and key personnel of the entity.

(5) CERTIFICATION OF COMPLIANCE.—Evidence of compliance which shall include, as appropriate—

(A) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this Act, to the extent that such title is applicable, and other applicable Federal statutes;

(B) a certification that the recipient will maintain adequate insurance coverage for housing units that are owned and operated or assisted with grant amounts provided under this Act, in compliance with such requirements as may be established by the Secretary;

(C) a certification that policies are in effect and are available for review by the Secretary and the public governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act;

(D) a certification that policies are in effect and are available for review by the Secretary and the public governing rents charged, including the methods by which such rents or homebuyer payments are determined, for housing assisted with grant amounts provided under this Act; and

(E) a certification that policies are in effect and are available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts provided under this Act.

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe—

(1) has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity; or

(2) has delegated to such tribally designated housing entity the authority to submit a plan on behalf of the tribe without prior review by the tribe.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary may—

(A) establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities; and

(B) waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary may define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this title by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 106.

SEC. 103. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each Indian housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 102. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 60 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 102 and the tribe shall be considered to have been notified of compliance upon the expiration of such 60-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 102, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 102.

(c) REVIEW.—After submission of the Indian housing plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subsection, the Secretary shall review the plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

(1) set forth the information required by section 102 to be contained in an Indian housing plan;

(2) are consistent with information and data available to the Secretary; and

(3) are prohibited by or inconsistent with any provision of this Act or other applicable law.

If the Secretary determines that any of the appropriate certifications required under section 102(c)(5) are not included in the plan, the plan shall be deemed to be incomplete.

(d) UPDATES TO PLAN.—After a plan under section 102 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 102(b) or the 1-year period under section 102(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted. Not less than once every 5 years, the tribe shall submit a complete plan.

(e) EFFECTIVE DATE.—This section and section 102 shall take effect on the date provided by the Secretary pursuant to section 106(a) to provide for timely submission and review of Indian housing plans as necessary for the provision of assistance under this Act in fiscal year 1998.

SEC. 104. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—A recipient may retain any program income that is realized from any grant amounts under this Act if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this Act.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on—

(A) whether the recipient for the tribe retains program income under paragraph (1);

(B) the amount of any such program income retained; or

(C) whether the recipient retains reserve amounts described in section 210.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b) LABOR STANDARDS.—

(1) IN GENERAL.—Any contract or agreement for assistance, sale, or lease pursuant to this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State, tribal, or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and all maintenance laborers and mechanics employed in the operation, of the affordable housing project involved; and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a–5), shall be paid to all laborers and mechanics employed in the development of the affordable housing involved, and the Secretary shall require certification as to compliance with the provisions of this paragraph before making any payment under such contract or agreement.

(2) EXCEPTIONS.—Paragraph (1) and the provisions relating to wages (pursuant to paragraph (1)) in any contract or agreement for assistance, sale, or lease pursuant to this

Act, shall not apply to any individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work.

SEC. 105. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—

(1) RELEASE OF FUNDS.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this Act, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may by regulation provide for the release of amounts for particular projects to tribes which assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects.

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality.

(B) CONTENTS.—The regulations issued under this paragraph shall—

(i) provide for the monitoring of the environmental reviews performed under this section;

(ii) in the discretion of the Secretary, facilitate training for the performance of such reviews; and

(iii) provide for the suspension or termination of the assumption of responsibilities under this section.

(3) EFFECT ON ASSUMED RESPONSIBILITY.—The duty of the Secretary under paragraph (2)(B) shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects, the tribe has submitted to the Secretary a request for such release accompanied by a certification that meets the requirements of subsection (c). The approval of the Secretary of any such certification shall be deemed to satisfy the responsibilities of the Secretary under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto that are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary;

(2) be executed by the chief executive officer or other officer of the tribe under this Act qualified under regulations of the Secretary;

(3) specify that the tribe has fully carried out its responsibilities as described under subsection (a); and

(4) specify that the certifying officer—

(A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a); and

(B) is authorized and consents on behalf of the tribe and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities of the certifying officer as such an official.

SEC. 106. REGULATIONS.

(a) TRANSITION REQUIREMENTS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to provide for the transition (upon the effectiveness of this Act and the amendments made by this Act) from the provision of assistance for Indian tribes and Indian housing authorities under the United States Housing Act of 1937 and other related provisions of law to the provision of assistance in accordance with this Act and the amendments made by this Act.

(2) PUBLIC COMMENTS; GENERAL NOTICE OF PROPOSED RULEMAKING.—The notice issued under paragraph (1) shall—

(A) invite public comments regarding such transition requirements and final regulations to carry out this Act; and

(B) include a general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under subsection (b).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this Act not later than September 1, 1997, and such regulations shall take effect not later than the effective date of this Act.

(2) NEGOTIATED RULEMAKING PROCEDURE.—

(A) IN GENERAL.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, all regulations required under this Act shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code.

(B) COMMITTEE.—

(i) IN GENERAL.—The Secretary shall establish a negotiated rulemaking committee, in accordance with the procedures under that subchapter, for the development of proposed regulations under subparagraph (A).

(ii) ADAPTATION.—In establishing the negotiated rulemaking committee, the Secretary shall—

(I) adapt the procedures under the subchapter described in clause (i) to the unique government-to-government relationship between the Indian tribes and the United States, and shall ensure that the membership of the committee include only representatives of the Federal Government and of geographically diverse small, medium, and large Indian tribes; and

(II) shall not preclude the participation of tribally designated housing entities should tribes elect to be represented by such entities.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 107. EFFECTIVE DATE.

Except as otherwise expressly provided in this Act, this Act and the amendments made by this Act shall take effect on October 1, 1997.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for grants under this title such sums as may be necessary for each of fiscal years 1998, 1999, 2000, and 2001. This section shall take effect on the date of the enactment of this Act.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

SEC. 201. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this Act are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate affordable housing in safe and healthy environments on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this Act shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for homeownership activities under section 202(2), model activities under section 202(6), or loan guarantee activities under title VI to Indian families who are not low-income families, to the extent that the Secretary approves the activities pursuant to such section or title because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this Act for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—Notwithstanding paragraph (1), a recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this Act for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR TRIBAL MEMBERS AND OTHER INDIAN FAMILIES.—The Indian housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this Act on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable Indian housing plan for an Indian tribe provides for preference under this paragraph, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this Act for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 202. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this title are activities, in accordance with the requirements of this title, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, establishment and support of resident organizations and resident management corporations, energy auditing, activities related to the provision of self-sufficiency and other services, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this Act and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 203. PROGRAM REQUIREMENTS.

(a) RENTS.—

(1) ESTABLISHMENT.—Subject to paragraph (2), each recipient shall develop written policies governing rents and homebuyer payments charged for dwelling units assisted under this Act, including the methods by which such rents and homebuyer payments are determined.

(2) MAXIMUM RENT.—In the case of any low-income family residing in a dwelling unit assisted with grant amounts under this Act, the monthly rent or homebuyer payment (as applicable) for such dwelling unit may not exceed 30 percent of the monthly adjusted income of such family.

(b) MAINTENANCE AND EFFICIENT OPERATION.—Each recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this Act, reserve and use for operating assistance under section 202(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing. This subsection may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in this subsection, pursuant to regulations established by the Secretary.

(c) INSURANCE COVERAGE.—Each recipient shall maintain adequate insurance coverage for housing units that are owned or operated or assisted with grant amounts provided under this Act.

(d) ELIGIBILITY FOR ADMISSION.—Each recipient shall develop written policies governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act.

(e) MANAGEMENT AND MAINTENANCE.—Each recipient shall develop policies governing the management and maintenance of housing assisted with grant amounts under this Act.

SEC. 204. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 203 and the Indian housing plan for an Indian tribe, the recipient for that tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments, or any other form of assistance that the Secretary has determined to be consistent with the purposes of this Act; and

(2) the right to establish the terms of assistance.

(b) INVESTMENTS.—A recipient may invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligations as approved by the Secretary.

SEC. 205. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

(a) IN GENERAL.—Housing shall qualify as affordable housing for purposes of this Act only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the date of the effectiveness of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this Act, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action—

(A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure; and

(B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

(b) EXCEPTION.—Notwithstanding subsection (a), housing assisted pursuant to section 201(b)(2) shall be considered affordable housing for purposes of this Act.

SEC. 206. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this Act, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 207. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this Act, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall be the period of time required under State, tribal, or local law;

(4) specify that, with respect to any notice of eviction or termination, notwithstanding any State, tribal, or local law, a resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records, or regulations directly related to the eviction or termination;

(5) require that the owner or manager may not terminate the tenancy, during the term of the lease, except for serious or repeated violation of the terms or conditions of the lease, violation of applicable Federal, State, tribal, or local law, or for other good cause; and

(6) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the household of the resident, or any guest or other person under the control of the resident, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off the premises.

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted with grant amounts provided under this Act shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the ability of the applicant to perform the obligations of the lease; and

(3) provide for—

(A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the Indian housing plan for the tribe that is the grant beneficiary of such grant amounts; and

(B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 208. AVAILABILITY OF RECORDS.

(a) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in paragraph (2), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to Indian tribes or tribally designated housing entities regarding the criminal conviction records of adult applicants for, or tenants of, housing assisted with grant amounts provided to such tribe or entity under this Act for purposes of applicant screening, lease enforcement, and eviction.

(b) EXCEPTION.—A law enforcement agency described in paragraph (1) shall provide information under this paragraph relating to any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(c) CONFIDENTIALITY.—An Indian tribe or tribally designated housing entity receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer, employee, or authorized representative

of the tribe or entity or the owner of housing assisted under this Act, and who has a job-related need to have access to the information for the purposes under this section. For judicial eviction proceedings, disclosures may be made to the extent necessary. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to any tribe or entity is used, and confidentiality is maintained, as required under this section.

SEC. 209. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this title and, at any time during the useful life of the housing the housing does not comply with the requirement under section 205(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 401(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 210. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this Act to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this Act and subject to the provisions of this Act relating to use of such assistance.

TITLE III—ALLOCATION OF GRANT AMOUNTS

SEC. 301. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this Act for the fiscal year, in accordance with the formula established pursuant to section 302, among Indian tribes that comply with the requirements under this Act for a grant under this Act.

SEC. 302. ALLOCATION FORMULA.

(a) ESTABLISHMENT.—The Secretary shall, by regulations issued not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, in the manner provided under section 106, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this Act among Indian tribes in accordance with the requirements of this section.

(b) FACTORS FOR DETERMINATION OF NEED.—The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress and the number of Indian families within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary and the Indian tribes may specify.

(c) OTHER FACTORS FOR CONSIDERATION.—In establishing the formula, the Secretary shall consider—

(1) the relative administrative capacities and other challenges faced by the recipient, including, but not limited to geographic distribution within the Indian area and technical capacity; and

(2) the extent to which terminations of assistance under title V will affect funding available to State recognized tribes.

(d) FUNDING FOR PUBLIC HOUSING OPERATION AND MODERNIZATION.—

(1) FULL FUNDING.—The formula shall provide that, if, in any fiscal year, the total amount made available for assistance under this Act is equal to or greater than the total amount made available for fiscal year 1996 for assistance for the operation and modernization of public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, the amount provided for such fiscal year for each Indian tribe for which such operating or modernization assistance was provided for fiscal year 1996 shall not be less than the total amount of such operating and modernization assistance provided for fiscal year 1996 for such tribe.

(2) PARTIAL FUNDING.—The formula shall provide that, if, in any fiscal year, the total amount made available for assistance under this Act is less than the total amount made available for fiscal year 1996 for assistance for the operation and modernization of public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, the amount provided for such fiscal year for each Indian tribe for which such operating or modernization assistance was provided for fiscal year 1996 shall not be less than the amount that bears the same ratio to the total amount available for assistance under this Act for such fiscal year that the amount of operating and modernization assistance provided for the tribe for fiscal year 1996 bears to the total amount made available for fiscal year 1996 for assistance for the operation and modernization of such public housing.

(e) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

TITLE IV—COMPLIANCE, AUDITS, AND REPORTS

SEC. 401. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this Act has failed to comply substantially with any provision of this Act, the Secretary shall—

(1) terminate payments under this Act to the recipient;

(2) reduce payments under this Act to the recipient by an amount equal to the amount of such payments that were not expended in accordance with this Act;

(3) limit the availability of payments under this Act to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 402(b), provide a replacement tribally designated housing entity for the recipient, under section 402.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this Act—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this Act in compliance with the requirements under this Act.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this Act, the Secretary may refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this Act that was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this Act—

(A) may, not later than 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the action of the Secretary; and

(B) upon the filing of any petition under subparagraph (A), shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court a record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—

(A) COURT PROCEEDINGS.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record.

(B) SECRETARY.—The Secretary—

(i) may modify the findings of fact of the Secretary, or make new findings, by reason of the new evidence so taken and filed with the court; and

(ii) shall file—

(I) such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole; and

(II) the recommendation of the Secretary, if any, for the modification or setting aside of the original action of the Secretary.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United State Code.

SEC. 402. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this Act on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this Act.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 403. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this Act. Such measures shall provide for (1) enforcement of the provisions of this Act by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this Act to assess compliance with the requirements of this Act. Such review shall include onsite inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 404 and made available to the public.

(c) PERFORMANCE MEASURES.—The Secretary shall establish such performance measures as may be necessary to assess compliance with the requirements of this Act.

SEC. 404. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the Indian housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the Indian housing plan of the grant beneficiary;

(3) indicate the programmatic accomplishments of the recipient; and

(4) describe the manner in which the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this Act.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the jurisdiction of the recipient in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 405. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, not less than on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this Act and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the Indian housing plan of the grant beneficiary; and

(3) whether the performance reports under section 404 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, onsite visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the comments of the recipient and the report, with any revisions, readily available to the public not later than 30 days after receipt of the comments of the recipient.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this Act in accordance with the findings of the Secretary pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the reviews and audits of the Secretary under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 406. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this Act relate to amounts provided under this Act, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 407. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this Act is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this Act;

(2) a summary of the use of funds available under this Act during the preceding fiscal year; and

(3) a description of the aggregate outstanding loan guarantees under title VI.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this Act to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

TITLE V—TERMINATION OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

SEC. 501. REPEAL OF PROVISIONS RELATING TO INDIAN HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) REPEAL OF TITLE II.—Title II of the United States Housing Act of 1937 (42 U.S.C 1437aa et seq.) is hereby repealed.

(b) AMENDMENTS TO TITLE I.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 3(b)—

(A)in paragraph (5)—

(i) in subparagraph (F) by inserting ''and'' after the semicolon at the end;

(ii) by striking subparagraph (G); and

(iii) by redesignating subparagraph (H) as subparagraph (G);

(B) in paragraph (6), by striking the last sentence;

(C) in paragraph (7)—

(i) by inserting ''and'' before ''the Trust''; and

(ii) by striking '', and Indian tribes''; and

(D) by striking paragraphs (9), (10), (11), and (12);

(2) in section 5—

(A) in subsection (j)(1), by striking ''(other than for Indian families)''; and

(B) by striking subsection (l);

(3) in section 6(b)(1), by striking ''and public housing for Indians and Alaska Natives in accordance with the Indian Housing Act of 1988'';

(4) in subsection 7, by striking subsection (l);

(5) in section 9(a)(1)(A), in the second sentence—

(A) by inserting ''and'' after the comma at the end of clause (i); and

(B) by striking '', and (iii)'' and all that follows through ''project is occupied'';

(6) in section 14—

(A) in the section heading, by striking ''AND INDIAN'';

(B) in subsection (e)(1)(E)—

(i) in the matter preceding clause (i), by striking ''(or Indian tribal official, if appropriate)'';

(ii) in clause (i)—

(I) by striking ''(or Indian tribal officials)''; and

(II) by striking ''(or tenants of the Indian housing projects)''; and

(iii) in clause (ii), by striking ''(or Indian tribe)'';

(7) in section 16—

(A) in subsection (d)—

(i) by striking the paragraph designation for paragraph (1); and

(ii) by striking paragraph (2); and

(B) in subsection (e), by striking paragraph (3);

(8) in section 23(o), by striking paragraph (2);

(9) in section 24(h)(3), by striking '', except that it does not include any Indian housing authority'';

(10) in section 25(m)(4), by striking '', except that it does not include Indian housing authorities''; and

(11) in section 26, in subsections (a)(1) and (b), by striking ''(including an Indian housing authority)'' each place it appears.

(c) AMENDMENTS TO TITLE III.—Title III of the United States Housing Act of 1937 (42 U.S.C. 1437aaa et seq.) is amended—

(1) by striking the heading for the title and inserting the following:

"TITLE III—HOPE FOR PUBLIC HOUSING HOMEOWNERSHIP";

(2) in section 306—

(A) in paragraph (1)(A), by striking ''(including an Indian housing authority)''; and

(B) in paragraph (2)(A), by striking ''or Indian''; and

(3) in section 307, by striking ''and title II''.

(d) OTHER RELATED PROVISIONS.—

(1) INDIAN HOUSING CHILD DEVELOPMENT.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note) is hereby repealed.

(2) PUBLIC HOUSING YOUTH SPORTS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a) is amended—

(A) in subsection (b)—

(i) in paragraph (5), by inserting ''and'' after the semicolon at the end;

(ii) by striking paragraphs (6) and (7); and

(iii) by redesignating paragraph (8) as paragraph (6);

(B) in subsection (e)(2), by striking ''Indian tribes,'';

(C) in subsection (i)—

(i) by striking paragraph (1); and

(ii) by redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively; and

(D) in subsection (l)(5)(B), by striking ''units of general local government, and Indian housing authorities'' and inserting ''and Indian housing authorities''.

(3) ALLOCATION OF FUNDS.—Section 213(d)(1)(B)(ii) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439) is amended by striking ''and Indian''.

SEC. 502. TERMINATION OF INDIAN HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) TERMINATION OF ASSISTANCE.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—After September 30, 1997, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this Act.

SEC. 503. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date. Any such assistance provided pursuant to such a contract shall be governed by the provisions of the United States Housing Act of 1937 (as in effect before the date of the effectiveness of this Act) and the provisions of such contract.

SEC. 504. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) IN GENERAL.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

"SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

''Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.''.

(b) APPLICABILITY.—The amendments under subsection (a) shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 505. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) IN GENERAL.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking ''reserving amounts under paragraph (2) for Indian tribes and after''; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking '', Indian tribes,'';

(B) in subsection (b), by striking '', Indian tribe,''; and

(C) in subsection (c)(4), by striking '', Indian tribe,''.

(b) APPLICABILITY.—The amendments under subsection (a) shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 506. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) MCKINNEY ACT PROGRAMS.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking '', and for Indian tribes,'';

(3) in section 413—

(A) in subsection (a)—

(i) by striking '', and to Indian tribes,''; and

(ii) by striking '', or for Indian tribes'' each place it appears;

(B) in subsection (c), by striking ''or Indian tribe''; and

(C) in subsection (d)(3)—

(i) by striking '', or Indian tribe'' each place it appears; and

(ii) by striking '', or other Indian tribes,'';

(4) in section 414(a)—

(A) by striking ''or Indian tribe'' each place it appears; and

(B) by striking '', local government,'' each place it appears and inserting ''or local government'';

(5) in section 415(c)(4), by striking ''Indian tribes,'';

(6) in section 416(b), by striking ''Indian tribe,'';

(7) in section 422—

(A) in by striking ''Indian tribe,''; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking ''or Indian housing authority''; and

(C) in subsection (j)(1), by striking '', Indian housing authority'';

(9) in section 462—

(A) in paragraph (2), by striking '', Indian tribe,''; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking '', Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),''.

(b) INNOVATIVE HOMELESS DEMONSTRATION.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking '''unit of general local government', and 'Indian tribe'' and inserting ''and 'unit of general local government'''; and

(2) in paragraph (4), by striking ''unit of general local government (including units in rural areas), or Indian tribe'' and inserting ''or unit of general local government''.

(c) APPLICABILITY.—The amendments under subsections (a) and (b) shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 507. SAVINGS PROVISION.

(a) EXISTING RIGHTS AND DUTIES.—Except as provided in sections 502 and 503, this Act may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

(b) OBLIGATIONS UNDER REPEALED PROVISIONS.—Notwithstanding the amendments made by this title, any obligation of the Secretary made under or pursuant to subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall continue to be governed by the provisions of such Acts (as in effect before the date of the effectiveness of the amendments made by this title).

SEC. 508. EFFECTIVE DATE.

Sections 502, 503, and 507 shall take effect on the date of the enactment of this Act.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

SEC. 601. AUTHORITY AND REQUIREMENTS.

(a) AUTHORITY.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this title (including limitations designed to protect and maintain the viability of rental housing units owned or operated by the recipient that were developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937), and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities with tribal approval, for the purposes of financing affordable housing activities described in section 202.

(b) LACK OF FINANCING ELSEWHERE.—A guarantee under this title may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing

consistent with the timely execution of the program plans without such guarantee.

(c) TERMS OF LOANS.—Notes or other obligations guaranteed pursuant to this title shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this title on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) LIMITATION ON OUTSTANDING GUARANTEES.—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the total outstanding notes or obligations of the issuer guaranteed under this title (excluding any amount defeased under the contract entered into under section 602(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

SEC. 602. SECURITY AND REPAYMENT.

(a) REQUIREMENTS ON ISSUER.—To assure the repayment of notes or other obligations and charges incurred under this title and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this title;

(2) pledge any grant for which the issuer may become eligible under this Act;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impair the ability to use grant amounts under title I, taking into consideration the requirements under section 203(b); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this Act or disposition proceeds from the sale of land or rehabilitated property.

(b) REPAYMENT FROM GRANT AMOUNTS.—Notwithstanding any other provision of this Act—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this Act for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this title.

(c) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this title. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 603. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this title, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this title in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 604. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this title.

SEC. 605. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) AGGREGATE FISCAL YEAR LIMITATION.—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this title, to the extent approved or provided in appropriation Acts, the Secretary may enter into commitments to guarantee notes and obligations under this title with an aggregate principal amount not to exceed $400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.—There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this title such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) AGGREGATE OUTSTANDING LIMITATION.—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this title shall not at any time exceed $2,000,000,000 or such higher amount as may be authorized to be appropriated for this title for any fiscal year.

(d) FISCAL YEAR LIMITATIONS ON TRIBES.—The Secretary shall monitor the use of guarantees under this title by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of $50,000,000; or

(2) request the enactment of legislation increasing the aggregate outstanding limitation on guarantees under this title.

SEC. 606. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

SEC. 701. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z–13a) is amended—

(1) in subsection (a)—

(A) by striking ''and Indian housing authorities'' and inserting '', Indian housing authorities, and Indian tribes,''; and

(B) by striking ''or Indian housing authority'' and inserting '', Indian housing authority, or Indian tribe''; and

(2) in subsection (b)(1), by striking ''or Indian housing authorities'' and inserting '', Indian housing authorities, or Indian tribes''.

(b) NEED FOR LOAN GUARANTEE.—Section 184(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(a)) is amended by striking ''trust land'' and inserting ''lands or as a result of a lack of access to private financial markets''.

(c) IHP REQUIREMENT.—Section 184(b)(2) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(b)(2)) is amended by inserting before the period at the end the following: ''that is under the jurisdiction of an Indian tribe for which an Indian housing plan has been submitted and approved pursuant to sections 102 and 103 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas''.

(d) LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.—Section 184(h) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(h)) is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking ''in a court of competent jurisdiction''; and

(B) by striking clause (ii) and inserting the following:

''(ii) NO FORECLOSURE.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.'';

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) LIMITATION OF MORTGAGEE AUTHORITY.—Section 184(h)(2) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(h)(2)), as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking ''tribal allotted or trust land,'' and inserting ''restricted Indian land, the mortgagee or''; and

(2) in the second sentence, by striking ''Secretary'' each place it appears, and inserting ''mortgagee or the Secretary''.

(f) LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(i)(5)(C)) is amended by striking ''1993'' and all that follows through ''such year'' and inserting ''1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding $400,000,000 for each such fiscal year''.

(g) AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.—Section 184(i)(7) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(i)(7)) is amended by striking ''such sums'' and all that follows through ''1994'' and inserting ''such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001''.

(h) DEFINITIONS.—Section 184(k) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(k)) is amended—

(1) in paragraph (4), by inserting after ''authority'' the following: ''or Indian tribe'';

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) is authorized to engage in or assist in the development or operation of—

''(i) low-income housing for Indians; or

''(ii) housing subject to the provisions of this section; and''; and

(B) by adding at the end the following: ''The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996.''; and

(3) by striking paragraph (8) and inserting the following new paragraph:

''(8) TRIBE; INDIAN TRIBE.—The term 'tribe' or 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.''.

(i) PRINCIPAL OBLIGATION AMOUNTS.—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(b)(5)(C)) is amended by striking clause (i) and inserting the following new clause:

''(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); and''.

(j) AVAILABILITY OF AMOUNTS.—

(1) REQUIREMENT OF APPROPRIATIONS.—Section 184(i)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(i)(5)) is amended by striking subparagraph (A) and inserting the following:

''(A) REQUIREMENT OF APPROPRIATIONS.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.''.

(2) COSTS.—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a(i)(5)(B)) is amended by adding at the end the following new sentence: ''Any amounts appropriated pursuant to this subparagraph shall remain available until expended.''.

(k) GNMA AUTHORITY.—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting before the period at the end the following: ''; or guaranteed under section 184 of the Housing and Community Development Act of 1992''.

SEC. 702. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) AUTHORITY TO LEASE.—Notwithstanding any other provision of law, any trust or restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, subject to the approval of the affected Indian tribe and the Secretary of the Interior, for housing development and residential purposes.

(b) TERM.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) RULE OF CONSTRUCTION.—This section may not be construed to repeal, limit, or affect any authority to lease any trust or restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

(d) SELF-IMPLEMENTATION.—This section is intended to be self-implementing and shall not require the issuance of any rule, regulation, or order to take effect as provided in section 705.

SEC. 703. TRAINING AND TECHNICAL ASSISTANCE.

There are authorized to be appropriated for assistance for a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 704. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

The Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) is amended—

(1) in section 5123—

(A) by striking ''(including Indian Housing Authorities)''; and

(B) by inserting ''tribally designated housing entities,'' before ''and private''; and

(2) in section 5124(a)(7)—

(A) by inserting ''or tribally designated housing entity'' after ''public housing agency''; and

(B) by striking ''public housing'' after nonprofit;

(3) in section 5125, by inserting ''a tribally designated housing entity,'' after ''resident management corporation,''; and

(4) in section 5126—

(A) in paragraph (4)—

(i) in subparagraph (B), by striking ''or'' at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting ''; or''; and

(iii) by adding at the end the following new subparagraph:

''(D) the Native American Housing Assistance and Self-Determination Act.''; and

(B) by adding at the end the following new paragraph:

''(5) TRIBALLY DESIGNATED HOUSING ENTITY.—The term 'tribally designated housing entity' has the meaning given such term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996.''.

SEC. 705. EFFECTIVE DATE.

This title and the amendments made by this title (but not including the amendments made by section 704) shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I have the pleasure of bringing before this House the Native American Housing Assistance and Self-Determination Act of 1996, and I begin with my thanks to my colleague and friend, the gentleman from Massachusetts [Mr. KENNEDY], and certainly the gentleman from Minnesota [Mr. VENTO] who also serves on the committee, for their help, as well as the help of the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from Arizona [Mr. HAYWORTH], members of the committee, and the help of many others who have, in a collaborative way, helped to bring this to the forefront of our institutional consciousness.

Mr. Speaker, on March 28 of this year I came to this floor and introduced with my colleagues from both sides of the aisle a bill that didn't receive much fanfare. It was not front-page news for major national papers. It didn't make the evening news. Most Americans probably have never heard of the bill, but for native Americans, this may be the most important bill this Congress has considered.

The Native American Housing Assistance and Self-Determination Act of 1996 is a historic step to the promise we made to native Americans and that we make to every American, no matter the community or ethnic background that persons may come from. That promise is at the very foundation of our beliefs, in the Declaration of Independence: ''we hold these truths to be self-evident, that all Men are created equal, that they are endowed by their creator with certain unalienable Rights, that among these are life, liberty and the pursuit of happiness.''

Being able to pursue your own dreams, owning a home, having a decent place live and a community that is empowered to heal itself when necessary, to succeed on its own and, ultimately, to be responsible for its own destiny—these are not gifts we grant to only a chosen few in this country. This promise is what America is about and it is this promise that leads us today to consider the Native American Housing Assistance and Self-Determination Act.

Today, in voting for this bill, we stand up for native Americans and say clearly that these rights we enjoy are everyone's rights. This bill is truly historic. Indian housing programs are not the results of legislation, rather they represent a series of memos exchanged 30 years ago between the Bureau of Indian Affairs and one of the predecessor agencies to the Department of Housing and Urban Development. Indian housing is different than public housing, Indian communities are different than metropolitan communities, in fact Indian communities are often vastly different from one another.

Indian communities suffer from some of the worst housing conditions in the country and without a major change in policies, even the best efforts of Federal and tribal governments will fall short. We need local responsibility and flexibility that lets tribes decide how to spend money rather than asking a bureaucrat in Washington to solve problems for them. No one wants that, not the tribe, not the families, not even the bureaucrat.

We also must recognize that the Federal Government cannot be a paternalistic overseer and cannot provide the kind of broad resources that the private sector can. Already we are beginning to see possibilities for private sector involvement in Indian country. Inroads have been made with the section 184 program, efforts we will improve with this bill. More importantly, Fannie Mae has announced just this year that they will begin to purchase Indian mortgages that don't have any Federal association. This marks a seachange in Indian finance.

New partnerships between the Federal and tribal governments and the private sector will give local Indian

communities the tools they need—and have been asking for—to build a better life for themselves and their members.

The new loan guaranty program that this bill provides to tribes—modeled after the section 108 loan guarantees available to most American communities—will mean more capital to improve housing and build much-needed units. It also means there will be more involvement with private sector financial entities who are so crucial to long-term development in Indian country,

This bill also makes a change to lease-hold provisions that are proving to be a stumbling block to families hoping to buy a home. Right now, a native American living on trust-held land can't get a lease long enough to get a regular 30-year mortgage, the same as someone in my neighborhood. By simply extending the length of the lease period to 50 years, we enable mortgage companies and banks and even the secondary mortgage market to be more involved in mortgage finance. This means new home ownership opportunities for native Americans who otherwise wouldn't be able to get a mortgage and own a home.

I would like to thank my colleagues, not only the more veteran members, but also one of the subcommittee's newest members, my good friend Mr. HAYWORTH, Mr. BEREUTER, the distinguished vice chairman of the Housing Subcommittee, and our colleague from the other side of the aisle, Mr. JOHNSON of South Dakota who was also an original cosponsor of the bill. Their efforts have been crucial in bringing us this far and I offer my heartfelt thanks for all their work.

In anticipation of what I assume will be the response from some of my colleagues from the other side of the aisle, I would like to talk a little bit about how this bill came to pass. This is not a Republican bill or a Democratic bill. This is a bill that comes from Indian country and has, for the last 6 months, been in conference and debate among Members and staffs on both sides of the aisle and in both Houses of Congress.

In support of this process, HUD conducted meetings all across the country to discuss the proposals and elicit comments and suggestions from hundreds of tribal leaders, housing authorities, tenants and other interested parties in open forums.

When the legislation was added to the larger public housing bill in May, it passed by a voice vote with the vocal support of Democrats as well as Republicans. Since that time there have been a number of significant concessions made to accommodate further concerns of the minority, including a maximum rent protection for tenants.

In response to this process, tribes and Indian organizations from all over the country have come together and made clear their support for the bill. National organizations have voiced their support, like the National Congress of American Indians and the National American Indian Housing Council. Even private financial entities like Fannie Mae and Norwest have also spoken out have said that this will make their work in Indian country easier and more effective.

But what has touched me the most has been the outpouring of support from the communities themselves. I have here letters from all over the country. From Douglas, AK; from the Oglala, Sioux in South Dakota and the Iowa Tribe in Oklahoma; from the Chippewa Housing Authority in Wisconsin; the Walker River Housing Authority in Nevada; the Red Lake Housing Authority in Minnesota.

These are not powerful lobbyists or special interest groups in Washington. These are communities out in America who care about their own families and believe that this bill will make a difference.

And I believe they are right.

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

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first, I want to thank the gentleman from New York [Mr. LAZIO], my good friend, for all the efforts that he and his staff have made to try and incorporate some of the concerns that we have with regard to this bill. I want to thank him for his friendship and the efforts that he has made to work together over the course of the last couple of years on the committee.

Mr. Speaker, we come here today to talk about an Indian housing bill which we will claim in the rhetoric that we will hear over the course of the next few minutes is going to take enormous steps forward in terms of the plight of Indian housing.

The truth of the matter is, if any Member takes the time to look at Indian housing in America, it has one severe problem that is not addressed in any way, shape, or form in this legislation, and that is that it is terribly underfunded. We can do all sorts of things and make block grants and do all sorts of Band-Aid solutions to the problem, but until we start funding Indian housing to a point where we actually provide people with shelter that is decent, affordable, and works, then none of these Band-Aid solutions are going to make the slightest bit of real difference in terms of the day-to-day lives of tribe after tribe, Indian family after Indian family, across this country.

So let us not pretend in any way that the legislation that we have today will significantly change the lives and the housing concerns of the vast majority of Indians. And I am sure that the gentleman from New York [Mr. LAZIO] would agree that we need to put a much greater amount of money into Indian housing if we are truly going to fix the plight that Indians face in America.

Mr. Speaker, this bill separates out the Indian housing from the standard public housing programs. It gives tribal housing authorities the additional flexibility that they need to meet the unique housing problems that many native Americans face.

This is a goal that we all share, and I commend the gentleman from New York for working to address the concerns and problems that Indians in America do face. However, the bill has not gone through the normal legislative process so there are still some concerns that remain.

For example, Mr. Speaker, the bill allows Indian housing authorities to demolish public housing without any input from the Secretary of HUD. The bill also allows Indian housing authorities to have access to the criminal records of tenants and applicants to Indian housing.

□ 1230

This is consistent with current law. However, the kinds of privacy protections that exist in current law with regard to the handling of criminal records are not included in this bill. There are also concerns about the grievance procedures which remain unclear and concerns about a new Government loan guarantee program which are also contained in the legislation.

In addition, a number of eastern tribes, particularly I know of one in my own State, had been opposing the bill because they were concerned that the formula likely to result from it would greatly reduce the funding for their housing authorities. In fact, some tribes are worried that they may be forced to shut down existing public housing.

I understand that the legislation has been changed to address this concern and that the bill will provide existing Indian housing with the funding necessary to maintain current operations and that existing Indian housing authorities would not lose funding as a result of this bill.

I wondered if we could enter into a short colloquy to make sure that we understand that and that anyone who reads this legislation will understand that this is the intent.

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Speaker, pursuant to the gentleman's concern, I had drafted into this version of the bill, included in the language of the bill a provision that specifically requires the allocation formula to provide for the continued operation and modernization needs of existing housing units. The consequence of that is that no tribe or Indian housing authority will suffer unanticipated consequences of a new formula while continuing to guarantee that tribes will play a large role in determining the funding allocation to the negotiated rulemaking process. It is essentially a hold harmless agreement for the tribes in the east.

Mr. KENNEDY of Massachusetts. I very much appreciate the gentleman's

willingness to work with us on that issue. It makes an enormous difference to tribes that could potentially be detrimentally affected by this legislation.

With that information, I would like to thank, again, Mr. LAZIO and his staff for their willingness to respond to this and a number of concerns raised by the administration on behalf of Members on this side of the aisle. I look forward to working with him on this bill as it continues to go not only through this session but in all likelihood the next session as well.

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

Mr. LAZIO of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. BEREUTER], vice chairman of the Subcommittee on Housing and Community Opportunity.

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

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of H.R 3219, the Native American Housing Assistance and Self-Determination Act of 1996. This legislation was added by a bipartisan voice vote as an amendment to H.R. 2406, the U.S. Housing Act, which apparently and unfortunately will not be enacted this Congress.

My understanding is that Secretary Cisneros was visiting one of the Arizona tribes and he asked them, what is the most important thing that could be done to assist you with your housing needs out here? And they surprised him by saying, Pass the legislation that has been reported out of the House subcommittee.

It is true, as Mr. KENNEDY suggests, that in fact Indian housing has been and continues to be underfunded in light of the needs that are there. But this legislation additionally will stretch the taxpayers money much further as a result of the loan guarantee programs. And I say without hesitation that this is the most important Indian housing legislation ever considered by this Congress or any other Congress.

The concepts contained in this legislation are widely supported by Indian groups, including the National American Indian Housing Council. This revolutionary measure for the first time decouples predominantly rural Indian housing from the laws which were designed to govern urban public housing.

Additionally, H.R. 3219 creates flexible block grants to tribes or their tribally-designated housing entity; recognizes and supports the unique government-to-government relationship between Indian tribes and the U.S. Government and restates the value of having local control by giving the tribes greater flexibility in providing housing; creates a consolidated Native American Housing Grant—HUD's Office of Native American Programs will be dedicated to helping Indian communities meet their housing needs, with a common goal of achieving economic self-sufficiency, and involves private capital markets and private lenders in improving economic conditions by removing the legal barriers which have kept private investors from participating in Indian country.

Also, this Member is pleased that reforms to the section 184 Indian housing loan guarantee program, which he originally authorized in the 102d Congress, are included in this legislation. These reforms were drafted in cooperation with the administration, and make three very simple but important improvements to the section 184 Indian Housing Loan Guarantee Program, first authorized through the Housing and Community Development Act of 1992. This loan program, administered by the Department of Housing and Urban Development's Office of Native American Programs, has proven to be a highly popular and effective way to bring private market participation to meet the housing needs in Indian country.

The current loan guarantee program allows Indians and Indian Housing Authorities [IHAs] access to private financing that otherwise would not be available to them because of the unique legal status of Indian trust land. The Indian Housing Loan Guarantee Fund is used to guarantee loans made to Indian families and IHAs for the construction, acquisition, and rehabilitation of 1–4 unit family dwellings. This must be standard housing and must be located on trust land or land located in an Indian or Alaskan native area.

HUD works with tribes, lenders, and the Bureau of Indian Affairs to administer the loan program. HUD issues prequalification commitments based on information received from the lender. The lender completes property underwriting, and then submits the loan to HUD for firm commitment. After the commitment is issued, the loan is closed and serviced by the lender.

As mentioned a moment ago, this legislation makes three simple changes to the section 184 program. First, the maximum loan amount is raised to bring it in line with the widely used FHA single-family loan program. Specifically, for loans with appraised values of $50,000 or less, the maximum loan amount will be 98.75 percent of the appraised value. For loan on properties valued above $50,000, the loan may be 97.75 percent of the appraised value.

The second change made by this amendment is simple yet very important. Because the construction process often does not conform to the congressional budget cycle, this amendment authorizes funds appropriated to remain available until expended.

The final change made by this Member's amendment is an expansion of the authority of the Government National Mortgage Association, also known as Ginnie Mae, to purchase loans guaranteed under this program. Without this expansion, Ginnie Mae is not authorized to participate in Indian country. This Member would like to note that the Nation's largest housing secondary market, Fannie Mae, has been instrumental in the programs early success. However, now is not the time to limit the sources of capital for participating lenders. Rather, by adding Ginnie Mae as an additional source of funds, this amendment would expand the capital available in Indian country.

Mr. Speaker, this Member again strongly urges his colleagues to support Native Americans and the American Taxpayers by voting in favor of this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO], who has done yeoman work on this bill and has worked very hard in the last several days, in the addition to the months prior to it.

Mr. VENTO. Mr. Speaker, I thank the chairman, the gentleman from New York, Congressman LAZIO, for his work on this and other Members.

Mr. Speaker, I think we have a serious problem with regard to housing policy and the housing quality of native Americans across the country. In fact, I think as we look at housing we find it to be some of the poorest quality housing in the Nation. It is an area that is important for us to focus on insofar as we can these remaining days to try and see if we can put in place a policy that will help.

I especially appreciate the guidance and support that I have received from various native American groups in Minnesota, from the Red Lake group and Bobby Whitefeather and from the Mille Lacs group and Marge Anderson. We are very concerned in trying to come back with a policy that will give them greater flexibility.

This piece, this legislation selects one element in the native American housing and tries to change it. I think we need to be cognizant of the fact that there are other programs in the Department of the Interior that provide for construction, that provide for infrastructure, that are absolutely elemental to deal with the quality of life and Indian housing across this Nation.

But through this piece of work and the role of the Housing and Urban Development Department, the hope here is that the consolidation of these separate programs, the construction programs and section 8 programs and assisted housing programs into a consolidated block grant will give greater flexibility and provide better quality housing.

We remain concerned about how they will fit together with other programs in terms of the Farmers Home Administration, how they fitted together with other programs such as owner type of properties, and, of course, hopefully we can address them. The unique problem here, of course, is that very often these lands on which this housing is built is of course native American lands. So they do not always have the same warrants; they do not have the same legal status as other private properties across this country with regard to many of those programs.

Some unique problems exist. After having a single hearing this year on

this subject, which was good to have had and not having acted on this in subcommittee or full committee of jurisdiction. We accepted an amendment on the floor with the hope that a lot of refinement could take place in the conference with regard to these measures.

I regret that today I come here with many questions but fundamentally in support of this bill with the hope that some of those details will not hinder the implementation and the good intentions that are apparent on the part of the sponsors of this legislation and on the part of the native American groups that are so strongly in support of gaining this new flexibility. I am concerned, I guess it is probably a good thing we will maintain a Corrections Day Calendar next year because I think we will have a lot of candidates from this bill for that calendar. It may be just the complexity of the issue. It may be that we did not have the time, but nevertheless I stand in support of it today with the hope that it will provide the promise that is being extended here to native American groups and can move them from having the poorest quality housing in this Nation to, in fact, addressing the serious problems that occur across this Nation in native American areas.

I support it and I offer a statement for the RECORD with regard to specifics:

Mr. Speaker, I therefore rise in general support of this bill because I know that the measure is strongly supported by native Americans across this country who would like to move forward with critically needed reforms to their housing programs. A great deal of time and effort has been expended by the native American groups on this legislation and its many versions and I recognize the key accommodations Chairman LAZIO has made on several issues of importance: Brooke, labor standards, and the hold-new harmless provisions. Therefore I'm pleased to leave unresolved questions unanswered and support this fundamental changes regards policy moving from specific housing construction and assistance to a block grant with great flexibility.

My reservations about the bill surround a number of issues and overarching policy questions that today have no clear answers. These are fundamental questions: For example, questions such as the maintenance of rental housing is not mentioned in eligible activities. Neither is rental assistance. Are these eligible activities? What happens to section 8 rental assistance administered by an IHA when the 1937 act is no longer in force? What is the impact on certain tenant protections such as grievance procedures? Why have we authorized yet another loan guarantee program that doesn't appear to have collateral to guarantee the repayment of borrowing? Without such funding the loan program will not exist in reality only on paper, hardly the answer that is promised.

Other questions persist that while not fatal are important.

During the one hearing held this session, allowable administrative fees were a major point of the few witnesses. What percentage is allowable for administrative fees? It appears left to secretarial discretion. Although access to McKinney funds will no longer be available, it is not apparent to me how the homeless, other than as low-income eligible, will receive assistance.

Indian country is not the same in culture nor geography nor needs as other entitlement communities and entities that receive grants and housing assistance. This bill recognizes that and moves in the direction of appropriate changes. Nonetheless, the operation programmatic elements of the programs are important and it would appear that some of these need more refinement. There are technical as well as substantive problems with this bill. Much, in fact too much, appears left to secretarial discretion or regulation without adequate congressional direction and definition.

As we come to the end of this session, in the rush to adjourn this important rewrite of a bill is going to receive too little attention, the provisions of which will not take effect until fiscal year 1998 at the earliest. The urgency to achieve a legislative accomplishment may well result in a full agenda for the 1997–98 Corrections Day Calendar. I will support the bill today to move this initiative forward because it is too late in the day for the technical fixes that are needed.

I thank the gentleman from Massachusetts, and I thank the gentleman from New York for his accommodation on some of the measures that were so important to us both in terms of the labor provisions and some of the others. We will obviously have to address these as we move forward in terms of housing policy in the future.

Mr. LAZIO of New York. Mr. Speaker, I want to thank the gentleman for his support.

Mr. Speaker, I yield 2 minutes to the gentleman from Alaska [Mr. YOUNG], my distinguished colleague.

Mr. YOUNG of Alaska. Mr. Speaker, I want to compliment the gentleman and the gentleman from Massachusetts [Mr. KENNEDY], for this legislation.

I strongly support H.R. 3219. I can suggest as one who has lived, worked and loved with the American natives in Alaska, I have watched the present program in housing not work. We have had housings in Alaska that were under Government control that had such audacity as to say you could not put a storm porch in Nome, AK, on federally built housing because it did not meet their code or did not meet their design.

I do not know how many have been to Nome, AK, but the wind blows about 84 miles an hour off the Bering Sea. It is an example to take into consideration of the native people up there and their needs or their designees and what should or should not be done.

I think there is another example of what we can do with the diminishing dollars we have and get a better result of what we are trying to accomplish. That is provide housing to the American natives. I hope some of you have an opportunity to go into some of the areas with the American natives and see some of the poor housing that does exist today. Many of you have seen pictures on TV about the Third World countries. We have housing actually under Government control, probably some of the most deplorable housing that exists in the United States today on not only the reservations but off the reservations such as in Alaska and the Alaska Natives.

□ 1245

The need is well and overwhelming. I think this legislation, in fact I know this legislation, is an improvement, and I hope that it will solve many of the housing problems that the American natives have faced over the years. It is wrong in our Nation when we have a trust responsibility to American natives that they have not had the flexibility that this bill provides, so I want to compliment the authors and the people that have worked on this legislation, as I do think they have addressed the issues very well in this legislation. And this will work; we will have much better housing.

Mr. KENNEDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I just would look forward to joining with my friend, the gentleman from Alaska [Mr. YOUNG], in trying to find additional dollars next year for this and other housing programs because I think he has articulated the fact that we need to streamline the bureaucracy, but we also need more money for the housing program.

Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from American Samoa [Mr. FALEOMAVAEGA].

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

Mr. FALEOMAVAEGA. Mr. Speaker, I certainly would like to commend the gentleman from New York [Mr. LAZIO] and our friend, the gentleman from Massachusetts [Mr. KENNEDY], for bringing this piece of legislation up for consideration by this body. As the gentleman from Alaska, who is the chairman of the Committee on Resources, stated earlier it is his committee which has jurisdiction in dealing with the needs of our native Americans, Mr. Speaker, the first Americans, if I might say, 2 million of them.

I recall recently that here we have a situation where we need $5 million to provide for sanitation facilities for these first Americans and we cannot even come up with $5 million. This is how difficult the problems are that we have. And yes, we all know about the budgetary constraints. I do not have to share with my colleagues the plight of the first Americans. It is well documented; everybody knows. I know with our good-faith efforts we know we have not met the expectations or the problems affecting the needs of native Americans, but perhaps it may be the provisions of this legislation are a good start. But we need to do more, my colleagues. We need to do more to provide for the needs of our first Americans.

I thank the gentleman for giving me time to share these thoughts with them.

Mr. LAZIO of New York. Mr. Speaker I yield 3 minutes to the distinguished gentleman from Arizona [Mr. HAYWORTH] who was so instrumental in having this bill drafted and moved to the floor.

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

Mr. HAYWORTH. Mr. Speaker, I would thank my good friend from New York, Mr. LAZIO, for recognizing me and allowing me to take this time to discuss this legislation, and I would thank those on the minority side who have worked with us in this regard.

Mr. Speaker, I come to the well of this House today to voice my strong support for H.R. 3219. Washington has changed in a great many ways since many of us came to the Congress of the United States in January 1995. Chief in those changes has been this recognition, that one size does not fit all. Nowhere do we have greater evidence of this truth than when it comes to the challenge of housing for native Americans.

I represent the Sixth District of Arizona. More Indians live on reservation land in the Sixth District of Arizona than in any other district in the contiguous United States. We could use the bureaucratic euphemism that their housing is substandard, and yet that description in itself is sorely lacking; it indeed is substandard.

But with this legislation today, we acknowledge the fact that Indian housing, based on the solemn and, dare I say, sacred trust obligations of the treaties, which my good friend from Alaska mentioned minutes ago, will be recognized to be profoundly different than the public housing programs in metropolitan areas.

Moreover, Mr. Speaker, with this legislation we do something that almost all of Indian country has called for time and again on a variety of programs. We block-grant that money directly to the Indian tribes so they do not have to come through the Washington bureaucracy, so they do not have to wait for set-asides from respective State governments. We say to the first Americans in this instance, ''You are not the forgotten Americans, and moreover, you have the right to self-determination, to self-governance, to decide how best to spend this money.''

I would like to thank the chairman of the subcommittee, the gentleman from New York, not only for seeking the advice and the input of our colleagues in the minority in this body, but for traveling throughout this country, indeed for coming to the great State of Arizona and hearing directly from the people who will be most affected by this legislation, for if there is another lesson of this 104th Congress, it is this: The best solutions are not fashioned by those who reside here inside this Beltway. Ofttimes the best solutions come from the people directly affected who stand to have their own lives improved, who stand to make more of their lives, who must confront this problem every single day. So we provide the flexibility, we provide the funds directly to the tribes, and we recognize that in this country once again in solving problems one size does not fit all.

Join us in supporting this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I have no other speakers and I yield back the balance of my time.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say then in conclusion, thanking my colleague, the gentleman from Massachusetts [Mr. KENNEDY], for his cooperation and moving this bill through the process and bringing it to the floor right now, thanking him for working with our staff, and for his staff, particularly Jonathan Miller, working with ours to make sure that this day was possible. As the gentleman from Arizona [Mr. HAYWORTH] said, this is truly an historic day, not just because of the substance we bring before the House, but because of the process which made this day possible, the sense of consultation, of collaboration with those who are most affected by it, the native Americans.

The major principles, Mr. Speaker, are clear. Separating Indian housing from urban public housing programs, not because one is right and one is wrong, but because they are different, taking responsibility for the local level, for their tribes and designees to decide on their own how to overcome their own problems with the partnership dollars that we are going to be providing, ending decades of overly prescriptive policies and bureaucratic entanglements and providing more flexibility so the people who want to provide housing can be focused on the mission of providing housing, not on networking with rules and regulations and performance standards irrelevant to the communities that they serve; replacing dozens of programs and set-asides and bigger programs and combining them into more efficient block grants, again so that the people who service the communities and native American Indian country can spend their time providing the services of economic development and providing decent, affordable and healthy housing without having to spend more and more time interfacing with bureaucrats in Washington; making sure that long term strategies are the basis for our work; recognizing the unique government-to-government relationship between tribes and the Federal Government; providing new tools for developing housing outside the cookie cutter approach of public housing, but protecting good existing housing; changing wrong-headed short-term lease provisions on trust land that can help make banks and secondary mortgage markets wary of private investment in Indian country, replacing it with a 50-year leasehold which will allow more liquidity and more money for native Americans to pursue their own dreams; performing the successful section 108 program that my colleague, the gentleman from Nebraska [Mr. BEREUTER] helped pioneer in encouraging more lenders to be involved; and involving again hundreds of Indian leaders and Indian housing experts in an unprecedented process of inclusion in native American policy making.

Mr. Speaker, this is a historic opportunity to do for native Americans something that is long overdue, to listen, to lead and to deliver. With this one sweep, Mr. Speaker, we will be able to put native Americans in a position where they can provide better and more decent housing for those who need it most.

I urge my colleagues in a bipartisan way to support this measure, to vote aye to make this day possible for native Americans.

I include for the RECORD a section-by-section description regarding H.R. 3219, as amended.

H.R. 3219—SECTION BY SECTION

§1. Short Title.

''Native American Housing Assistance and Self-Determination Act of 1996.''

§2. Congressional Findings.

States 7 Congressional findings.

§3. Administration through Office of Native American Programs.

Requires ONAP to administer program.

§4. Definitions.

Defines terms for title VII:

(1) affordable housing;

(2) families and persons (defining single persons, families, absence of children, elderly person, person with disabilities, displaced person, and near elderly person (50+));

(3) grant beneficiary (tribe or tribes);

(4) Indian;

(5) Indian area;

(6) Indian tribe;

(7) local housing plan;

(8) LI family;

(9) median income;

(10) recipient (tribe or tribally designated housing entity for the tribe);

(11) tribally designated housing entity;

(12) Secretary.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

§101. Block Grants.

(a) Authority. Requires HUD (subject to funding) to make grants on behalf of Indian tribes to carry out affordable housing activities. Requires HUD to provide grants for the tribe directly to the recipient for the tribe.

(b) Plan Requirement. Permits HUD to make grants only if tribe has submitted an Indian housing plan under §102 for the fiscal year and HUD determines it complies with §102. Permits HUD waiver if needed due to circumstances beyond control of the tribe.

(c) Local Cooperation Agreement. Secretary may not make a grant under this Act unless the governing body of the locality within which the housing will be situated in has entered into an agreement with the recipient to provide local cooperation as required by the Secretary pursuant to this Act.

(d) Exemption from Taxation. Provides that: (1) Affordable housing assisted with grant amounts is exempt from all real and personal property taxes levied and imposed by any jurisdiction;

(2) the recipient makes annual payments of user fees to compensate such governments for the cost of providing governmental services including police and fire protection,

roads, water and sewer systems, utilities systems and related facilities, or payments in lieu of taxes in an amount equal to the greater of $150 per dwelling unit, 10% of the difference between the shelter rent and utility cost or such lesser amount as prescribed by law, is agreed to by the local governing body in the agreement under subsection (c) or the recipient and the local governing body agree that such payments shall not be made;

(e) Effect of Failure to Exempt from Taxation. Provides that notwithstanding subsection (d), a recipient that does not comply may receive a block grant, but only if the local government within which the affordable housing development is located contributes in cash or tax remission the amount by which the taxes paid exceed the amounts prescribed in subsection (d)(2).

(f) Amount. For a recipient whose grant beneficiary is one tribe, the grant is the amount for the tribe determined under §301. For a recipient whose grant beneficiary is more than one tribe, the grant is the amount for each tribe.

(g) Use for Affordable Housing Activities. Except for administrative expenses under (h), requires grants to be used only for affordable housing activities consistent with the housing plan approved under §103.

(h) Administrative Expenses. Requires HUD, by regulation, to authorize each recipient to use a percentage of any grant for any administrative and planning expenses of the recipient related to carrying out title VII and activities assisted with such grants, including salaries and expenses of preparing a local housing plan under §102. Requires regulations to specify percentage caps for *each* recipient and permits HUD to review the percentage and revise it.

(i) Public-Private Partnerships. Provides that each recipient shall make all reasonable efforts to maximize participation by the private sector in implementing the plan.

§102 Indian Housing Plans (IHPs).

(a) Plan Submission. Requires the Secretary to provide for an Indian tribe to submit a housing plan each fiscal year for that tribe or tribally-designated housing entity and to review such plans.

(b) 5-Year Plan. Requires each IHP to contain, for the 5-year period beginning with the fiscal year for which the plan is submitted, the mission statement for serving low-income families, goals and objectives that will enable the tribe to accomplish that mission and the activities planned.

(c) 1-Year Plan. Provides that an IHP shall contain the following information:

(1) Goals and Objectives.

(2) Statement of Needs, including a description of estimated needs for low-income housing in the jurisdiction of the recipient and the geographic distribution of those needs.

(3) Financial Resources, including a description of how the available funds will be used to leverage additional resources.

(4) Affordable Housing Resources:

(A) a description of significant characteristics of the housing market in the jurisdiction;

(B) a description of the structure, coordination, means of cooperation between the governmental entities in the development, submission and implementation of housing plans, including a description of the involvement of private, public and nonprofit organizations and the use of Section 184 and other loan guarantees;

(C) a description of how the plan will address needs identified under paragraph (2).

(D) a description of how the recipient will protect and maintain the viability of housing owned and operated by the recipient under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937;

(E) a description of any existing or anticipated homeownership programs;

(F) a description of any existing or anticipated rehabilitation programs;

(G) a description of all other existing or anticipated housing assistance provided by the recipient during the period, including transitional housing, homeless housing, college housing, and supportive services housing;

(H) a description of any housing to be demolished or disposed;

(I) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency;

(J) a description of requirements established by the recipient to promote the safety of residents of such housing and facilitate crime-prevention measures;

(K) a description of the entity that will carry out activated under the plan, including the organizational capacity and key personnel of the entity.

(5) Certification of Compliance. Evidence of compliance which shall include:

(A) a certification that the recipient has complied with title II of the Civil Rights Act of 1968;

(B) a certification that the recipient will maintain adequate insurance coverage for housing units owned or operated or assisted with amounts provided under this Act;

(C) a certification that policies are in effect and available for review by the Secretary and the public governing eligibility, admission and occupancy of families for housing assisted with grant amounts under this act;

(D) a certification that policies are in effect and available for review by the Secretary and the public governing rents charged, including methods by which rents or homebuyer payments are determined;

(E) a certification that policies are in effect and available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts under this act.

(d) Participation of Tribally Designated Housing Entity. Permits housing entity to prepare and submit an LHP, but only if it contains a certification by the recognized tribal government of the grant beneficiary that the tribe has had an opportunity to review the plan and has authorized its submission by the housing entity.

(e) Coordination of Plans. Permits plan to cover more than one tribe if subsection (d) certification requirements are complied with by each tribe.

(f) Plans for Small Tribes. Requires HUD to establish separate requirements for small tribes and small housing entities. Requires the HUD requirements to waive any requirements HUD determines are burdensome or unnecessary for such small tribes and entities. Requires HUD to define small, based on number of units assisted under this title or 1937 Act.

(g) Regulations. Requires content requirements of IHPs be established by regulation, pursuant to §106.

§103 Review of Plans.

(a) Review and Notice. Requires HUD to conduct a limited review to ensure compliance with §102. Gives HUD discretion to review a plan only to the extent HUD considers necessary. Requires HUD to notify tribe and any housing entity whether it complies within 60 days after receipt. If notice not given, plan considered to comply.

(b) Notice of Reasons for Determination of Noncompliance. Where applicable, requires HUD to notify tribe and any housing entity of reasons for noncompliance, and any necessary modifications.

(c) Review. Permits HUD to determine a plan does not comply only if:

i. set forth information required under §102;

ii. plan is consistent with information and data available to the Secretary and are prohibited by or inconsistent any provision of the act or other applicable law;

If the Secretary determines that any of the certifications required in §102(c)(5) are not included in the plan, it shall be deemed incomplete.

(d) Updates to Plan. After submission under §102, permits tribe to comply for future years (for one-year or five-year plan) by submitting only information needed to update the plan. Not less than once every 5 years, the tribe shall submit a complete plan.

(e) Effective Date. This section and §102 shall take effect on the date provided by the Secretary pursuant to §106(a).

§104 Treatment of Program Income and Labor Standards.

(a) Program Income. Permits a recipient to retain any program income realized from any grant amounts if it was realized after initial disbursement; and recipient has agreed it will use program income for affordable housing activities. Prohibits HUD from reducing grant amounts based solely on whether the recipient retains program income; or the amount of any program income retained or whether the recipient retains reserve amounts described in §210. Permits HUD, by regulation, to exclude from consideration as program income amounts determined to be so small that compliance would create an unreasonable administrative burden.

(b) Labor Standards. Maintains existing law governing the application of prevailing wage requirements to public housing assisted under the United States Housing Act of 1937.

§105. Environmental Review.

Authorizes assumption of environmental review responsibilities by tribes.

§106. Regulations.

(a) Transition Requirements.

(1) In General. Not later than 90 days after the enactment of this act, the Secretary shall, by Federal Register notice, establish any requirements necessary to provide for the transition from assistance under the U.S. Housing Act of 1937 and related provisions of law to the provisions of law to the provision of assistance in accordance with this act.

(2) Public Comments. In General notice of proposed rulemaking. The Federal Register notice shall invite public comments regarding the transition requirements and final regulations to carry out this act and include a general notice of proposed rulemaking (for purposes of §564(a) of Title V of USC) of the final regulations under subsection (b).

(b) Final Regulations.

(1) Timing. The Secretary shall issue final regulations to carry out this act not later than September 1, 1997 and such regulations shall take effect not later than October 1, 1997.

(2) Negotiated Rulemaking Procedure. Requires final regulations to be issued according to a negotiated rulemaking procedure, and requires HUD to establish a negotiated rulemaking committee, to include only representatives of the Federal government and of geographically diverse small, medium and large Indian tribes and shall not preclude the participation of TDHE, should tribes elect to be represented by such entities.

(c) Effective Date. This section shall take effect on the date of enactment of this act.

§107. Effective Date.

Except as otherwise expressly provided in this act, this act and the amendments made by this act shall take effect on October 1, 1997.

§108. Authorization of Appropriations.

Authorizes such sums as may be necessary for FYs 1998–2001.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

§201. National Objectives and Eligible Families.

(a) Primary Objective. Specifies 5 national objectives.

(b) Eligible Families.

(1) In General. Limits assistance to low-income Indian families on Indian reservations and other Indian areas.

(2) Exception to Low-Income Requirements. Permits assistance for homeownership activities under §202(2), model activities under §202(6), or loan guarantee activities under Title VI to non-low-income families, if HUD approves because there is a need for housing for such families that cannot reasonably be met without such assistance. Requires HUD to set limits on amount of assistance that may be provided for non-low-income families.

(3) Non-Indian Families. Notwithstanding paragraphs (1) Permits recipients to provide housing or housing assistance through affordable housing activities for a non-Indian family on an Indian reservation or other Indian area if recipient determines presence of the family is essential to well-being of Indian families and the need for housing cannot reasonably be met without such assistance.

(4) Preference for Tribal Members or Other Indian Families. Permits the IHP to require preference to be given, to the extent practicable, to Indian families who are members of the tribe or to other Indian families. Requires recipients to ensure that housing activities assisted under this act are subject to any such preference.

(5) Exemption. Makes title VI of the 1964 CRA and the Fair Housing Act inapplicable to actions by Indian tribes under this subsection.

§202. Eligible Affordable Housing Activities.

Defines affordable housing activities to develop or support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) Indian Housing Assistance: mod or operating assistance.

(2) Development: acquisition, new construction, reconstruction, or mod or sub rehab, which may include real property acquisition, site improvement, development of utilities or utilities services, conversion, demolition, financing, administration and planning and other related activities.

(3) Housing Services: counseling, establishment and support of resident organizations, energy auditing and other specified examples.

(4) Housing Management Services: preparation of work specs and other specified examples.

(5) Crime Prevention and Safety Activities: safety, security, and law enforcement measures and activities appropriate to protect residents.

(6) Model Activities: activities under model programs designed to carry out purposes of this act and specifically approved by HUD as appropriate.

§203. Program Requirements.

(a) Rents.

(1) Establishment. Subject to paragraph (2), each recipient shall develop written policies governing rents and homebuyer payments including the methods by which such payments are determined.

(2) Maximum Rent. For any low-income family assisted with grant amounts under this act, the monthly rent or homebuyer payment may not exceed 30% of the monthly adjusted income of such family.

(b) Maintenance and Efficient Operation. Requires any recipient that owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated under a HUD/IHA contract under the 1937 Act to use amounts under this act to reserve and use for operating assistance under §202(1) necessary amounts to provide for continued maintenance and efficient operation of such housing.

(c) Insurance Coverage. Requires each recipient to maintain adequate insurance coverage for housing assisted under this act.

(d) Eligibility for Admissions. Each recipient shall develop written policies governing the eligibility, admission and occupancy of families assisted under this act.

(e) Management and Maintenance. Each recipient shall establish policies governing the management and maintenance of housing assisted under this act.

§204 Types of Investments.

(a) In General. Subject to §203 and the IHP, the recipient shall have (i) discretion to use grants for affordable housing activities through equity investments, interest-bearing or non-interest-bearing loans or advances, interest subsidies, leveraging, or any other assistance HUD determines is consistent with the purposes of this act and the right to establish the terms of assistance.

(b) Investments. Recipient may invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligation as approved by the Secretary.

§250. Low-Income Requirement and Income Targeting.

Permits housing to qualify as affordable housing only if:

(a) In General.

(1) Each unit in the housing is made available for occupancy only by a family that is a low-income family at time of initial occupancy (rental housing) or purchase (homeownership). Except for housing assisted under §202 of the United States Housing Act of 1937 (as in effect before the date of effectiveness of this act), each dwelling unit will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and purposes of this act.

(b) except for mutual help housing under the 1937 Act, each unit will remain affordable for remaining useful life of the property without regard to the term of the mortgage or transfer of ownership, or for such other period HUD determines is the longest feasible period of time consistent with sound economics and the purposes of this act. However, affordability requirement is lifted upon foreclosure (or other transfer in lieu of foreclosure) if such action:

(i) recognizes any contractual or legal rights of public agencies, non-profit, or others to take actions that would avoid termination of low-income affordability; and

(ii) is not for purpose of avoiding low-income affordability restrictions.

§206. Certification of Compliance with Subsidy Layering Requirements.

Provides that the subsidy layering requirements of §102(d) of the HUD Reform Act of 1989 shall be considered to be satisfied upon certification by the Secretary that the combination of Federal assistance provided to any project is not more than necessary to provide affordable housing.

§207. Lease Requirements and Tenant Selection.

(a) Leases. Requires an owner or manager of rental housing assisted under this act to utilize leases that:

(1) do not contain unreasonable terms and conditions.

(2) require the owner or manager to maintain the housing.

(3) require the owner or manager to give adequate written notice of termination, which shall be the period required under applicable law.

(4) specify that for any notice of eviction or termination, nonwithstanding any other law, a resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related.

(5) require that the owner or manager may not terminate the tenancy, during the term of the lease, except for serious or repeated violations of the terms or conditions in the lease, violations of applicable laws, or for other good cause.

(6) provide that the owner or manager may terminate tenancy for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the control of the resident that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager;

(B) threatens the health or safety of, or right to peaceful enjoyment of the premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off the premises.

(b) Tenant Selection. Requires owners and managers to adopt and use written tenant selection policies and criteria that:

(1) are consistent with the purpose of providing housing for low-income families:

(2) are reasonably related to program eligibility and the applicant's ability to perform obligations of the lease; and

(3) provide for selection of tenants from a written waiting list in accordance with the IHP, and prompt notification in writing of the grounds for rejection.

§208. Availability of Records.

Provides access to National Crime Information Center data for applicants or tenants of housing assisted with grant amounts provided for under this act.

§209. Repayment.

If at any time during the useful life of the housing assisted under this act the housing does not comply with §205(2), requires HUD to reduce future grant payments by an amount equal to the grant used for such housing (under authority under §401(a)(2)) or require repayment to HUD of such amount.

§210. Continued Use of Amounts for Affordable Housing.

Requires funds for low-income housing programs under the 1937 Act that, on the date this act begins to apply to an Indian tribe, are owned by, or in the possession or under the control of, the IHA for the tribe, including all reserves not otherwise obligated, to be considered assistance under this act and subject to this act regarding the use of such assistance.

TITLE III—ALLOCATION OF GRANT AMOUNTS

§301. Annual Allocation.

Requires HUD, for each fiscal year, to allocate amounts made available for grants under this title by formula, established under §302, among Indian tribes that comply with grant requirements.

§302. Allocation Formula.

(a) Establishment. Requires HUD, by regulations issued in accordance with §106, to establish a formula to allocate amounts made available for grants under this title among Indian tribes.

(b) Factors for Determination of Need, Requires that formula be based on factors that

reflect affordable housing needs of Indian tribes, including (1) number of LI units owned or operated pursuant to a HUD/IHA contract, (2) extent of poverty and economic distress within Indian areas of the tribe, and (3) other objectively measurable conditions specified by HUD.

(c) Other Factors for Consideration. Requires the Secretary to consider non-quantifiable factors such as the relative administrative capacities of a recipient, geographic and the funding streams available to a State recognized tribe and whether terminations under title V will negatively impact those funds equally with federally-recognized tribes.

(d) Funding for Public Housing Operation and Modernization.

(1) Full Funding. The formula shall provide that in any fiscal year in which the total appropriated amount for the block grant exceeds the total of public housing operation and modernization assistance provided to tribes and/or IHAs in FY 1996, the formula shall apportion not less than the IHA or tribe received in FY 1996 for those purposes.

(2) Partial Funding. The formula shall provide that in any fiscal year in which the total appropriated amount for the block grant does not exceed the total of public housing operation and modernization assistance provided to tribes or IHAs in FY 1996, the formula shall apportion not less than the ratio received by each individual IHA or tribe in FY 1996.

(e) Effective Date. This section shall take effect on the date of enactment of this act.

TITLE IV—COMPLIANCE, AUDITS AND REPORTS

§401. Remedies for Noncompliance.

(a) Actions by Secretary Affecting Grant Amounts. Requires HUD, after reasonable notice and opportunity for hearing, to take action against recipients for noncompliance, including:

(1) terminating payments,

(2) reducing payments commensurate with amount improperly expended,

(3) limiting payments to activities not affected by noncompliance, and

(4) replacing recipient with tribally designated housing entity pursuant to §402(b) for substantial or willful noncompliance. Requires continuation of action under (1), (2), or (3) until Secretary determines that noncompliance has ceased.

(b) Noncompliance Because of Technical Incapacity. Authorizes HUD to provide technical assistance (directly or indirectly) to recipient to increase its capability and capacity to administer grants under this title If HUD determines that noncompliance of recipient is not willful and is a result of limited capability and capacity.

(c) Referral for Civil Action. Authorizes HUD to refer substantial noncompliance to Attorney General for appropriate civil action. Authorizes Attorney General to bring civil action in appropriate Federal district court and to seek appropriate relief, including recovery of amount improperly expended, or for mandatory or injunctive relief.

(d) Review. Authorizes recipient that receives notice of an adverse action for noncompliance to petition appropriate Federal Court of Appeals for review of such action. Establishes procedural requirements for petitioner and HUD, and the jurisdiction of the court.

§402. Replacement of Recipient.

a. Authority. As a condition of a grant, Indian tribe agrees that HUD may, under limited circumstances, require that a replacement tribally designated housing entity serve as recipient for tribe.

(b) Conditions of Removal. Authorizes such replacement only if HUD determines, on record after opportunity for hearing, that recipient has engaged in pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements of this title.

(c) Choice and Term of Replacement. Requires replacement entity to be mutually agreed upon by HUD and tribe(s). If no agreement is reached within 60 days of HUD's determination to replace the recipient, requires HUD to act as replacement entity until an agreement can be reached. Requires replacement entity (or HUD) to act until date certain, or the occurrence of specific conditions, as established by HUD.

§403. Monitoring of Compliance.

(a) Enforceable Agreements. Requires each recipient, through binding contractual agreements with owners and otherwise, to ensure long-term compliance with provisions of title, including enforcement by grant beneficiary or recipients and other beneficiaries, and remedies for breach.

(b) Periodic Monitoring. Requires recipient, at least annually, to review activities conducted and housing assisted under this title to assess compliance with applicable requirements, including on-site inspection of housing. Requires results of review to be included in recipient's performance report to HUD under §404 and made available to public.

§404. Performance Reports.

Requires each recipient, for each FY to review its progress in carrying out the Indian housing plan(s) for the Indian tribes for which it administers grant amounts, and submit a report to HUD describing conclusions of review. Specifies content requirements. Requires HUD to establish submission dates and appropriate review requirements. Requires that recipients make report available to citizens within jurisdiction prior to submission to HUD, and include summary of citizen comments in report.

§405. Review and Audit by Secretary.

(a) Annual Review. Requires HUD to make necessary and appropriate annual reviews and audits to assess each recipient's performance, including, if practicable, on-site visits by HUD employees.

(b) Report by HUD. Requires HUD to submit report to Congress on each review. Requires HUD to give recipient at least 30 days to review and comment on report. Authorizes HUD to revise report to address recipient's comments. Requires HUD to make recipient's comments and report, with any revisions, available to public within 30 days of recipient's comments.

(c) Effect of Reviews. Authorizes HUD to make adjustments to amount of annual grants pursuant to findings from reviews and audits. Prohibits recapture or deduction of grant amounts already expended on affordable housing activities from future assistance provided on behalf of on Indian tribe.

§406. GAO Audits.

Authorizes GAO to audit financial transactions of Indian tribes and recipients with respect to grant amounts provided under this title.

§407. Reports to Congress.

Requires HUD to submit report to Congress within 90 days of end of each FY which describes progress made in accomplishing objectives of title, summarizes use of funds, and provides a description of outstanding loan guarantees under title VI. Authorizes HUD to require recipients to submit reports and other information necessary for HUD to develop its report.

TITLE V—TERMINATIONS OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

§501. Repeal of Provisions Relating to Indian Housing Assistance under United States Housing Act of 1937.

(a) Repeal of Title II. Repeals title II of the United States Housing Act of 1937.

(b) Amendments to Title I. Strikes references to ''Indian housing,'' ''Indian tribes'' and other terms within title I of the United States Housing Act of 1937.

(c) Amendments to Title III. Strikes references to ''Indian housing,'' ''Indian tribes'' and other terms within title III of the United States Housing Act of 1937.

§502. Termination of Indian Housing Assistance Under United States Housing Act of 1937

(a) Termination of Assistance. Provides that after September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997.

(b) Terminations of Restrictions on Use of Indian Housing. Provides that after September 30, 1997, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this Act.

§503. Termination of New Commitments for Rental Assistance.

Prohibits, after 9/30/97, financial assistance for rental housing assistance under the 1937 Act to be provided to any IHA or tribally designated housing entity, unless such assistance is provided pursuant to a contract by HUD and the IHA before such date.

§504. Termination of Youthbuild Program Assistance.

(a) In General. Prohibits Indian tribes, IHAs, and other agencies primarily serving Indians or Indian areas from being eligible for the Youthbuild program in FY 1997 and FYs thereafter. Redesignates §460 as §461 and inserts a new section §460 of NAHA.

(b) Applicability. Provides that amendments under subsection (a) shall apply with respect to amounts made available for assistance under subtitle D of title II of NAHA for fiscal years 1998 and after.

§505. Termination of HOME Program Assistance.

(a) In General. Terminates HOME program assistance to Indian tribes, amending §217(a) and §288 of NAHA.

(b) Applicability. Requires that this section apply to amounts made available for the HOME program for FY 1998 and FYs thereafter.

§506. Termination of Housing Assistance for the Homeless.

(a) McKinney Act Programs. Terminates homeless assistance for Indian tribes under the McKinney Act, amending title IV of the McKinney Act.

(b) Innovative Homeless Demonstration. Eliminates Indian tribes as a jurisdiction eligible for funding under the Innovative Homeless Initiatives Demonstration program, amending §2(b) of the HUD Demonstration Act of 1993.

(c) Applicability. Requires that this section apply to amounts for McKinney Act homeless assistance and the Innovative Homeless Initiatives Demonstration program, respectively, for FY 1998 and FYs thereafter.

§507. Savings Provision.

Forbids, except as provided in §502 and §503, this act to be construed to affect the validity of any right, duty, or obligation of the U.S. or other person arising pursuant to

any lawful commitment or agreement before 10/1/97 under the 1937 Act, Youthbuild, HOME, McKinney, or the Innovative Homeless Initiatives Demonstration program.

§508. Effective Date.

Requires that §§502, 503, and 507 (termination of 1937 Act assistance and savings provision) take effect on the date of enactment of this act.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

§601. Authority and Requirements.

(a) Authority. Authorizes HUD, subject to an appropriation and limitations of this title (including those designed to protect and maintain the viability of rental housing units owned or operated developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937), to guarantee (includes commitments) notes or other obligations issued by Indian tribes or tribally designated entities to finance affordable housing activities described in §202.

(b) Lack of Financing Elsewhere. Permits guarantees to be used to assist a tribe or housing entity in obtaining financing only if they have made efforts to obtain financing without the guarantee and cannot complete such financing consistent with the timely execution of program plans without such guarantee.

(c) Terms of Loans. Requires notes or obligations to be in such form and denominations, have such maturities, and be subject to such conditions as HUD may prescribe in regulations. Prohibits HUD from denying a guarantee on the proposed repayment period unless the period is more than 20 years or HUD determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) Limitation on Outstanding Guarantees. Prohibits a guarantee on notes or if the issuer's total outstanding notes or obligations guaranteed (excluding defeased amounts under contract under §602(a)(1)) would exceed an amount equal to 5 times the amount of the grant issuer under title III.

§602. Security and Repayment.

(a) Requirements on Issuer. Requires HUD to require the Indian tribe or entity issuing notes or obligations to:

(1) contract for repayment of guaranteed notes or obligations:

(2) pledge any grants that the issuer may become eligible for under this act;

((3) demonstrate financial capacity of tribe to guarantee and that it is not likely to impair ability to use grant amounts under this title; and

(4) furnish other appropriate security, at discretion of HUD.

(b) Repayment From Grant Amounts. Permits HUD to apply grants pledged under subsection (a)(2) to any repayments due from guarantees and permits grants provided under this act to a tribe or housing entity to be used to pay principal and interest due on guaranteed notes or obligations.

(c) Full Faith and Credit. Pledges the full faith and credit of U.S. to the payment of all guarantees under this title and makes the validity of such guarantees made by HUD incontestable.

§ t603. Payment of Interest.

Authorizes HUD, subject to an appropriation, to make grants to a tribe or housing entity issuing guaranteed notes or obligations to cover up to 30% of the net interest cost to the borrowing entity or agency of such obligations. Also, permits HUD, subject to an appropriation, to assist the issuer in the payment of principal and interest due under the note or obligation if HUD determines that the issuer is unable to pay because of circumstances of extreme hardship beyond the issuer's control.

§604. Treasury Borrowing.

Authorizes HUD to issue obligations to the Secretary of the Treasury to carry out guarantees authorized under this title. Requires obligations to have such maturities, and such interest rates as determined by the Secretary of Treasury. Requires the Secretary of Treasury to purchase any HUD obligations, and for such purposes, may use as a public debt transaction the proceeds from the sales of specified securities.

§605. Training and Information.

Requires HUD, in cooperation with eligible public entities, to carry out training and information activities on the guarantee program under this title.

§606. Limitation on Amount of Guarantees.

(a) Aggregate Fiscal Year Limitation. Requires HUD, subject to an appropriation and sufficient approvable applications, to enter into commitments to guarantee notes and obligations with an aggregate principal amount of $400M for each of FYs 1997–2001.

(b) Authorization of Appropriations for Credit Subsidy. Authorizes $40M for each of FYs 1997–2001 to be appropriated to cover the cost of guarantees under this title.

(c) Aggregate Outstanding Limitation. Requires that the total amount of outstanding obligations guaranteed on an cumulative basis by HUD under this title not at any time exceed $2B or such higher amounts as may be authorized to be appropriated for any FY.

(d) Fiscal Year Limitations on Tribes. Requires HUD to monitor the use of guarantees. Authorizes HUD, if 50% of aggregate guarantee under subsection (c) has been committed, to (1) impose a $50M limit on the amount that a tribe receives in any FY, and (2) request legislation increasing the aggregate limitation.

§606. Effective Date.

Makes this title take effect on the date of enactment of this act.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

§701. Loan Guarantees for Indian Housing.

(a) Definition of Eligible Borrower to Include Indian Tribes. Expands current description of eligible borrowers (Indian families or IHAs) to include Indian tribes, amending §§184(a) & (b)(1).

(b) Need for Loan Guarantee. Expands the basis for need of loan guarantees from the unique status of Indian *trust* lands to the unique status of Indian lands *or* as a result of lack of access to private financial markets, amending §184(a)

(c) IHP Requirement. Adds a requirement that eligible housing for loan guarantees be under the jurisdiction of an Indian tribe for which an Indian housing plan has been submitted and approved under §§102 and 103 and that provides for the use of loan guarantees, amending §184(b)(2)

(d) Lender Option to Obtain Payment Upon Default Without Foreclosure. Simplifies the foreclosure/assignment option in the case of a defaulted mortgage. HUD continues to determine the eligibility of a defaulted mortgage for assignment, amending §184(h)

(e) Limitation on Mortgagee Authority. Adds mortgagee to provisions on limitations on liquidation that currently apply to the Secretary. Changes current reference to tribal allotted or trust land to restricted Indian land, amending §184(h)

(f) Limitation on Outstanding Aggregate Principal Amount. Authorizes HUD to enter into commitments to guarantee loans under §184 for each of FYs 1997–2001 with an aggregate outstanding principal note exceeding $400M for each such fiscal year, amending §184(i)(5)(C)

(g) Authorization of Appropriations for Guarantee Fund. Authorizes $30M for each of FYs 1997–2001 to be appropriated to the Guarantee Fund, amending §184(i)(7)

(h) Definitions. Changes made to the following terms:

(1) ''Indian area'': Expands the definition to include areas within which an Indian tribe (current law covers only an IHA) is authorized to provide housing.

(2) ''Indian housing authority'': Expands definition to include entities authorized to assist in the development or operation of housing subject to §184 (current law covers only low-income housing for Indians), and tribally designated housing entities under this act.

(3) ''tribe or Indian tribe'': Extensive differences from current law including the addition of references to the Alaska Native Claims Settlement Act, and the Indian Self-Determination and Education Assistance Act of 1975, amending §184(k)

(i) Principal Obligation Amounts. Provides that loans shall involve a principal obligation not exceeding 97.75% of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75% if the value of the property is $50,000 or less), amending §184(b)(5)(C)

(j) Availability of Amounts. Eliminates the limitations on the use of monies appropriated in any one fiscal year to that specific year and instead provides that amounts are available until expended, amending §184(i)(5)

(k) GNMA Authority. Adds loans guaranteed under §184 to the list of loans that GNMA may include under its mortgage-backed securities program, amending §306(g) of FNMA Charter Act

§702. 50-Year Leasehold Interest in Trust or Restricted Lands for Housing Purposes.

(a) Authority to Lease. Authorizes any restricted Indian lands, whether tribally or individually owned, to be leased by the Indian owners, with the approval of the DOI, for residential purposes.

(b) Term. Requires each lease to be for a term up to 50 years.

(c) Rule of Construction. Provides that §702 may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that is conferred by or pursuant to any other provision of law or provides for leases exceeding 50 years.

(d) Self-Implementation. Clarifies that this section is intended to be self-implementing and shall not require the issuance of any rule, regulation, or order to take effect.

§703. Training and Technical Assistance.

Authorizes such sums as may be appropriated for each of FYs 1997–2001 for assistance for a national organization representing Native American housing interests for providing training and technical assistance to IHAs and tribally designated housing entities.

§704. Public and Assisted Housing Drug Elimination Act of 1990.

Amends the Public and Assisted Housing Drug Elimination Act of 1990 to replace the term ''Indian Housing Authorities'' with ''tribally designated housing entities'' and to make other changes necessary to continue to provide funds through this program.

§704. Effective Date.

Makes this title effective upon the enactment of this act.

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

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from New York [Mr. LAZIO] that the House suspend the rules and pass the bill, H.R. 3219, as amended.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the bill just passed.

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

There was no objection.

OMNIBUS INSULAR AREAS OF ACT OF 1996

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1332) to establish certain policies and responsibilities with respect to the administration of the Rongelap Resettlement Trust Fund, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Omnibus Insular Areas Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Temporary absence of officials clarified.
Sec. 3. Amendments to priority of bonds and other obligations.
Sec. 4. Commission on the economic future of the Virgin Islands.
Sec. 5. Repeal of separate ballot requirement.
Sec. 6. Insular funding clarification.
Sec. 7. American Memorial Park.
Sec. 8. American Samoa Study Commission.
Sec. 9. Hawaiian Homes Commission.

SEC. 2. TEMPORARY ABSENCE OF OFFICIALS CLARIFIED.

Section 14 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1595) is amended by adding at the end the following new subsection:

''(g) An absence from the Virgin Islands of the Governor or the Lieutenant Governor, while on official business shall not be a 'temporary absence' for purposes of this section.''.

SEC. 3. AMENDMENTS TO PRIORITY OF BONDS AND OTHER OBLIGATIONS.

(a) AUTHORITY TO ISSUE OBLIGATIONS.—Section 3 of the Act entitled ''An Act to authorize the government of the Virgin Islands to issue bonds in anticipation of revenue receipts and to authorize the guarantee of such bonds by the United States under specified conditions, and for other purposes'', approved August 19, 1976 (48 U.S.C. 1574c), is amended—

(1) by striking ''priority for payment'' and inserting in lieu thereof ''a parity lien with every other issue of bonds or other obligations issued for payment''; and

(2) by striking ''in the order of the date of issue''.

(b) APPLICATION.—The amendments made by this section shall apply to obligations issued on or after the date of the enactment of this Act.

SEC. 4. COMMISSION ON THE ECONOMIC FUTURE OF THE VIRGIN ISLANDS.

(a) ESTABLISHMENT AND MEMBERSHIP.—

(1) IN GENERAL.—There is hereby established a Commission on the Economic Future of the Virgin Islands (hereafter in this section referred to as the ''Commission''). The Commission shall consist of six members appointed by the President, two of whom shall be selected from nominations made by the Governor of the Virgin Islands. The President shall designate one of the members of the Commission to be Chairman.

(2) SECRETARY OF INTERIOR EX OFFICIO MEMBER.—In addition to the six members appointed under paragraph (1), the Secretary of the Interior shall be an ex-officio member of the Commission.

(3) MEMBERS APPOINTED BY PRESIDENT.—Members of the Commission appointed by the President shall be persons who by virtue of their background and experience are particularly suited to contribute to achievement of the purposes of the Commission.

(4) COMPENSATION.—Members of the Commission shall serve without compensation, but may be reimbursed for travel, subsistence and other necessary expenses incurred by them in the performance of their duties.

(5) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(b) PURPOSE AND REPORT.—

(1) PURPOSE.—The purpose of the Commission is to make recommendations to the President and Congress on the policies and actions necessary to provide for a secure and self-sustaining future for the local economy of the Virgin Islands through 2020 and on the role of the Federal Government. In developing recommendations, the Commission shall—

(A) solicit and analyze information on projected private sector development and shifting tourism trends based on alternative forecasts of economic, political, and social conditions in the Caribbean;

(B) analyze capital infrastructure, education, social, health, and environmental needs in light of these alternative forecasts; and

(C) assemble relevant demographic, economic, and revenue and expenditure data from over the past 25 years.

(2) RECOMMENDATIONS AND REPORT.—The recommendations of the Commission shall be transmitted to the President, the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives no later than June 30, 1998. The report shall set forth the basis for the recommendations and include an analysis of the capability of the Virgin Islands to meet projected needs based on reasonable alternative economic, political, and social conditions in the Caribbean, including the expansion in the near future of Cuba to trade, tourism, and development.

(c) POWERS.—

(1) IN GENERAL.—The Commission may—

(A) hold such hearings, sit and act at such times and places, take such testimony and receive such evidence as it may deem advisable;

(B) use the United States mail in the same manner and upon the same conditions as departments and agencies of the United States; and

(C) within available funds, incur such expenses and enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to Federal agencies to carry out the Commission's functions.

(2) TECHNICAL AND ADMINISTRATIVE SUPPORT.—Within funds available for the Commission, the Secretary of the Interior shall provide such office space, furnishings, equipment, staff, and fiscal and administrative services as the Commission may require.

(3) ASSISTANCE FROM FEDERAL AGENCIES.—The President, upon request of the Commission, may direct the head of any Federal agency or department to assist the Commission and if so directed such head shall—

(A) furnish the Commission to the extent permitted by law and within available appropriations such information as may be necessary for carrying out the functions of the Commission and as may be available to or procurable by such department or agency; and

(B) detail to temporary duty with the Commission on a reimbursable basis such personnel within his administrative jurisdiction as the Commission may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay or other employee status.

(d) CHAIRMAN.—Subject to general policies that the Commission may adopt, the chairman of the Commission shall be the chief executive officer of the Commission and shall exercise its executive and administrative powers. The chairman may make such provisions as he may deem appropriate authorizing the performance of his executive and administrative functions by the staff of the Commission.

(e) FUNDING.—The Department of the Interior is authorized to provide up to $300,000 in each of the fiscal years 1997 and 1998 in technical assistance funding for the work of the Commission.

(f) TERMINATION.—The Commission shall terminate three months after the transmission of the report and recommendations under subsection (b)(2).

SEC. 5. REPEAL OF SEPARATE BALLOT REQUIREMENT.

(a) IN GENERAL.—Section 2(a) of the Act entitled ''An Act to provide that the unincorporated territories of Guam and the Virgin Islands shall each be represented in Congress by a Delegate to the House of Representatives'' approved April 10, 1972 (48 U.S.C. 1712(a)), is amended—

(1) by striking '', by separate ballot and''; and

(2) by inserting after the second sentence the following new sentence: ''The Delegate representing the Virgin Islands shall be elected by separate ballot.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect January 1, 1997.

SEC. 6. INSULAR FUNDING CLARIFICATION.

The second sentence of subsection (a) of section 703 of the Northern Mariana Islands Covenant, as contained in section 1 of Public Law 94–241 (48 U.S.C. 1801 note), shall be construed as if ''of the Government of the Northern Mariana Islands'' were stricken.

SEC. 7. AMERICAN MEMORIAL PARK.

Section 5 of Public Law 95–348 (92 Stat. 492) is amended by striking subsection (f).

SEC. 8. AMERICAN SAMOA STUDY COMMISSION.

(a) FINDINGS.—The Congress finds that—

(1) the islands of Tutuila and Manua, and certain other islands that compose American Samoa, were ceded by the chiefs of the islands to the United States by two treaties or deeds of cession which were submitted to the United States Congress on April 10, 1900, and July 16, 1904;

(2) American Samoa's status as an unorganized and unincorporated territory of the United States, and American Samoa's political relationship to the United States, are not clearly defined in any single document;

(3) there is a need for a comprehensive study and review of the historical and legal basis of American Samoa's political relationship with the United States, including—

(A) a comprehensive report on American Samoa's present political relationship with the United States, as compared to other relationships such as independence, commonwealth, and free association; and

(B) an examination of whether the treaties or deeds of cession created trust obligations to American Samoa on the part of the United States;

(4) the economic and social needs of American Samoa are substantially affected by the nature of American Samoa's political relationship with the United States; and

(5) there is a need for a comprehensive study also of Swains Island and its historical relationship with the Tokelau Island Group.

(b) ESTABLISHMENT.—There is established a commission to be known as the ''American Samoa Study Commission'' (hereafter in this section referred to as the ''Commission'').

(c) DUTIES.—

(1) IN GENERAL.—It shall be the duty of the Commission—

(A) to study and evaluate all the factors that led to American Samoa's political relationship with the United States, including—

(i) the events that led to the cession to the United States of the islands that compose American Samoa; and

(ii) the constitutions, statutes, treaties, and agreements that affect American Samoa's political relationship with the United States;

(B) to document and report on the nature of American Samoa's political relationship with the United States; to document and also report on such political relationships as independence, commonwealth, and free association;

(C) to study and evaluate the impact of American Samoa's political status and relationship with the United States (as determined by the Commission under subparagraph (B)) on the economic and social needs of American Samoa and its residents;

(D) to study and report on whether the 1900 and 1904 instruments of cession were indeed treaties or deeds and how such instruments are recognized under international law; and

(E) to study and report on options available to improve American Samoa's economic self-sufficiency, given its remote location, limited land size, and changing world economics.

(2) CONSULTATION.—The Commission shall, to the maximum extent practicable, consult with American Samoans in carrying out the duties of the Commission under paragraph (1).

(d) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of five members appointed as follows:

(A) Three members appointed by the Secretary of Interior, including—

(i) one member appointed from among three individuals nominated by the legislature of the Territorial government of American Samoa; and

(ii) one member appointed from among three individuals nominated by the Governor of American Samoa.

(B) One member appointed by the Speaker of the United States House of Representatives.

(C) One member appointed by the President of the United States Senate.

(2) TERMS.—Each member shall be appointed for the life of the Commission.

(3) COMPENSATION.—Members of the Commission shall serve without compensation, but may be reimbursed for travel, subsistence and other necessary expenses incurred by them in the performance of their duties.

(4) QUORUM.—Three members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(5) CHAIRPERSON; VICE CHAIRPERSON.—The chairperson and vice chairperson of the Commission shall be elected by the members.

(6) MEETINGS.—(A) Not later than the expiration date of the 90 day period beginning on the date of the enactment of this Act, the Secretary of the Interior shall call the initial meeting of the members of the Commission.

(B) The chairperson or a majority of the members of the Commission shall call any meeting of the Commission that occurs after the meeting called under subparagraph (A).

(e) TECHNICAL AND ADMINISTRATIVE SUPPORT.—

(1) IN GENERAL.—Within funds available for the Commission, the Secretary of the Interior shall provide such office space, furnishings, equipment, staff, and fiscal and administrative services as the Commission may require.

(2) ASSISTANCE FROM FEDERAL AGENCIES.—The President, upon request of the Commission, may direct the head of any Federal agency or department to assist the Commission and if so directed such head shall—

(A) furnish the Commission to the extent permitted by law and within available appropriations such information as may be necessary for carrying out the functions of the Commission and as may be available to or procurable by such department or agency; and

(B) detail to temporary duty with the Commission on a reimbursable basis such personnel within his administrative jurisdiction as the Commission may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay or other employee status.

(f) POWERS OF COMMISSION.—

(1) HEARINGS.—(A) The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at times and locations, take testimony, and receive evidence as the Commission considers appropriate.

(B)(i) The Commission shall conduct at least 1 hearing at any location on each of—

(I) Tutuila;

(II) Ofu;

(III) Olosega; and

(IV) Tau.

(ii) The Commission may conduct at least three separate hearings in the United States at locations where significant numbers of American Samoans reside.

(C) The Commission shall provide notice to the public of the hearings referred to in subparagraphs (A) and (B), including information regarding the date, topic and location of the meeting, and shall take other actions as the Commission considers necessary to obtain, to the maximum extent practicable, public participation in the hearings.

(2) DELEGATION OF AUTHORITY.—Any member or agent of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take by this section.

(3) OBTAINING OFFICIAL DATA.—(A) The Commission may secure directly from any Federal agency and the Library of Congress information necessary to enable it to carry out this section. Upon the request of the Chairperson of the Commission, the head of the Federal agency or Library of Congress shall furnish the information to the Commission.

(B) Subparagraph (A) shall not apply to any information that the Commission is prohibited to secure or request by another law.

(4) MAIL.—The Commission may use the United States mail in the same manner and under the same conditions as the other Federal agencies.

(g) REPORTS.—(1)(A) Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Commission shall prepare and publish a draft report containing the findings, conclusions and recommendations of the Commission.

(B) The Commission shall distribute such report to appropriate Federal and American Samoan agencies and shall make such report available to members of the public upon request.

(C) The Commission shall solicit written comments from the Federal and American Samoan agencies and other persons to which copies of such report are distributed under subparagraph (B).

(2) Not later than the expiration of the 9-month period beginning on the date of the publication of the report required by paragraph (1)(A), the Commission shall submit to the President and the Congress a final report, which shall include—

(A) a detailed statement of the findings and conclusions made by the Commission after consideration of the comments received by the Commission under paragraph (1)(C);

(B) the recommendations of the Commission for legislative and administrative actions that the Commission determines to be appropriate; and

(C) copies of all written comments received by the Commission under paragraph (1)(C).

(h) DEFINITIONS.—For the purposes of this section:

(1) The term ''American Samoan'' has the meaning given the term ''native American Samoan'' in section 4 of Public Law 100–571 (16 U.S.C. 410qq–3).

(2) The term ''Commission'' means the American Samoa Study Commission established in subsection (b).

(i) FUNDING.—(1) Subject to paragraph (2), the Department of the Interior is authorized to provide up to $225,000 in each of the fiscal years 1997 and 1998 in technical assistance funding for the work of the Commission.

(2) Amounts provided pursuant to paragraph (1) may not exceed 75 percent of the total amount provided for the Commission and shall be provided on a matching basis. The non-Federal share of such amount shall be provided in cash by the Government of American Samoa.

(j) TERMINATION.—The Commission shall terminate not later than the expiration of the 60-day period beginning on the date on which the Commission submits its final report under subsection (g).

SEC. 9. HAWAIIAN HOMES COMMISSION.

That, as required by section 4 of the Act entitled ''An Act to provide for the admission of the State of Hawaii into the Union'', approved March 18, 1959 (73 Stat. 4), the United States consents to the following amendments to the Hawaiian Homes Commission Act, 1920, adopted by the State of Hawaii in the manner required for State legislation:

(1) Act 339 of the Session Laws of Hawaii, 1993.

(2) Act 37 of the Session Laws of Hawaii, 1994.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. GALLEGLY] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

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

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

Mr. GALLEGLY. Mr. Speaker, the Omnibus Insular Areas Act of 1996, H.R. 1332, includes a number of measures largely technical in nature affecting some of our U.S. territories as well as the native Hawaiians. These provisions

have been developed based on hearings and consultations with leaders from the islands during the first and second sessions of the 104th Congress.

All are noncontroversial, and enjoy bipartisan support. The administration has testified in support of a majority of the provisions and have now indicated no opposition to certain measures which have been modified to address any major concerns.

Let me briefly explain the individual sections of the bill, which are listed in section 1. Sections 2, 3, and 4 affect the U.S. Virgin Islands. Section 2 would clarify that the physical absence of the Governor or Lieutenant Governor would not constitute a temporary absence which triggers a transfer of authority to the next administration official in the chain of command. Modern telecommunications enable the Governor and Lieutenant Governor to retain communication with the Virgin Islands from virtually anywhere in the United States or the world.

Section 3 will enable the Virgin Islands to issue parity bonds rather than priority bonds. This is consistent with the current practice with most State and local governments and will potentially save money for the Virgin Islands.

There is a bipartisan consensus of leaders in the Virgin Islands and Congress that a focused effort is needed to develop a plan which would assist the Virgin Islands in moving toward economic self-sufficiency. Section 4 would establish a commission appointed by the President, who would make recommendations to the Congress by mid-1998, when the commission would expire.

The Government of Guam and the Delegate from Guam have requested that Guam be given the power to conduct the election for delegate by separate ballot. The provision of section 5 will save Guam the costs of printing separate ballots for the election of one position.

Section 6 is a technical clarification providing for similar treatment of certain Federal insular funds received by any territory. Northern Mariana Islands special grant funding is considered to be local funds once received, and any funds received by a territory from this source would also be considered local upon receipt.

The American Memorial Park established in Saipan in the Northern Mariana Islands has become one of the premier monuments in the Western Pacific honoring the sacrifices of our Armed Forces during World War II. Over $3 million were spent to build a world-class memorial. This is befitting the honor due to our men and women who fought over the very ground upon which the memorial stands. The amendment in section 7 would insure that the continued operation of the American Memorial Park under the National Park Service rather than the local Marianas government.

Section 8 provides for a short-term commission to examine the near century-long relationship of American Samoa as a territory of the United States and the economic needs of the islands. The Delegate from American Samoa is the primary advocate for this action, and I concur with the need to review the territory's economic development potential.

The last section is largely ministerial in nature as current law provides for the Congress to give final approval to any proposed change of the Hawaii State Legislature to the Hawaiian Homes Commission. The two measures adopted by the Hawaii's legislative body do not result in any increased costs to the Federal Government, but both will be helpful to native Hawaiians. Grandchildren of a native Hawaiian leaseholder would be permitted to assume the remainder of the home lease should that individual die and the other will help in the area of disaster relief bonds.

I want to commend members on both sides of the aisle for their interest and support of the various issues affecting our territories. It is through bipartisanship that we have been able to forget a consensus on action necessary for the island and I urge my colleagues to support H.R. 1332, the Omnibus Areas Act of 1996.

□ 1300

Mr. Speaker, I really cannot overemphasize the bipartisan effort that has gone into putting this together, not only with the ranking member, but all the other members of the subcommittee that I am very proud to serve with.

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

Mr. FALEOMAVAEGA. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Guam [Mr. UNDERWOOD].

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

Mr. Speaker, I rise today in support of H.R. 1332, the Omnibus Insular Areas Act of 1996. I would especially like to commend the chairman of the Subcommittee on Native American and Insular Affairs, the gentleman from California [Mr. GALLEGLY], and the ranking member of the subcommittee, my brother, the gentleman from the Pacific islands and American Samoa [Mr. FALEOMAVAEGA], for their hard work in putting this bill together.

I also commend the chairman of the committee, the gentleman from Alaska [Mr. YOUNG], and the ranking member, the gentleman from California [Mr. MILLER], for their continued commitment to addressing issues that are of vital importance to the insular areas.

Mr. Speaker, this omnibus bill has important provisions for the insular areas. It is, however, regrettable that the Subcommittee on Native American and Insular Affairs and the Committee on Resources were not able to complete the work on other provisions of interest to the insular areas, especially including the Guam Land Return Act, certainly of particular interest to the people of Guam.

The issue of returning excess Federal lands to the people of Guam is one that continues to command importance, and it is certainly important to the continual good relations that the Guam civilian community has with the military as we go into a new era of downsizing.

But this should not be the cause to impede the progress that we have made on many other issues that are included in this bill, including the authorization of the American Samoa Study Commission, a commission on the economic future of the Virgin Islands, and technical amendments that help to clarify certain Federal laws.

The Committee on Resources can look forward to the 105th Congress with a sense of where we left off in dealing with the other issues that were not included in this bill. I would again urge the committee to work with Guam to resolve the longstanding issue of the return of Federal excess lands to the people of Guam. This is an issue that has made significant progress in the past year, and it is indeed very unfortunate that at the latest possible moment the administration's opposition to the Guam Land Return Act, due in large measure to the uncompromising position of the U.S. Fish and Wildlife Service, has made it very difficult to reach a final agreement on including this provision in the House omnibus bill.

Mr. Speaker, I remain optimistic that the Senate will be able to pass its own omnibus bill on similar topics which include the Guam Land Return Act. It is appropriate that as we end the 104th Congress with an Omnibus Insular Areas Act that it is in fact supported in a bipartisan manner, as alluded to by the chairman of the subcommittee. This is truly the only way to approach insular issues.

Our issues are not necessarily national in scope at times, are not Democratic or Republican issues, but they are issues which tug at the nature of what it means to have an American democracy and test our commitment to what it means to implement American democracy in those areas which fly the flag.

Territories have their own unique histories, and we are able to continue to make progress under the U.S. flag in a bipartisan way. That is really the only way that it can occur.

Again, I commend the Committee on Resources and the leadership in both the majority and minority for working in a bipartisan manner on behalf of the territories.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. FALEOMAVAEGA. Mr. Speaker, I certainly would like to commend the gentleman from Guam [Mr.

UNDERWOOD] for his profound statements on a very unfortunate situation, as he had related earlier, about the Guam excess lands and the problems that we had with the Fish and Wildlife Service. It is my earnest hope that we will continue to work with him, and as well with our good friend, the gentleman from the other side of the aisle, so that we can resolve this problem, and hopefully that we will be able to proceed at the earliest possible time in the next Congress.

Mr. Speaker, also, I want to commend and thank my good friend, the gentleman from California [Mr. GALLEGLY], the chairman of the subcommittee, for bringing this legislation to the floor for the consideration of the Members.

Mr. Speaker, I rise today in strong support of H.R. 1332, the Omnibus Insular Areas Act of 1996.

Mr. Speaker, this bill has been 2 years in the making and it has undergone substantial change during this time. While I support all the provisions in the bill, there are many more issues affecting the U.S. insular areas which need attention. Unfortunately, the time remaining in this Congress has necessitated the exclusion of several significant provisions, which I hope we can address early next year.

To assist the government of the U.S. Virgin Islands operate more efficiently, section 23 of this bill permits the Governor and Lieutenant Governor to retain the authority of their office while on official business outside of the Virgin Islands. Section 3 changes the priority of municipal bonds issued by the government of the Virgin Islands so that later issues of bonds will not necessarily have to carry a higher interest rate. A third provision will establish a commission to make recommendations on how the Virgin Islands might best develop its economy in light of changing trade and tourism patterns.

To assist the government of Guam to operate more efficiently, section 5 of H.R. 1332 permits the local government to combine the ballot for the Delegate's position with the ballots for other local elections, such as seats in the Guam legislature for Governor.

Under current Federal law, the ballot for the Delegate position must be separate from all other ballots. The government of Guam uses optical scanners to read voters' ballots, and there is considerable waste in time and paper in scanning full sheets of paper with only one mark on them. Although the title of the act being amended in section 5(a) includes both Guam and the Virgin Islands, I wish to make it clear that as drafted and at the request of the Delegate from the Virgin Islands, the provision in the bill changes the law only for Guam.

To assist the territorial governments to manage their financial assets more efficiently and to take better advantage of funding opportunities as they become available, section 6 of H.R. 1332 will permit territorial governments receiving funding pursuant to Public Law 94–241 to use those funds as local funds for matching requirements toward Federal grants. This problem most often occurs after a hurricane or typhoon has stricken a territory. In the aftermath of such a calamity, the territory quickly draws down its limited financial reserves, if it has any, and then is unable to obtain any FEMA emergency grants which require local matching funds because they have no unobligated funds to use as the match.

The Commonwealth of the Northern Mariana Islands is the home of the American Memorial Park. The park was developed by the U.S. National Park Service and Public Law 95–348 authorized the Park Service to transfer the park to the government of the Commonwealth of the Northern Mariana Islands. Circumstances have changed since that law was enacted, and today the Park Service and the government of the CNMI wish the Park Service to retain management of this park. Section 7 of H.R. 1332 repeals the authorization for the Park Service to transfer the park.

Section 9 of the bill amends the Hawaiian Homes Commission Act of 1920 in two ways. First, it will permit the lease of trust lands to grandchildren, so long as they have a 25-percent blood quantum requirement. The second amendment will establish a native Hawaiian hurricane relief fund.

Finally, Mr. Speaker, section 8 of this bill will establish a commission to study American Samoa's historical relationship with the United States, and to provide options available to the government to develop the local economy. I am including with this statement a copy of a letter signed by Chairman DON YOUNG, Chairman ELTON GALLEGLY, and myself in support of this provision.

The territory of American Samoa is the only unorganized, unincorporated territory of the United States. There is no single document which reflects the present unity of the territory. To make matters more confusing, there has been a running debate for decades over the intent of the Samoan traditional leaders or chiefs who signed the documents joining American Samoa and the United States into a political union. Whether the intent was to cede the land and people to the United States, or to enter into a bilateral treaty, which would, at some point, be subject to further negotiations, is not clear.

The Commission would document and report on exactly what took place 96 years ago when the eastern part of the Samoan island group became part of the United States, and what this bilateral relationship has developed into since 1900. The commission would also be directed to report on the various status options available to American Samoa. The Commission would be composed of five members, there of whom would be appointed by the Secretary of the Interior, one by the Speaker of the U.S. House of Representatives, and one by the President of the U.S. Senate.

I want to emphasize that unlike the sometimes contentious negotiations on political status in Guam and the always contentious discussions on political status in Puerto Rico, this proposal does not, and I want to say this again, this legislation does not establish a political status commission. The Commission will not have the authority to change American Samoa's political status. The Commission is modeled after the Commissions which studied native Hawaiian, native American, and Native Alaskan issues. These three commissions provided resource materials which have been of significant benefit to these groups and to those who are interested in the history of these issues.

The establishment of the American Samoa Commission has been a topic of discussion in American Samoa ever since I first proposed it several years ago. Some have questioned the need for a Federal commission, indicating that there is more than sufficient talent in American Samoa to convene a commission of this nature. In response, let me say that I agree that there are many individuals in Samoa with the knowledge and experience to make excellent members of the Commission I propose, and I hope that some of these individuals will sit on the Commission. The key, however, is having access to the resources of the Federal Government, such as the Library of Congress, and access to the records of the Federal departments and agencies, including the material contained in the National Archives. It is one through a Federal commission that we can ensure that these resources are made available.

American Samoa has been the subject of two Federal study commissions; one was established in 1929 and the other in 1960. Both of the commissions made substantive recommendations which have led to major improvements in American Samoa. The last report was 36 years ago, and it is time again that we had the benefit of this expertise and different perspective.

Mr. Speaker, this bill would not be before the House today without considerable effort and leadership on the parts of Chairman DON YOUNG, Chairman ELTON GALLEGLY, senior Democratic Member GEORGE MILLER, and their staffs. I appreciate the hard work of all these individuals and their willingness to work together for the benefit of the territories. I want to comment again also on the bipartisan manner Chairman GALLEGLY has managed the business of the Subcommittee on Native American and Insular Affairs. We have not agreed on every issue, but we have continued to work together and have passed many pieces of legislation which are or we expect to become public law.

Mr. Speaker, H.R. 1332 includes a modest list of provision to help our territories. I ask my colleagues to support these insular areas in this bill.

Mr. Speaker, I include for the RECORD the following letter from the chairman of the subcommittee.

The letter referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON RESOURCES,
Washington, DC, September 25, 1996.

Hon. FRANK H. MURKOWSKI,
U.S. Senator, Washington, DC.

DEAR MR. CHAIRMAN: We have been working for months on an omnibus territories bill which we would like to get through the House and the Senate before the 104th Congress adjourns. A copy of that legislation is enclosed.

As you can see, we have been making a good faith effort to include provisions which both houses have been working on during this Congress. It was brought to our attention this week, however, that there is opposition to Section 8 of the legislation which would provide for a commission to study American Samoa's 96-year relationship with the U.S. and the options available to improve the territory's future governmental and economic relationship with the United States.

The Commission for Samoa is similar to the federal study commissions we have established for the Native Americans, Native Alaskans and the Native Hawaiians. Additionally, the legislation has been pending in the House for four years, and it has the support of Samoa's Delegate, the Governor, and a majority of Samoa's residents.

We support all eight of the provisions in this bill, and ask for your support so that we can provide this assistance to the territories.

Sincerely,

DON YOUNG,
Chairman, Committee on Resources.

ELTON GALLEGLY,
Chairman, Subcommittee on Native American and Insular Affairs.

ENI F.H. FALEOMAVAEGA,
Senior Democratic Member, Subcommittee on Native American and Insular Affairs.

Mr. Speaker, I urge my colleagues to support this legislation. I have no further requests for time, and I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 1332, as amended.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. GALLEGLY. 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 just considered.

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

There was no objection.

CORRECTION REGARDING LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULE TODAY

Mr. SAXTON. Mr. Speaker, pursuant to House Resolution 525, the following suspension is expected to be considered today: H.R. 3632, Patient Reviews in Nursing Facilities. The bill was noticed earlier with an incorrect number. The correct number is H.R. 3632.

□ 1315

NATIONAL MARINE SANCTUARIES PRESERVATION

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 543) to approve a governing international fishery agreement between the United States and the Republic of Estonia, as amended.

The Clerk read as follows:

H.R. 543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Marine Sanctuaries Preservation Act''.

SEC. 2. AMENDMENT OF NATIONAL MARINE SANCTUARIES 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 National Marine Sanctuaries Act (16 U.S.C. 1431–1445a).

SEC. 3. REAUTHORIZATION OF THE NATIONAL MARINE SANCTUARIES ACT.

Section 313 (16 U.S.C. 1444) is amended to read as follows:

''SEC. 313. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Secretary to carry out this title—

''(1) $12,000,000 for fiscal year 1997;

''(2) $15,000,000 for fiscal year 1998; and

''(3) $18,000,000 for fiscal year 1999.''.

SEC. 4. MANAGEMENT, RECOVERY, AND PRESERVATION PLAN FOR U.S.S. MONITOR.

The Secretary of Commerce shall, within 12 months after the date of the enactment of this Act, prepare and submit to the Committee on Resources of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a long-range, comprehensive plan for the management, stabilization, preservation, and recovery of artifacts and materials of the United States Ship Monitor. In preparing and implementing the plan, the Secretary shall to the extent feasible utilize the resources of other Federal and private entities with expertise and capabilities that are helpful.

SEC. 5. PUBLICATION OF NOTICE OF CERTAIN ADVISORY COUNCIL MEETINGS.

Section 315(e)(3) (16 U.S.C. 1445a(e)(3)) is amended by inserting before the period at the end the following: '', except that in the case of a meeting of an Advisory Council established to provide assistance regarding any individual national marine sanctuary the notice is not required to be published in the Federal Register''.

SEC. 6. ENHANCING SUPPORT FOR NATIONAL MARINE SANCTUARIES.

(a) INCORPORATION OF EXISTING PROVISION.—Section 316 (16 U.S.C. 1445 note) is redesignated as section 317, section 2204 of the National Marine Sanctuaries Program Amendments Act of 1992 (106 Stat. 5049) is moved so as to appear in the National Marine Sanctuaries Act following section 315, and that moved section is designated as section 316 of the National Marine Sanctuaries Act.

(b) AMENDMENT OF INCORPORATED SECTION.—Section 316, as moved and designated by subsection (a) of this section, is amended as follows:

(1) Subsections (a), (g), and (h) are struck, and subsections (b), (c), (d), (e), and (f) are redesignated as subsections (a), (b), (c), (d), and (e), respectively.

(2) In subsection (a), as so redesignated, the matter preceding paragraph (1) is struck and the following is inserted:

''(a) AUTHORITY.—The Secretary may establish a program consisting of—''.

(3) In subsection (a)(5), as so redesignated—

(A) ''establishment'' is struck and ''solicitation'' is inserted; and

(B) ''fees'' is struck and ''monetary or in-kind contributions'' is inserted.

(4) In subsection (a)(6), as so redesignated—

(A) ''fees'' is struck and ''monetary or in-kind contributions'' is inserted;

(B) ''paragraph (5)'' is struck and ''paragraphs (5) and (6)'' is inserted;

(C) ''assessed'' is struck and ''collected'' is inserted; and

(D) ''in an interest-bearing revolving fund'' is struck.

(5) In subsection (a)(7), as so redesignated—

(A) ''and use'' is inserted after ''expenditure'';

(B) ''fees'' is struck and ''monetary and in-kind contributions'' is inserted; and

(C) ''and any interest in the fund established under paragraph (6)'' is struck.

(6) In subsection (a), as so redesignated, paragraphs (5), (6), and (7) are redesignated in order as paragraphs (6), (7), and (8), and the following new paragraph is inserted after paragraph (4):

''(5) the creation, marketing, and selling of products to promote the national marine sanctuary program, and entering into exclusive or nonexclusive agreements authorizing entities to create, market or sell on the Secretary's behalf;''.

(7) The following new sentence is added at the end of subsection (a), as so redesignated:

''Monetary and in-kind contributions raised through the sale, marketing, or use of symbols and products related to an individual national marine sanctuary shall be used to support that sanctuary.''.

(8) In subsection (e), as so redesignated—

(A) paragraph (2) is struck;

(B) in paragraph (1), ''(1)'' is struck, and subparagraphs (A), (B), (C), and (D) are redesignated as paragraphs (1), (2), (3), and (4); and

(C) in paragraph (3), as so redesignated, ''fee'' is struck and ''monetary or in-kind contribution'' is inserted.

(9) In each of subsections (b), (c), and (d), as so redesignated, by striking ''subsection (b)'' and inserting ''subsection (a)''.

SEC. 7. HAWAIIAN ISLANDS NATIONAL MARINE SANCTUARY.

(a) INCLUSION OF KAHOOLAWE ISLAND WATERS.—Section 2305 of the Hawaiian Islands National Marine Sanctuary Act (16 U.S.C. 1433 note) is amended—

(1) in subsection (a)—

(A) by striking ''(A)'' and inserting ''(a)''; and

(B) by striking ''the area described in subsection (b) is'' and inserting ''the area described in subsection (b)(1) and any area included under subsection (b)(2) are'';

(2) by amending subsection (b)(2) to read as follows:

''(2)(A) Within 6 months after the date of receipt of a request in writing from the Kahoolawe Island Reserve Commission for

inclusion within the Sanctuary of the area of the marine environment within 3 nautical miles of the mean high tide line of Kahoolawe Island (in this section referred to as the 'Kahoolawe Island waters'), the Secretary shall determine whether those waters may be suitable for inclusion in the Sanctuary.

''(B) If the Secretary determines under subparagraph (A) that the Kahoolawe Island waters may be suitable for inclusion within the Sanctuary—

''(i) the Secretary shall provide notice of that determination to the Governor of Hawaii; and

''(ii) the Secretary shall prepare a supplemental environmental impact statement, management plan, and implementing regulations for that inclusion in accordance with this Act, the National Marine Sanctuaries Act, and the National Environmental Policy Act of 1969.''; and

(3) by amending subsection (c) to read as follows:

''(c) EFFECT OF OBJECTION BY GOVERNOR.—(1)(A) If, within 45 days after the date of issuance of the comprehensive management plan and implementing regulations under section 2306, the Governor of Hawaii certifies to the Secretary that the management plan, the implementing regulations, or any term of the plan or regulations is unacceptable, the management plan, regulation, or term, respectively, shall not take effect in the area of the Sanctuary lying within the seaward boundary of the State of Hawaii.

''(B) If the Secretary considers that an action under subparagraph (A) will affect the Sanctuary in such a manner that the policy or purposes of this title cannot be fulfilled, the Secretary may terminate the designation under subsection (a). At least 30 days before that termination, the Secretary shall submit written notice of the termination to the Committee on Resources of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

''(2)(A) If, within 45 days after the Secretary issues the documents required under subsection (b)(2)(B)(ii), the Governor of Hawaii certifies to the Secretary that the inclusion of the Kahoolawe Island waters in the Sanctuary or any term of that inclusion is unacceptable—

''(i) the inclusion or the term shall not take effect; and

''(ii) subsection (b)(2) shall not apply during the 3-year period beginning on the date of that certification.

''(B) If the Secretary considers that an action under subparagraph (A) regarding a term of the inclusion of the Kahoolawe Island waters will affect the inclusion or the administration of the Kahoolawe Island waters as part of the Sanctuary in such a manner that the policy or purposes of this title cannot be fulfilled, the Secretary may terminate that inclusion.''.

(b) LIMITATION ON USER FEES.—The Hawaiian Islands National Marine Sanctuary Act (16 U.S.C. 1433 note) is further amended by redesignating section 2307 as section 2308, and by inserting after section 2306 the following new section:

''SEC. 2307. LIMITATION ON USER FEES.

''(a) LIMITATION.—The Secretary shall not institute any user fee under this Act or the National Marine Sanctuaries Act for any activity within the Hawaiian Islands National Marine Sanctuary or any use of the Sanctuary or its resources.

''(b) USER FEE DEFINED.—In this section, the term 'user fee' does not include—

''(1) any fee authorized by section 310 of the National Marine Sanctuaries Act;

''(2) any gift or donation received under section 311 of that Act; and

''(3) any monetary or in-kind contributions under section 316 of that Act.''.

SEC. 8. FLOWER GARDEN BANKS BOUNDARY MODIFICATION.

(a) MODIFICATION.—Notwithstanding section 304 of the National Marine Sanctuaries Act (16 U.S.C. 1434), the boundaries of the Flower Garden Banks National Marine Sanctuary, as designated by Public Law 102–251, are amended to include the area described in subsection (d), popularly known as Stetson Bank. This area shall be part of the Flower Garden Banks National Marine Sanctuary and shall be managed and regulated as though it had been designated by the Secretary of Commerce under the National Marine Sanctuaries Act.

(b) DEPICTION OF SANCTUARY BOUNDARIES.—The Secretary of Commerce shall—

(1) prepare a chart depicting the boundaries of the Flower Garden Banks National Marine Sanctuary, as modified by this section; and

(2) submit copies of this chart to the Committee on Resources of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

(c) APPLICATION OF REGULATIONS.—Regulations issued by the Secretary of Commerce to implement the designation of the Flower Garden Banks National Marine Sanctuary shall apply to the area described in subsection (d), unless modified by the Secretary. This subsection shall take effect 45 days after the date of enactment of this Act.

(d) AREA DESCRIBED.—

(1) IN GENERAL.—Except as provided in paragraph (2), the area referred to in subsections (a), (b), and (c) is the area that is—

(A) generally depicted on the Department of the Interior, Minerals Management Service map titled ''Western Gulf of Mexico, Lease Sale 143, September 1993, Biologically Sensitive Areas, Map 3 of 3, Final'';

(B) labeled ''Stetson'' on the High Island Area South Addition diagram on that map; and

(C) within the 52 meter isobath.

(2) MINOR BOUNDARY ADJUSTMENTS.—The Secretary of Commerce may make minor adjustments to the boundaries of the area described in paragraph (1) as necessary to protect living coral resources or to simplify administration of the Flower Garden Banks National Marine Sanctuary and to establish precisely the geographic boundaries of Stetson Bank. The adjustments shall not significantly enlarge or otherwise alter the size of the area described in paragraph (1), and shall not result in the restriction of oil and gas activities otherwise permitted outside of the ''no activity'' zone designated for Stetson Bank as that zone is depicted on the Minerals Management Service map entitled ''Final Notice of Sale 161, Western Gulf Mexico, Biological Stipulation Map Package''.

(e) PUBLICATION OF NOTICE.—

(1) IN GENERAL.—The Secretary of Commerce shall, as soon as practicable after the date of the enactment of this Act, publish in the Federal Register a notice describing—

(A) the boundaries of the Flower Garden Banks National Marine Sanctuary, as modified by this section, and

(B) any modification of regulations applicable to that Sanctuary that are necessary to implement that modification of the boundaries of the Sanctuary.

(2) TREATMENT AS NOTICE REQUIRED UNDER NATIONAL MARINE SANCTUARIES ACT.—A notice published under paragraph (1) shall be considered to be the notice required to be published under section 304(b)(1) of the National Marine Sanctuaries Act (16 U.S.C. 1434(b)(1)).

(f) AUTHORIZATION OF APPROPRIATIONS.—Amounts may be appropriated to carry out this section under the authority provided in section 313 of the National Marine Sanctuaries Act, as amended by this Act.

SEC. 9. MISCELLANEOUS TECHNICAL CORRECTIONS.

(a) Section 301(b)(2) of the National Marine Sanctuaries Act (16 U.S.C. 1431(b)(2)) is amended by striking the period at the end and inserting a semicolon.

(b) Section 302 of the National Marine Sanctuaries Act (16 U.S.C. 1432) is amended—

(1) in paragraph (6) by striking '', and'' at the end of subparagraph (C) and inserting a semicolon; and

(2) in paragraph (7) by striking ''and'' after the semicolon at the end.

(c) Section 307(e)(1)(A) of the National Marine Sanctuaries Act (16 U.S.C. 1437(e)(1)(A)) is amended by inserting ''of 1980'' before the period at the end.

(d) Section 2109 of the National Marine Sanctuaries Program Amendments Act of 1992 (106 Stat. 5045) is amended by striking the open quotation marks before ''Section 311''.

(e) Section 2110(d) of the National Marine Sanctuaries Program Amendments Act of 1992 (106 Stat. 5046) is deemed to have amended section 312(b)(1) of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1443(b)(1)) by inserting ''or authorize'' after ''undertake''.

(f) The material added to the Marine Protection, Research, and Sanctuaries Act of 1972 by section 2112 of the National Marine Sanctuaries Program Amendments Act of 1992 (106 Stat. 5046)—

(1) is deemed to have been added by that section at the end of title III of the Marine Protection, Research, and Sanctuaries Act of 1972; and

(2) shall not be considered to have been added by that section to the end of the Marine Protection, Research, and Sanctuaries Act of 1972.

(g) Section 2202(e) of the National Marine Sanctuaries Program Amendments Act of 1992 (16 U.S.C. 1433 note) is amended by striking ''section 304(e)'' and inserting ''304(d)''.

(h) Section 304(b)(3) of the National Marine Sanctuaries Act (16 U.S.C. 1434(b)(3)) is amended—

(1) by striking subparagraphs (B) and (C);

(2) by moving the text of subparagraph (A) so as to begin at the end of the line on appears the heading for paragraph (3);

(3) by moving clauses (i) and (ii) of subparagraph (A) 2 ems to the left, so that the left margins of clauses (i) and (ii) are aligned with the left margin of paragraph (3);

(4) by striking ''(A) In'' and inserting ''In'';

(5) by striking ''(i)'' and inserting ''(A)''; and

(6) by striking ''(ii)'' and inserting ''(B)''.

SEC. 10. NORTHWEST STRAITS.

No designation of an area in the Northwest Straits in the State of Washington as a national marine sanctuary under the National Marine Sanctuaries Act shall take effect unless that designation is specifically authorized by a law enacted after the date of enactment of this Act.

SEC. 11. DESIGNATION OF GERRY E. STUDDS STELLWAGEN BANK NATIONAL MARINE SANCTUARY.

The Stellwagen Bank National Marine Sanctuary shall be known and designated as the ''Gerry E. Studds Stellwagen Bank National Marine Sanctuary''. Any reference in a law, map, regulation, document, paper, or other record of the United States to that national marine sanctuary shall be deemed to be a reference to the ''Gerry E. Studds Stellwagen Bank National Marine Sanctuary''.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the rule, the

gentleman from New Jersey [Mr. SAXTON] will be recognized for 20 minutes, and the gentleman from Hawaii [Mr. ABERCROMBIE] will be recognized for 20 minutes.

The Chair will recognize the gentleman from New Jersey [Mr. SAXTON].

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

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering H.R. 543. With one exception, this bill is identical to H.R. 3487 which passed the House on September 4. That one change deletes a provision which is unacceptable to the other body.

On May 16, I, along with the gentleman from California [Mr. FARR], introduced this bill to reauthorize the National Marine Sanctuaries Act through fiscal year 1999.

The National Marine Sanctuaries Act is implemented by the National Oceanic and Atmospheric Administration through the National Marine Sanctuary Program. The mission of this program is to protect significant marine environmental and cultural resource while ensuring the continuation of all compatible public and private uses. To accomplish this, the program oversees a system of specifically-managed marine areas. These areas include highly valuable environmental and historical features.

Over the past 21 years, Mr. Speaker, 14 national marine sanctuaries have been designed off our Nation's shores, from Massachusetts to Florida, in the Gulf of Mexico, and in Hawaii. Two more are active candidates for designation, one in the Great Lakes and one in the State of Washington.

The bill authorizes funding for the National Marine Sanctuaries Program through fiscal year 1999; directs the Secretary of Commerce to prepare and submit to Congress a long-range plan for the management, recovery and preservation of the U.S.S. *Monitor*; authorizes the Secretary to designate sponsors for the sanctuary program to create, market, and sell symbols and products to promote them; and designates that the money collected from those items sold at the sanctuaries can be retained for use by those sanctuaries.

The bill also adds a Stetson Bank to the Flower Garden Banks National Marine Sanctuary in Texas; simplifies the designation process for a minor addition to the Hawaiian Islands Humpback Whale National Marine Sanctuary, and prohibits user fees in that sanctuary; and requires Congressional approval for designation of a sanctuary in the Northwest Straits in the State of Washington. These are small changes that will allow the system to operate more efficiently and be more responsive to the public's concerns.

Mr. Speaker, finally, I would just like to note that inasmuch as there is a strong rumor here that the House will adjourn sine die somewhere between now and midnight, that makes today the final day in the 104th Congress. By coincidence, it is also the final day in a 24 year-long distinguished career of our good friend and colleague from Massachusetts, Mr. STUDDS.

So it is fitting that this bill rename the Stellwagon Bank National Marine Sanctuary in honor of our colleague, who, for 22 years, was an active member of the Merchant Marine and Fisheries Committee and, during those 22 years, has more accomplishments than I care to remember at this point, and of course, for the last 2 years he has worked diligently as my counterpart on the Subcommittee on Fish, Wildlife and Oceans of the Committee on Resources.

It is through his very, very diligent efforts and hard-working attitude that I have profited much for the last 12 years during my time here, have learned much, and have been able to call the gentleman from Massachusetts [Mr. STUDDS] a great friend and wonderful colleague and, in many instances, a teacher to me with regard to the issues that we have dealt with in those two committees.

So it is my pleasure, Mr. Speaker, to make the recommendation that we all vote ''aye'' today on this bill, inasmuch as it does redesignate this sanctuary, which GERRY STUDDS actually helped to create himself, and, of course, this reauthorization of the National Marine Sanctuaries Act this year will demonstrate our collective commitment to protecting and wisely managing our Nation's marine natural resources.

Therefore, I ask all Members on both sides of the aisle to vote affirmatively on this bill today.

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

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

Mr. ABERCROMBIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, want to thank the chairman as well and associate myself with all of his remarks, and particularly with those regarding the gentleman from Massachusetts [Mr. STUDDS].

I am pleased to note, for whatever pleasant irony there might be, that literally the last provision of this bill is the naming of the sanctuary after the gentleman from Massachusetts [Mr. STUDDS]. So I trust that all Members will recognize and abide by the request of the chairman.

I have little to add, Mr. Speaker, but rather to supplement just briefly. As indicated, we are asking the House to sign compromise language reauthorizing the National Marine Sanctuaries bill back from the other body in the hope that it will send the bill to the President before adjournment.

This bill contains all that the bill we passed previously does. It embodies the House-Senate compromise, as had been indicated, that has bipartisan support. And I want to state that for the record. It most certainly is acceptable to the administration.

I want to emphasize that it provides a generous 3-year reauthorization for the program and contains many of the miscellaneous provisions, some of which the chairman pointed out, principally, to enhance the management of individual marine sanctuaries and to give NOAA the authority to raise private funds for sanctuary activities. I think the latter is particularly important.

All around, this is the kind of legislation that has been the rule rather than the exception from our Subcommittee on Fisheries, Wildlife and Oceans for much the same reasons as outlined by the chairman. I commend him for his hard work and the cooperation of him and the staff and the cooperation of many other individuals on the subcommittee and Committee of the Whole for this bill and the many others that we have had come before us.

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

Mr. SAXTON. Mr. Speaker, I have no more requests for time at this point, and if the gentleman is prepared to yield back, I am prepared to do the same.

Mr. ABERCROMBIE. Mr. Speaker, I would just like to say to the chairman what a great pleasure it has been, once again, to be able to work with him, and I look forward to it again. That is by way of sympathetic magic.

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

Mr. SAXTON. Mr. Speaker, I appreciate very much the gentleman's remarks and obviously have enjoyed working with him as well.

Mr. Speaker, I will yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 543, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: ''A bill to reauthorize the National Marine Sanctuaries Act, and for other purposes.''

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill just passed.

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

There was no objection.

CHANGES TO CANADIAN BOATER LANDING PERMIT PURSUANT TO IMMIGRATION AND NATIONALITY ACT

Mr. HOKE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4165) to provide for certain changes with respect to requirements for a Canadian boater landing permit pursuant to section 235 of the Immigration and Nationality Act, as amended.

The Clerk read as follows:

H.R. 4165

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CANADIAN BORDER BOAT LANDING PERMIT.

Notwithstanding any other provision of law, not later than 180 days after the date of the enactment of this Act, the Attorney General, in consultation with the Commissioner of Immigration and Naturalization, shall issue revised regulations for the implementation of section 235 of the Immigration and Nationality Act with respect to the requirement that individuals travelling between the United States and Canada by boat obtain a permit which is consistent with the following guidelines:

(1) An individual may request a form to apply for the permit through Immigration and Naturalization Service offices, the mail, or an internet address.

(2) The Immigration and Naturalization Service shall establish a toll-free information number to provide information and respond to inquiries regarding the permit, including how to obtain the forms, where to file the forms, and the cost of the permit.

(3) In consultation with the chief executive officers of States where individuals affected by the permit requirement reside, develop alternate procedures for acquiring the necessary permits, including in conjunction with State fishing and boat licenses.

(4) In the case of a boat of no more than 65 feet in length (including a boat used for commercial purposes) on a trip between the United States and Canada of not more than 72 hours duration, a United States citizen passenger (who is neither an owner nor operator of the boat) need not obtain a permit pursuant to section 235 of the Immigration and Nationality Act if carrying the same proof of U.S. citizenship as currently required by INS for U.S. citizens making land surface crossing between the United States and Canada for the duration of the trip.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. HOKE] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. TRAFICANT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to say at the outset that I want to thank my colleague from Ohio, Mr. TRAFICANT, for his help in crafting this legislation and getting it to the floor. The gentleman knows very well, probably better than anyone in this House, how the heavy hand of Government can get in the way of people's lives.

Mr. Speaker, I have a statement for the RECORD that I am going to submit, but I will very, very briefly describe this piece of legislation that might more appropriately or as appropriately be a candidate for a Corrections Day calendar, as it is designed to move forward with respect to legislation or regulations that were put into place by the INS with respect to the Canadian border boat landing permit.

What this legislation does essentially is that it makes it possible for United States citizens who are either fishermen or pleasure boaters making trips into Canadian waters or to Canadian islands or Canadian land across the water boundaries that separate Canada and the United States, it facilitates the ease of either getting the I–68 form that is required, and it also waives the requirement of that form in the case of a situation where the pilot has the form and the other passengers have proof of American citizenship as otherwise required for normal land border crossings between the United States and Canada.

Mr. Speaker, I rise in strong support of H.R. 4165, legislation making certain changes in the Canadian Border Boat Landing Permit.

At the outset, I want to thank my colleague from Ohio, Mr. TRAFICANT, for his help in getting this bill to the floor. He knows—probably better than anyone else in this House—how the heavy hand of Government can reek havoc in people's lives.

For those who are not familiar with the Canadian Border Boat Landing Permit, let me summarize its history. The boat landing permit was created in 1968. In October 1995, however, the INS issued new regulations requiring every individual traveling between the United States and Canada by boat to obtain a permit—now known as the I–68 Form. And for the first time in the program's history, INS began charging a fee and imposing stiff penalties for non—compliance.

Permits are available only at INS offices during regular business hours. Applicants must apply in person and bring with them a fist-full of documents and their checkbooks. Individual permits cost $16.00 with a family cap of $32.00.

During the 1996 boating season, the first one since the new regulations took effect, it became apparent that the program is not operating efficiently or effectively.

In addition, the INS has been less than forthcoming with information about how to obtain forms. One constituent told me he spent 20 minutes on hold at the Cleveland INS office waiting for someone to answer his question.

And the heavy-handed tactics INS has been using to ensure compliance are big government at its worst: threatening boat confiscation and prolonged court proceedings requiring boaters to defend their citizenship.

Needless to say, this requirement has put quite a damper on the spontaneity of pleasure boaters and fisherman. Since many boaters use their vessels to entertain guests, a good host would certainly not ask his guests to foot the bill for a day of boating, thus making the cost of taking friends and extended family out for the day prohibitive for many.

Since the program began last October only 23,396 permits have been issued. And that is for all the Northern border states: Maine, New York, Ohio, Michigan, Illinois, Wisconsin, Minnesota, Washington, and Alaska. In Ohio alone there are over 385,000 registered boaters. These statistics show that the I–68 has clearly had a chilling effect on boating activities.

The Hoke-Traficant legislation provides a common-sense solution.

It allows individuals to get forms through the mail or over the internet.

It directs the INS to operate a toll-free information line to answer questions about the program.

It directs the INS to work with state governments to develop other ways of streamlining the application process.

And, most importantly, it exempts from the requirement of purchasing a permit, law-abiding citizens traveling on small vessels for short trips if they have other proof of citizenship.

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

Mr. TRAFICANT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say as a strong supporter of tough immigration laws that we do not, however, need those type of strong laws and adverse regulations to affect our own American citizens.

This bill will not soften our immigration policy. It will lessen the burdensome regulations put on American fishermen and American recreational boaters. It will make it easier to obtain the I–68 form. It will make it available not only in INS offices but through the mail and on the Internet.

It would also require the INS to establish a toll-free information number to provide information about the program and how to obtain the forms and where to file those forms.

It will further streamline the ability to obtain permits, and the bill would direct the INS to work with State officials to develop alternate procedures as well.

Finally, the bill exempts American citizens from obtaining an I–68 form if they are traveling on a boat no more than 65 feet long, on a trip that lasts no longer 72 hours, and they carry a U.S. passport to prove their citizenship.

I want to compliment the gentleman from Ohio [Mr. HOKE] for the effort that he has made on this. The gentleman and my staff have worked closely together. We believe this is in the best interests of all, and it will take some of those adverse regulations and burdensome procedures and set them aside. It is certainly not perfect but a step in the right direction.

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

MODIFICATION TO H.R. 4165 OFFERED BY MR. HOKE

Mr. HOKE. Mr. Speaker, I ask unanimous consent to modify the version of the bill at the desk, striking out the handwritten language in the last two lines.

The SPEAKER pro tempore. The Chair would inquire of the gentleman, does he mean then to reinsert the stricken language replaced by the handwritten language?

Mr. HOKE. That is correct, Mr. Speaker.

The text of the modification is as follows:

Modification to H.R. 4165 offered by Mr. HOKE: On page 3, beginning on line 12, strike out ''the same proof of U.S. citizenship as currently required by INS for U.S. citizens making land surface crossing between the United States and Canada for the duration of the trip.'' and insert ''a United States passport for the duration of the trip.''

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

Mr. TRAFICANT. Mr. Speaker, I will not object.

There was no objection.

The SPEAKER pro tempore. Without objection, the motion is modified.

There was no objection.

Mr. HOKE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. HOKE] that the House suspend the rules and pass the bill, H.R. 4165, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: ''A bill to provide for certain changes with respect to requirements for a Canadian border boat landing permit pursuant to section 235 of the Immigration and Nationality Act.''

A motion to reconsider was laid on the table.

□ 1330

TREATMENT OF CERTAIN FEDERAL EMPLOYEES AT FEDERAL HYDROELECTRIC FACILITY ON COLUMBIA RIVER

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3163) to provide that Oregon may not tax compensation paid to a resident of Washington for services as a Federal employee at a Federal hydroelectric facility located on the Columbia River.

The Clerk read as follows:

H.R. 3163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF STATE AUTHORITY TO TAX COMPENSATION PAID TO CERTAIN FEDERAL EMPLOYEES.

(a) IN GENERAL.—Section 111 of title 4, United States Code, is amended—

(1) by inserting ''(a) GENERAL RULE.—'' before ''The United States'' the first place it appears, and

(2) by adding at the end the following new subsection:

''(b) TREATMENT OF CERTAIN FEDERAL EMPLOYEES EMPLOYED AT FEDERAL HYDROELECTRIC FACILITIES LOCATED ON THE COLUMBIA RIVER.—Pay or compensation paid by the United States for personal services as an employee of the United States at a hydroelectric facility—

''(1) which is owned by the United States,

''(2) which is located on the Columbia River, and

''(3) portions of which are within the States of Oregon and Washington,

shall be subject to taxation by the State of Oregon or any political subdivision thereof only if such employee is a resident of such State or political subdivision.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to pay and compensation paid after the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentlewoman from California [Ms. LOFGREN] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3163 and urge its adoption.

We have a very unique situation which this bill will address and which, if passed, will cure. This is an anomaly whereby citizens of one State working near another State are being taxed by the other State, and they, the disaffected taxpayers, have been seeking relief from this problematic situation for a long, long time.

The States involved are the States of Washington and Oregon on the Pacific Coast. The Columbia River, which divides the two States, also is the site of several dam sites which employ people under the Federal aegis, thereby designating them as Federal employees. Yet the residents of Washington, bona fide residents of the State of Washington, have for a long time been paying Oregon taxes. Therein lies the problem.

We will shortly yield to the Members of Congress who know in detail and from a personal standpoint the diameter and the extent of this particular problem.

Mr. Speaker, I reserve the balance of my time, hoping to yield to them for a full explanation.

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am not planning to object to this legislation, but I do think it is important to note that this bill is being brought up under a most unusual process and under procedures that do not allow for the appropriate degree of consideration by Members.

First, this bill is being brought to the House floor on less than 24 hours' notice. There is no reason for taking action in this manner. The bill was in the Judiciary Committee for more than 6 months without any action being taken whatsoever.

Second, we have absolutely no legislative record or background on the legislation before us. We do not know how many taxpayers will be affected, although it appears that it may affect only some 79 taxpayers. We do not know the current practice by the State of Oregon for taxing these individuals and do not know how much money this will cost the State of Oregon.

It is ironic that a Congress that began the session solemnly declaring its opposition to unfunded Federal mandates on the States would end the session by passing an unfunded mandate on the State of Oregon. Because of this unusual expedited process, we have no CBO scoring letter, so we are completely in the dark about the degree of the mandate.

Congress should be very careful in adopting special laws that limit State taxation prerogatives. At a time when we are sending more and more responsibility to the States, we need to preserve maximum flexibility for them.

We need to be particularly careful when we adopt laws of special applicability that provide a benefit to only a small number of individuals, as this bill does. This may be the right thing to do in these circumstances, but unfortunately we do not have enough information to make that determination in a thoughtful, prudent manner.

Given the late hour, I do not expect that we will seek a record vote on this bill, but I am certainly hopeful that in the future we can utilize a more deliberative and serious process when adopting a bill such as this. We owe this much to our constituents.

This is a very bad process that would not be tolerated were it not for the complications of today's anticipated adjournment and the need to adopt an emergency spending measure to avoid another Government shutdown Monday, and also, I might add, because I fully expect that the Senate will undoubtedly kill this measure.

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

Mr. GEKAS. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. HASTINGS].

Mr. HASTINGS of Washington. I thank the gentleman for yielding me this time.

Mr. Speaker, this legislation is really what I would characterize as commonsense legislation because no American citizen should be forced to pay taxes in two separate States at the same time. But that is exactly what is happening to several dozen Army Corps of Engineers workers in the Pacific Northwest.

The State of Oregon has mistakenly determined that it has the authority to impose its Oregon income tax on 79 corps employees who live in Washington State. These workers do not work in Oregon. They do not cross into Oregon during the workday. In fact, many of them work entirely on the Washington side of the Columbia River, and seldom, if ever, step onto the four dams which separate the two States.

This is not the first time this issue has come before Congress. Several years ago, we had a similar concern for the tax treatment of Federal employees working for Amtrak. They frequently would travel into other States, and those States had attempted to impose their State tax, in addition to the State tax of the State of residence. Congress recognized that this double taxation was unfair, and corrected the problem in the Amtrak Improvement Act of 1990.

This situation is even more clear cut. In the case of Amtrak, workers would actually cross into the work in the second State. In the case of these workers, they do not cross into Oregon. They do not use Oregon facilities. They do not drive on Oregon roads. And since they already pay all applicable Washington State taxes, they should not be forced to pay twice.

In addition, this Congress just passed the Source Tax reform bill. We established a precedent by determining that pension taxes should be taken by the State of residence. The very same principle applies in this case. Taxes should be imposed by the State of residence.

Mr. Speaker, the impact of this bill is minimal. As I mentioned, we believe that it applies to approximately 79 workers at four Federal dams. It would have no fiscal impact on the United States. It would have minimal impact on the State of Oregon. But it would have a tremendous impact on 79 working families who are struggling to make ends meet. That is why the union which represents not only these workers, but also the several hundred Oregon workers who work at these dams, strongly supports my legislation.

As a result, I would strongly urge a ''yes'' vote on this important bill.

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume. I just wanted to make a couple of additional comments.

We have been contacted by the Federation of State Tax Administrators, who have expressed very serious reservations about this bill and the precedent it might set. We have also heard from the Oregon Department of Revenue expressing reservations, concern, and perhaps even objections to this bill.

The comments made by the previous speaker are some that would have been better explored in committee if we had had a hearing on this bill. In fact, the rule of law generally is that many States tax the income of nonresidents that is generated within those States. Oftentimes, and I would say it is the general rule, the State of residence of the taxpayer then gives a credit to the taxpayer for income that was earned and taxed in another State. The Constitution of the United States gives States the authority to tax residents' income and this does disrupt to some extent the constitutional scheme.

It may be that this is a good exception. Many good rules sometimes require an exception. I think my point, however, is that the exception and the need to create one in this case, if it needs to be made, was not pursued properly. There were no hearings, there were no markups, there was no committee action whatsoever, and I think this is a cause of some concern.

Mr. SPEAKER. I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. I thank the gentlewoman for yielding.

Mr. Speaker, we are really into the middle of the political silly season here. Nobody knows how many people exactly are impacted by this bill. No one knows exactly what the revenue impact is to the State of Oregon. The State of Oregon has been afforded no opportunity to comment. No hearings have been held. Not a single hearing, not one day, not one minute, not one second of hearings.

Before yesterday, nobody had the slightest idea that this bill might come forward. Here we are. Reelect the majority. They can delivery bills at the last minute that no one has read, no one understands, and no one is going to have an opportunity to review. I am going to object to this and call for a vote.

Mr. Speaker, this is ridiculous. Just like in a few hours we are going to vote on a continuing resolution for the entire Government of the United States of America larded down with thousands of special interest provisions that no Member of this body will have read. Not a one. The President of the United States has not even read it. He does not know what is in it. His people just made some deals for him.

Why are we not doing it tomorrow? Why are we not doing it Monday? Why do they not give us 36 hours to read it? Why do we not hold this bill over? If this is important, let us keep Congress in session until next week. We get paid. We do not get paid to campaign. We get paid to work. Let us stay in Washington and work. Let us not just jam bills through that no one understands.

There are a few constitutional implications here. Yes, there are some pretty extraordinary constitutional implications here. The Federal Government is going to tell the State of Oregon that it cannot tax people who it thinks it can rightfully tax given its jurisdiction.

What about New York? Let us do away with their commuter tax. We might get a little more excitement if we were doing away with New York's commuter tax. Or let us look at some of the other jurisdictions that levy commuter taxes.

This is an extraordinary precedent, possibly unconsititution, but the worst thing is it has not been heard, it has not been understood, it has not been properly noticed, and it is being jammed through here at the last moment.

I am going to at least put everybody on record and then when we revisit these issues in the future, a couple of Republicans from Washington State can go home and say, ''Hey, we were able to jam through a bill that would do something for some unspecified number of people from our State. Reelect us.''

I know you have got some tight reelections. Good luck. If you are back, I only hope that you are in the minority so we can discuss this in a different vein next year.

Mr. GEKAS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Mrs. SMITH] for a further description of the simple justice that is included in this bill.

Mrs. SMITH of Washington. Mr. Speaker, I rise in support of this bill with a very extensive background in Oregon tax law, as well as preparing nonresident and resident taxes for nearly 15 years along the border. We come to a lot of decisions when you straddle a border, and quite often the State that can get the most tax out of the citizens will.

We have found that in the past we have had to come to the Federal Government because we do have a sales tax on one side and an income tax on the other. Out of one of those trips came the Amtrak law, we call it, but it just simply said, ''When a train goes back and forth across the river, then that train engineer doesn't have to pay tax on both sides of the river.''

That made sense. We passed it here in Congress. But we left some people behind. On the river are a group of people that work on dams. They work right on the river, which is kind of no man's land in our State. Halfway through the river sort of, it is supposed to be Oregon and halfway it is Washington. All these people get up each morning, they pick up their lunch pail, they go out and they work, and they get on the river.

What Oregon decided to do was make them keep track of the time they walked back and forth across the river, depending on what they were doing, so they could pay part of it to Oregon income tax, although when they got in their car, went home to their families, bought their groceries, it was all in Washington State where they pay tax, drive on the roads and never do anything in Oregon.

This is more unjust than it was for the poor railroad engineer, my husband. My husband used to have to go through this, breaking down his hours, breaking down his time, declining how much Oregon tax we paid. But he never, ever went to work in Oregon. It was when he drove his train into Oregon and back out again.

Sometimes we do not need studies anymore. We have had major studies. We already looked at this issue extensively when we looked at this provision for truckers and railroaders and those that went back and forth across borders.

□ 1345

If that was just, this is more just, and it makes a whale of a lot of sense. Commonsense provisions for working families, that is what this Congress has been all about. You try to defend taxing a man and woman that goes to work, never gets any benefits out of a State, but they get their payroll check and they find 10 pervent went to a State that they do not live in.

It does not make sense, it is not fair, it is taxation without representation, and that is the wherein we had a tea party. I urge my colleagues to vote ''yes'' for this. This makes sense.

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would note that the other tax measures referred to by the prior speaker were indeed passed, but they were passed before I was here. Both the prior speaker and I are freshmen Members of the House of Representatives. Accordingly, I was not here in Congress to observe the hearings and to study those measures, nor were any of the freshmen Members.

This may in fact be a good thing to do, or it may not be. The point I am making is that this measure received no scrutiny by the Committee on the Judiciary. It was introduced on March 26 of this year. The Committee on the Judiciary held no hearings, and held no markup. So I do not think it is the right process, frankly.

I am one who always likes to achieve sensible, easy, streamlining. The problem here is that we do the not know if that is what this is in this case.

Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I guess my question would be if this is so simple and such a no-brainer, and there may well be some equity issues here, why was it not brought up under the famous Corrections Day procedure when some scrutiny could have been applied? Why is it being brought up with less than 24 hours notice the day of the adjournment of the House of Representatives to run home for reelections without reading or understanding what we are passing in the last 24 to 48 hours?

It is simple. This body is a full-blown majority party, and let us have a process that makes sense for the people of the United States. This bill might have good arguments, but the arguments have not been made. The State of Oregon and the State of Washington have not been heard before the committee.

The persons to be impacted have not been heard before the committee. We have not understood the constitutional implications. I always heard States rights from that side of the aisle. States rights, States rights. We are preempting a State here today. What precedent are we setting by presenting one State with this? What other States have transborder issues?

Washington State does not have an income tax. That is one of the issues before us is, these people do not pay income taxes in the State of Washington, because they do not have an income tax. There are many thousands of people that live across the border in Washington State who commute over the bridge to go daily to work, all the way over into Portland and other places across the river.

So there is a host of issues here. Certain jurisdictions, cities, counties, and others, have commuter taxes. I do not know if any other States have them. I do not know if other States are in a similar situation. I do not believe anybody on that side of the aisle can answer that question if I ask it. No one knows, because no hearings were held, not a single one. If this is such a slam-dunk, you could have had one hearing, 2 hours, brought the bill up under Corrections, last week, the week before, back in July. Why not? This is wrong.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Oregon has been very eloquent in his railing against the system that would try to ram a piece of legislation through without hearings, and yet I am sure, the veteran that he is, he recalls countless instances of unanimous consent, both when the Democrats were in charge of the House and when now that the Republicans are, where the gentleman may not have known, maybe he did, maybe not, the consent of the hundreds, hundreds of unanimous-consent agreements that have been reached between the parties that allow the House to act on something of simple justice, to move a piece of legislation along.

We were under the impression when we came here that the gentleman from Oregon himself was not going to object. Second, that the Corrections Calendar gambit that we felt, as the gentleman has felt, might have been a proper procedure, was met with some distrust on his part or maybe he agreed not to allow it to be presented to the Corrections Calendar, something like that. But we were under the impression that the parties involved here, sensing the equity and justice inherent in this bill, agreed, much like a unanimous consent, in which the gentleman from Oregon perhaps has entered into in his veteran status on this floor, many, many times, maybe not, and maybe he has read all those documents that were inherent in those unanimous consents, maybe not. But now he has the courage to come and say to us they did not read the bill, there were no hearings on it, as if this was something we were foisting on the public for the first time in the history of the House of Representatives, when he knows that by unanimous consent, we, not he, we are not sure about him, we, other Members of the House, Democrat and Republicans, have agreed to let a simple agreement reach final stages.

Mr. Speaker, I yield such time as he might consume to the gentleman from Washington [Mr. NETHERCUTT].

Mr. NETHERCUTT. Mr. Speaker, I thank my friend for yielding me time.

Mr. Speaker, this debate really boils down to one simple question: Are we willing to allow blatant discrimination against Federal workers? I think the answer clearly to that question is simply no, we should not tolerate any State or organization which seeks to unfairly single out Federal workers for discriminatory tax treatment.

That is what is happening here, Mr. Speaker. In addition, Congress has already spoken clearly on this issue. This past year we took much of the same approach in determining that seniors' pensions should be taxed by the State of residence.

In 1990, this Congress resolved a remarkably similar situation affecting Amtrak workers who crossed State lines. At that time we determined that double taxation was not appropriate for Federal workers.

This is no different. Washington citizens with their residence in Washington who happen to work in Oregon are being taxes by Oregon. Oregon would not tolerate it, and Washington should not either, and the Congress should not as well. It is a simple issue of fairness for these Federal workers, and something that we should have no problem supporting in this body.

I want to thank not only the manager of this bill, but my colleague, the gentleman from Washington [Mr. HASTINGS], and the gentlewoman from Washington [Mrs. SMITH] as well, who have really championed this cause of fairness for workers, fairness for all Federal workers, as they are imposed upon by unfair taxing obligations of a sister State.

Ms. LOFGREN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, let me say, I was listening in my office and I heard the opening statement made by the gentleman from Pennsylvania [Mr. GEKAS], and I was singularly impressed with the one statement that this is a commonsense idea.

I do not have to have a lot of hearings and a brick does not have to fall on my head to know a good idea when I see it. This is a good idea. Let me explain from a very personal perspective.

I have had a staff person working for me for 15 years, a staff director. In that time, 15 years, she has paid income tax in California and income tax in Virginia, because there is no reciprocal.

There are a lot of Federal employees right here in our House, and on the Senate side too, I imagine, that are in exactly the same posture.

Let me tell you something. It is unfair that people should pay double taxation. I though one of the ideas of our Constitution was to make sure people weren't double taxed.

Now, I have never met a tax collector anywhere who would not argue that they needed the tax. Yes, they need the tax, but that is not the question. The question is equity. Why should a person pay taxes on income they did not earn in that State? That staff director earns that money here in Washington, DC, but she pays taxes in Virginia, and she pays taxes in California. Tell me how that is fair? That is not fair. And where this issue might open a Pandora's box to all kinds of people asking for the same exemption, I think all Federal employees should have this exemption. I see nothing wrong with that. I only see fairness and equity in it.

I wish my colleagues on this side would see the fairness of it. This is not an issue that has to be partisan. This is an issue that has to deal with people who work for both our side and for their side and every side.

I actually think the gentleman came forth with a good piece of legislation, and this may be an expedited way of getting it through, but hallelujah to him and hallelujah to people who will not wait on a prolonged system to bring about equity for people and justice for people who have suffered as long as my staff director has, for 15 years, paying taxes in two places, earning that money in a different place altogether.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from California. He said it best thus far, and he has personal experience, does the gentleman from California, with a staffer, on the simple injustice which we are attempting to cure here today, albeit we did not conform to the procedures that the gentleman from Oregon would force upon us on a question that many times would have been cured by unanimous consent in any event.

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

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to point out that when I began my statement this afternoon, I indicated that I was not going to object only because of the need here at the end of the session to move along, noting that the process is dreadful. I am a member of the subcommittee chaired by the gentleman from Pennsylvania [Mr. GEKAS], and I know that we could have sorted through issues such as those raised by my colleague form California that are broad and potentially national in scope. I certainly would be willing to do that. But as I am hearing more and more, I am seeing that what in fact may be a sensible, small exception, has raised questions about a nationwide scheme.

Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, in response to my colleague on the opposite side of the aisle, there were a number of times when I objected to the procedures under my own majority party, and there were times I voted against continuing resolutions, because I said we had not been given the opportunity to read them and understand them even if they were written by Democrats in the majority.

To say that because the Democrats, which I am fully willing to admit, at times abused their power or abused the rush to adjournment, then we should do it too, would it not be nice to change things around here? I thought we were going to have a revolution and do things in regular order.

This is not something that began last week, last month, this year, last year. This bill was originally introduced by Jay Inslee from Washington when the Democrats were in the majority. It received no action then. For some reason, whatever reason, it received no action, no hearings, no markup.

The esteemed gentleman from Pennsylvania chairs the subcommittee. I am certain in his busy schedule he could have found 2 hours, sometime in the last 6 months, to hold a hearing on this issue, and invite in the opposing parties and understand fully what we are entering into and doing here.

But that was not done. That was not done. It was not done under the Democrats, it has not been done under the Republicans. The only difference is in this case a few Members from Washington, despite the fact the former Speaker was from Washington, apparently had more clout with the leadership and they can jam something through that has not had hearings, it has not been heard, and no one fully understands the implications of.

The gentleman from California [Mr. MARTINEZ] opened an extraordinary Pandora's box here with what he is proposing, although I think there is a mistake. I think his staffer needs a new accountant. When I was a staffer and lived in Maryland, I paid taxes in Oregon. They once asked me to pay taxes in Maryland and I sent them my Oregon return. They said, are you crazy? Your taxes are much higher. You should be paying taxes here, but since you paid taxes in Oregon, you do not have to pay them here. So I am a bit puzzled by what is happening to his poor staffer.

But there are a whole host of issues here and a whole host of commuter taxes out there that are being paid across the country, and what precedent are we setting, if this is legal and constitutional?

Mr. GEKAS. Mr. Speaker, I yield back the balance of my time.

Ms. LOFGREN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, a member of the committee.

□ 1400

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman from California for yielding this time to me.

Mr. Speaker, I rise really on a point of inquiry that I will probably have a colloquy with myself on. The concern I have, and as a member of local government we had the same experience——

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

Ms. JACKSON-LEE of Texas. If the gentleman would be kind enough to let me finish.

Mr. GEKAS. If the gentlewoman would yield, I simply want to tell her I am available for any inquiry that she might want to pose, and I would be glad to engage in a colloquy.

Ms. JACKSON-LEE of Texas. Mr. Speaker, having this experience with local government, we are familiar with the concept of one entity and its citizens benefiting by salary from another entity and the question of taxation. The question that I would raise that I think is important, even as we may be trying to remedy this for certain isolated areas, process is important.

This does not fall into the category of correction or one that can be aptly categorized as appropriate for suspension, for as far as I may know this may be an appropriate procedure for the entire Nation.

Have we determined that there is in fact a problem between Oregon and Washington? Have we determined in fact that that problem does not find itself relevant to California, to Texas, to Virginia, to Ohio, to New York? If we are doing this isolated legislation, why should it not then create an opportunity for precedent to solve problems across the Nation?

I do not want double taxation, but what I am concerned about is that I am not being helped in the State of Texas. Those in Ohio are not being helped. Those in New York are not being helped. Those in the Washington-Virginia area are not being helped.

So we have a piece of legislation that has no basis in credibility for us on the Federal level to be dealing with, without hearings, to suggest that there is need to correct the entire problem.

I would hope that we would have an opportunity to address this not from the question of whether it is right or wrong, because I do not think anyone would rise to the floor of the House and support double taxation. They do raise the question, however, what is the precedent, the data, the basis for making this decision, whether there is a fair applicability of State laws in Oregon and Washington, and whether or not there is a penalty that is being assessed against those citizens by this legislation without precedence, hearing and process.

Ms. LOFGREN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the bill, H.R. 3163.

The question was taken.

Mr. DEFAZIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. GEKAS. 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 just under consideration.

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

There was no objection.

RESIDENT REVIEWS FOR NURSING FACILITIES UNDER MEDICAID

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent to move to suspend the rules and pass the bill (H.R. 3632) to

amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid Program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition.

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

Mr. DINGELL. Mr. Speaker, reserving the right to object, is this a unanimous-consent request?

The SPEAKER pro tempore. Yes. Is there objection?

Mr. DINGELL. Mr. Speaker, would the gentleman please restate the unanimous-consent request?

Mr. BILIRAKIS. Mr. Speaker, if the gentleman will yield, the reason I asked for the unanimous-consent request was because the 1-hour notice was not given regarding the bill H.R. 3632.

It was an inadvertent mistake on the part of the majority. The 1-hour notice was given for H.R. 3633, and it was the intent it also be given for H.R. 3632, so I thought I would go through the process but raise the red flag, and do it right and ask for unanimous consent.

Mr. DINGELL. Mr. Speaker, I am trying to understand. What is the unanimous-consent request here?

Mr. BILIRAKIS. To suspend the rules and to pass this bill.

Mr. DINGELL. To suspend the rules and pass the bill.

Mr. BILIRAKIS. With the understanding that the 1-hour's notice was not given.

THe SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. DINGELL. Mr. Speaker, reserving the right to object, could the gentleman tell me why we are doing this under unanimous consent?

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

Mr. DINGELL. I yield to my good friend, the gentleman from Florida.

Mr. BILIRAKIS. Mr. Speaker, as I said earlier, I indicated that the 1-hour notice was required to be given. We gave the notice, as I understand it, at 1:15. That is less than the hour, and for that reason I asked for the unanimous consent. It is a technicality.

Mr. DINGELL. I wondered. Now, continuing my reservation of objection, could my dear friend from Florida tell me a little about this bill we are bringing up before the hour's notice?

Is this a bill we have seen before? Was this bill up in committee?

Mr. BILIRAKIS. Mr. Speaker, if the gentleman will continue to yield, this is a bill we marked up a few days ago in the Committee on Commerce.

Mr. DINGELL. We marked it up?

Mr. BILIRAKIS. We did, sir. Questions were raised. It was a bipartisan thing. It was approved by the gentleman from California [Mr. WAXMAN].

I know question was raised by either Mr. WAXMAN or someone in the minority about the quality standards, does this hurt the quality standards. Assurances were given there would not be any adverse consequences.

Mr. DINGELL. Mr. Speaker, continuing my reservation of objection, it is normally considered appropriate to consult with the minority before unanimous-consent requests are made. Was there any consultation on this?

Mr. BILIRAKIS. If the gentleman will continue to yield, consultation between the minority and majority staffs took place, I understand, regarding bringing up this piece of legislation at this time.

Mr. DINGELL. By unanimous consent.

Mr. BILIRAKIS. The only reason I added unanimous consent in there is because of the technicality. We are about 5 minutes short of that 1-hour notice.

Mr. DINGELL. But the gentleman said that there was consultation with the minority staff?

Mr. BILIRAKIS. I saw them with my own eyes consulting.

Mr. DINGELL. Mr. Speaker, it is strange that this is the first that I am hearing of it. I do have a little to do, as my good friend knows, with the business of the minority, and I am happy to hear that there was some consultation. Perhaps I should speak to the minority staff about this.

Mr. BILIRAKIS. I wish the gentleman would talk to Mr. WAXMAN's staff about this.

Mr. DINGELL. I am told Mr. WAXMAN is in California.

Mr. BILIRAKIS. His staff is what I said.

Mr. DINGELL. It would be very wonderful if the gentleman would speak to the staff of the minority side of the committee. I am sure Mr. WAXMAN is being informed of this out in California. We are seeing some rather extraordinary events.

Just to help me a little more, and I will continue my reservation of objection——

Mr. BILIRAKIS. If the gentleman would forgive me. I am not sure who has the time, but, Mr. Speaker, I would at this point to take back my unanimous-consent request.

The SPEAKER pro tempore. The gentleman withdraws his unanimous-consent request.

Mr. BILIRAKIS. Mr. Speaker, I move the House suspend the rules and pass the bill H.R. 3632, a bill to amend title XIX of the Social Security Act regarding nursing home facility inspections.

POINT OF ORDER

Mr. DINGELL. Mr. Speaker, parliamentary inquiry, and reserving a point of order.

Is the hour that we are supposed to proceed in the way of this——

The SPEAKER pro tempore. The gentleman will kindly suspend.

The Chair is unable to entertain the gentleman's motion due to the fact that the 1 hour time limitation has not expired.

Mr. DINGELL. Mr. Speaker, I do not want to lose my rights here. I reserve a point of order and make a parliamentary inquiry.

The SPEAKER pro tempore. The Chair has already indicated that he cannot entertain the gentleman's motion and so there is nothing to respond to at this moment in time.

Mr. DINGELL. Mr. Speaker, I have no objection to my good friend renewing his unanimous consent request.

Mr. BILIRAKIS. Well, the gentleman certainly sounded, with all due respect, like he did have some objection a few minutes ago.

So where are we now? All I want to do is get this bill passed that both sides wanted to get through the system today.

Mr. DINGELL. I have no objection to proceeding. I am just trying to establish if we are dealing with the regular order here, Mr. Speaker.

The SPEAKER pro tempore. The Chair would ask for regular order. Does the gentleman have a request of the Chair?

Mr. BILIRAKIS. I did not hear the question, Mr. Speaker.

The SPEAKER pro tempore. Does the gentleman from Florida seek recognition?

Mr. BILIRAKIS. The gentleman from Florida, Mr. Speaker, moves that the House suspend the rules and pass the bill (H.R. 3632) a bill to amend title XIX of the Social Security Act regarding nursing home facility inspections.

The SPEAKER pro tempore. Is there objection to the present consideration of the motion?

Mr. DINGELL. Is this a unanimous-consent request, Mr. Speaker, or is this a motion?

The SPEAKER pro tempore. The Chair is asking whether there is objection to the present consideration of the motion.

Mr. DINGELL. It is a motion, then; am I correct?

The SPEAKER pro tempore. It amounts to a unanimous-consent request to offer a motion.

Mr. DINGELL. Has the hour passed, Mr. Speaker?

The SPEAKER pro tempore. It amounts, sir, to a unanimous-consent request.

Mr. DINGELL. I am not quite sure which one of my questions the Chair is answering. Are we answering my parliamentary inquiry as to whether the hour has passed, or whether this is appropriate, or is this a unanimous-consent request?

Could the Chair help me, please?

The SPEAKER pro tempore. Because the hour has not passed, only without objection may the gentleman's motion be considered. Therefore, the gentleman's request is in the nature of a unanimous-consent request.

The Chair has inquired as to whether or not anyone has objection.

Mr. DINGELL. Mr. Speaker, I do not want to object, but I do want to reserve the right to object simply to ask questions of my dear friend from Florida,

for whom I have the most enormous respect and affection.

Mr. BILIRAKIS. Mr. Speaker, I renew my request for unanimous consent.

Mr. DINGELL. Mr. Speaker, I reserve the right to object.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. DINGELL] reserves the right to object.

Mr. DINGELL. Simply to continue to have this very helpful colloquy with my good friend from Florida.

Mr. BILIRAKIS. It might be helpful to the gentleman form Michigan, but it is not to me.

Mr. DINGELL. Well, I apologize because it is my intent to be helpful in every particular to my good friend from Florida.

I am trying to understand. This is a bill that was reported out of the committee?

Mr. BILIRAKIS. The bill was marked up, I believe last week, out of committee.

Mr. DINGELL. Mr. Speaker, if I could continue on my reservation of objection, is this the bill that was the amendment, that is exactly the same as the amendment? This is a different bill? Oh.

Well, I will not object, and I gather, then, Mr. Speaker, that we are proceeding under the suspension rules and I will be immensely cooperative.

The SPEAKER pro tempore. And the Chair thanks the gentleman. The gentleman from Michigan withdraws his reservation of objection.

Without objection, the Clerk will report the title of the bill.

There was no objection.

The Clerk read the title of the bill.

The text of H.R. 3632 is as follows:

H.R. 3632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF REQUIREMENT FOR ANNUAL RESIDENT REVIEW FOR MENTALLY ILL AND MENTALLY RETARDED NURSING FACILITY RESIDENTS.

(a) IN GENERAL.—Section 1919(e)(7) of the Social Security Act (42 U.S.C. 1396r(e)(7)) is amended—

(1) in subparagraph (B)—

(A) by striking ''ANNUAL'' in the heading, and

(B) by striking clause (iii); and

(2) in subparagraph (D)(i), by striking ''ANNUAL'' in the heading.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 2. REQUIREMENT FOR REVIEW IN CASE OF SIGNIFICANT CHANGE IN PHYSICAL OR MENTAL CONDITION OF MENTALLY ILL OR MENTALLY RETARDED NURSING FACILITY RESIDENTS.

(a) REQUIREMENT FOR NOTIFICATION OF STATE AUTHORITY.—Section 1919(b)(3)(E) of the Social Security Act (42 U.S.C. 1396r(b)(3)(E)) is amended by adding at the end the following: ''In addition, a nursing facility shall notify the State mental health authority or State mental retardation or developmental disability authority, as applicable, promptly after a significant change in the physical or mental condition of a resident who is mentally ill or mentally retarded.''.

(b) REQUIREMENT FOR REVIEW.—Section 1919(e)(7)(B) of such Act (42 U.S.C. 1396r(e)(7)(B)), as amended by section 1(a)(1), is amended by inserting after clause (ii) the following new clause:

''(iii) REVIEW REQUIRED UPON CHANGE IN RESIDENT'S CONDITION.—A review and determination under clause (i) or (ii) must be conducted promptly after a nursing facility has notified the State mental health authority or State mental retardation or developmental disability authority, as applicable, under subsection (b)(3)(E) with respect to a mentally ill or mentally retarded resident, that there has been a significant change in the resident's physical or mental condition.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to changes in physical or mental condition occurring on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. BILIRAKIS] and the gentleman from Michigan [Mr. DINGELL] each will control 20 minutes.

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

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3632 has received strong bipartisan support and will correct a problem with the current implementation of the nursing home quality assurance standards. Let me say that Congressman EHRLICH, the sponsor of the bill, deserves special recognition for his efforts in moving this bill.

One of the requirements of the act was annual resident assessment for all Medicaid nursing home residents. The underlying statute also has as a requirement that for each resident of a nursing facility who is mentally ill or mentally retarded, an additional evaluation be completed. These additional reviews have proved to be costly and unnecessary. The Commerce Committee, the States, and the administration have come to the conclusion that this additional annual review is unnecessary.

This bill repeals this requirement for an additional assessment for the mentally ill and the mentally retarded. It would require, as an alternative, that additional assessments only occur when there is a significant change in the resident's physical or mental condition.

I urge my colleagues to support this bill.

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

Mr. DINGELL. Mr. Speaker, I yield myself 3 minutes.

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

Mr. DINGELL. Mr. Speaker, I strongly support this bill. I want to express my respect and affection for my good friend from Florida. We are not always able to keep track of the way these matters move around here, and so I always out of great affection, some respect of the very high character and desire to work with my Republican colleagues, I always ask questions to try to find out what it is we are doing here during these closing days.

I would observe parenthetically that we just checked with the staff of the gentleman from California [Mr. WAXMAN], and they have not heard a word about this bill. So I hope the gentleman from Florida will excuse my inability to respond as speedily and as sharply and crisply as I might have liked to have done.

In any event, the bill is a good bill and we support this excellent legislation.

□ 1415

Mr. BILIRAKIS. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. EHRLICH], the sponsor of the bill.

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

Mr. Speaker, just briefly, I want to thank everyone involved with this bill, particularly the gentleman from California [Mr. WAXMAN], and I would also point out that this is a Corrections Day bill. As you know, the Speaker came up with the Corrections Day process in order to facilitate the elimination of regulations that simply do not make sense and that cost a lot of money. That is the very purpose of the corrections day process.

I also congratulate the Speaker for implementing this process, and I believe this bill is probably the best example I can think of as to the way the Corrections Day process was supposed to work and actually does work. It has been a great honor for me to be a part of the process.

Mr. DINGELL. Mr. Speaker, we do not have any further requests for time, and I yield back the balance of my time.

Mr. BILIRAKIS. Mr. Speaker, I too have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from Florida [Mr. BILIRAKIS] that the House suspend the rules and pass the bill, H.R. 3632.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3632.

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

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House

stands in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 16 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1701

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BURTON of Indiana] at 5 o'clock and 1 minute p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H.R. 1514. An act to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes;

H.R. 1823. An act to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Consevancy District dated December 28, 1965, and November 26, 1985, and for other purposes;

H.R. 2967. An act to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes;

H.R. 3660. An act to make amendments to the Reclamation Wastewater and Groundwater Study and Facilities Act, and for other purposes;

H.R. 3871. An act to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations;

H.R. 3973. An act to provide for a study of the recommendations of the Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives;

H.R. 4138. An act to authorize the hydrogen research, development, and demonstration programs of the Department of Energy, and for other purposes;

H.R. 4168. An act to amend the Helium Act to authorize the Secretary to enter into agreements with private parties for the recovery and disposal of helium on Federal lands, and for other purposes; and

H. Con. Res. 207. Concurrent resolution approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

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; and

H.R. 3118. An act to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 2130. An act to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices.

ANNOUNCEMENT OF LEGISLATION TO BE CONSIDERED UNDER SUSPENSION OF THE RULES TODAY

Ms. PRYCE. Mr. Speaker, pursuant to House Resolution 525, the following suspensions are expected to be considered today: H.R. 3005, SEC conference report, and S. 2003, armored car.

WAIVING ENROLLMENT REQUIREMENTS WITH RESPECT TO ANY BILL OR JOINT RESOLUTION OF 104TH CONGRESS MAKING CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1997

Ms. PRYCE. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the joint resolution (H.J. Res. 197) waiving certain enrollment requirements with respect to any bill or joint resolution of the One Hundred Fourth Congress making general or continuing appropriations for fiscal year 1997.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 197

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF REQUIREMENT FOR PARCHMENT PRINTING.

(a) WAIVER.—The provisions of sections 106 and 107 of title 1, United States Code, are waived with respect to the printing (on parchment or otherwise) of the enrollment of any appropriation measure of the One Hundred Fourth Congress presented to the President after the enactment of this joint resolution.

(b) CERTIFICATION OF ENROLLMENT BY COMMITTEE ON HOUSE OVERSIGHT.—The enrollment of any such measure shall be in such form as the Committee on House Oversight of the House of Representatives certifies to be a true enrollment.

SEC. 2. APPROPRIATION MEASURE DEFINED.

For purposes of this joint resolution, the term ''appropriation measure'' means a bill or joint resolution that includes provisions making general or continuing appropriations for the fiscal year ending September 30, 1997.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF CERTAIN RESOLUTIONS IN PREPARATION FOR ADJOURNMENT SINE DIE

Ms. PRYCE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 546 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 546

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House a joint resolution waiving certain enrollment requirements with respect to any bill or joint resolution of the One Hundred Fourth Congress making general or continuing appropriations for fiscal year 1997. The joint resolution shall be debatable for one hour equally divided and controlled by the majority leader and the minority leader or their designees. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except one motion to commit.

SEC. 2. Upon the adoption of this resolution it shall be in order to consider in the House a joint resolution appointing the day for the convening of the first session of the One Hundred Fifth Congress and the day for counting in Congress of the electoral votes for President and Vice President cast in December 1996. The joint resolution shall be debatable for one hour equally divided and controlled by the majority leader and the minority leader or their designees. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except one motion to commit.

SEC. 3. A resolution providing that any organizational caucus or conference in the House of Representatives for the One Hundred Fifth Congress may begin on or after November 15, 1996, is hereby adopted.

SEC. 4. A resolution providing for the printing of a revised edition of the Rules and Manual of the House of Representatives for the One Hundred Fifth Congress as a House document, and for the printing and binding of three thousand additional copies for the use of the House, of which nine hundred copies shall be bound in leather with thumb index and delivered as may be directed by the Parliamentarian of the House, is hereby adopted.

SEC. 5. Each committee of the House that is authorized to conduct investigations may file reports to the House thereon following the adjournment of the second session sine die.

SEC. 6. Reports on the activities of committees of the House in the One Hundred Fourth Congress pursuant to clause 1(d) of rule XI may be printed as reports of the One Hundred Fourth Congress.

SEC. 7. The Speaker and the minority leader may accept resignations and make appointments to commissions, boards, and committees following the adjournment of the second session sine die as authorized by law or by the House.

SEC. 8. The chairman and ranking minority member of each standing committee and subcommittee may extend their remarks in the Congressional Record and include a summary of the work of their committee or subcommittee.

SEC. 9. All Members may extend their remarks in the Congressional Record on any matter occurring prior to the adjournment of the second session sine die.

The SPEAKER pro tempore. The gentlewoman from Ohio [Ms. PRYCE] is recognized for 1 hour.

Ms. PRYCE. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Ms. PRYCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this resolution and that I may be permitted to insert extraneous materials into the RECORD following debate on the rule.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. PRYCE. Mr. Speaker, House Resolution 546 is a straight-forward resolution providing for the consideration of certain measures in preparation for the sine die adjournment of the second session of the 104th Congress.

Specifically, the rule makes in order resolutions waiving certain requirements with respect to the following actions:

The enrollment of general or continuing appropriations bills for fiscal year 1997; the convening of the first session of the 105th Congress and the day for counting electoral votes for President and Vice President of the United States; the convening of any organizational caucus or conference in the House for the 105th Congress; the printing and distribution of a revised edition of the House Rules and Manual for the 105th Congress; authorizing committees to file investigative reports after the adjournment of the 104th Congress; authorizing the filing and printing of committee activity reports; authority to accept resignations and to make appointments to certain commissions, boards, and committees following adjournment, or as authorized by law or by the House; permitting chairmen and ranking minority members of each committee and subcommittee of the House to revise and extend their remarks in the RECORD on the work of their respective panels; and, finally, permitting all Members to revise and extend their remarks in the RECORD on any matter occurring before the second session of the 104th Congress is adjourned sine die.

Mr. Speaker, ordinarily these noncontroversial housekeeping matters are addressed by the House under unanimous consent agreements. But, regrettably, not all of these items have been cleared in advance with our friends in the minority.

So, as a precaution, the Rules Committee has taken the step of preparing a very simple, straight-forward rule in preparation for the sine die adjournment of the second session of this historic 104th Congress. I would assure my colleagues across the aisle that there is no hidden agenda in this rule, and I encourage all Members to give it their full support.

Mr. Speaker, since this may very well be the final rule brought to the floor by the Rules Committee in the 104th Congress, I want to take a moment to publicly commend Chairman SOLOMON for his leadership on the committee and for his commitment to furthering the cause of fair and open debate in this body.

Much has been said in recent weeks about what this Congress has accomplished during the past 2 years. Reform, especially internal reform of the House, has been one of our highest priorities, and the Rules Committee, under Mr. SOLOMON's able leadership, has proudly played an active role in keeping congressional and fiscal reform a front-burner issue.

Of course, I would be remiss if I did not also recognize the many years of hard work by the distinguished chairman emeritus of the Rules Committee, Mr. QUILLEN, as well as the fine contributions of two other Members who will be leaving us at the end of this session—Ms. GREENE of Utah, and Mr. BEILENSON of California. I know their efforts will no doubt be missed by our committee and by this body in the future.

In closing, Mr. Speaker, let me emphasize that the resolution before us is not complicated and it is designed only to facilitate the House's consideration of simple administrative matters related to the operations of the House after this session has concluded its business.

The rule was reported by the Rules Committee last night by a unanimous voice vote, and I urge its swift adoption by the full House today.

Mr. Speaker, I just have to say, with utmost respect, that I hope that the 22-to-10 lead that the Ohio State Buckeyes have over the Fighting Irish does not bring the gentleman from Massachusetts [Mr. MOAKLEY] to take it out on the Republicans this afternoon.

The SPEAKER pro tempore. The Chair would remind the gentlewoman that the Chair is from Indiana.

Ms. PRYCE. Mr. Speaker, I include the following extraneous material for the RECORD:

HOUSE RULES COMMITTEE SPEARHEADS MAJOR REFORMS IN THE 104TH CONGRESS

''The Rules Committee not only hit the ground running on the opening day of the 104th Congress,'' recalls Chairman Gerald B.H. Solomon (R-NY), ''we had parachuted behind the lines weeks before that to lay the groundwork for the most monumental reform of the House in nearly a century.''

Solomon continued, ''And we didn't rest on our reform laurels following that historic and marathon 14-hour opening day on January 4th of 1995. Our Committee has been spreaheading further reforms ever since because we recognize that House restoration and rejuvenation must be an ongoing and dynamic process if we are to keep the People's House close to the people and enable it to confront the problems of the next century.'' Below is a summary released by Chairman Solomon today of the House reforms adopted to date.

Opening Day House Rules Reforms (H. Res. 6, adopting House Rules for the 104th Congress, Jan. 4, 1995).—The resolution adopting House Rules for the 104th Congress included ten items from the ''Contract With America'' plus 23 other changes in House Rules. These include reforms that:

Abolished 3 House standing committees (Post Office & Civil Service, Merchant Marine & Fisheries, and District of Columbia);

Limited committees to no more than 5 subcommittees (resulting in the elimination of some 25 subcommittees);

Reduced committee staffs and funding by one-third from the previous Congress;

Placed 6-year term limits on committee and subcommittee chairmen, and an 8-year term limit on the Speaker;

Abolished the use of proxies (''ghost voting'') in committees and subcommittees;

Required publication of committee rollcall votes in reports;

Guaranteed broadcast media the right to cover public committee meetings and hearings;

Required three-fifths vote to pass income tax rate increases and prohibited retroactive income tax increases;

Abolished legislative service organizations (taxpayer subsidized special interest caucuses);

Required committee transcripts and Congressional Record to be verbatim accounts;

Prohibited introduction or consideration of commemorative legislation (establishing special days, week, months, etc.);

Required committees to adopt and implement oversight agendas;

Required a comprehensive outside audit of House books;

Abolished joint bill referrals to multiple committees, while requiring designation of a primary committee and time limits on sequential referrals to secondary committees;

Abolished ''rolling quorums'' that permitted ''drop-by voting'' to report bills.

Congressional Accountability Act (H.R. 1, passed House Jan. 4, 1995; companion bill, S. 2, enacted into law Jan 23, 1995, Public Law 104–1).—Brought Congress under the same employment laws that apply to the private sector.

Committee Hearing Schedules (H. Res. 43, adopted Jan. 31, 1995).—Required committee hearings to be noticed at least a week in advance unless chairman and ranking minority member agree or committee majority vote on shorter notice.

Unfunded Mandate Reform (H.R. 5, passed House Feb. 1, 1995; Senate companion bill, S. 1, enacted into law March 22, 1995, Public Law 104–4).—Required special procedures and points of order in the House and Senate to identify and vote on unfunded mandates on private sector and state and local governments contained in bills reported by committees and in amendments offered from the floor.

House Corrections Calendar (H. Res. 168, adopted June 20, 1995).—Established a new House Corrections Calendar to consider bills reported by committees to correct ''dumb'' regulations and clarify intent of Congress by reversing certain court decisions.

House Gift Ban (H. Res. 250, adopted by House Nov. 16, 1995).—Prohibited House Members and staff from accepting gifts from persons other than relatives and close personal friends.

Book Contracts (H. Res. 299, adopted Nov. 30, 1996).—Prohibited House Members and senior staff from accepting advances on books and required pre-approval of contracts by ethics committee.

Deficit Reduction Lock Box (H.R. 1162, passed House Sept. 13, 1995).—Established process for crediting amounts saved on amendments to appropriations bill to apply to deficit reduction.

Legislation Line-Item Veto (H.R. 2, passed House Feb. 6, 1995; Senate companion bill, S. 4, enacted into law April 9, 1996, Public Law 104–130).—Authorized President to cancel certain spending items, special interest tax breaks and entitlement provisions from laws, subject to Congressional override votes).

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

Mr. MOAKLEY. Mr. Speaker, I have no venom. BC won big yesterday, so I am very happy.

Mr. Speaker, I thank the gentlewoman from Ohio [Ms. PRYCE] for yielding me the customary half hour and I yield myself such time as I may consume.

I agree with the gentlewoman from Ohio [Ms. PRYCE] about the colleagues that are leaving the Rules Committee. They have all contributed greatly to the process, all three of them, two Republicans and one Democrat, and the Rules Committee will be a lesser place because of their departure.

Mr. Speaker, I thank my colleague from Ohio, Ms. PRYCE. The rule we are considering this afternoon sounds very complicated.

In fact the business contained in this bill is normally enacted by unanimous consent but, this session is different.

This session we have a very serious ethics investigation going on.

For that reason I urge my colleagues to oppose the previous question.

This rule in and of itself is not particularly problematic but I'm going to ask my colleagues to vote ''no'' on the previous question.

Late this week the House Ethics Committee voted unanimously to expand the independent counsel's investigation of Speaker GINGRICH. The contents of that new investigation could have some very, very important ramifications for the leadership of the Congress and we must make sure that we have a way to address them. Unless we reconvene we will not be able to, Mr. Speaker; if the previous question is defeated, the House shall reconvene on the first Monday after the independent counsel reports back on its new investigation of Speaker GINGRICH. At the moment we have no idea what will be in the report and we don't know how we may need to respond to its contents if we oppose the previous question we give ourselves a way to respond.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. BONIOR], the minority whip of the Democratic Party.

Mr. BONIOR. I thank my friend for yielding me this time.

Mr. Speaker, I would like to read the editorial that was in the New York Times this morning, at least one or two paragraphs. It is entitled ''Mr. Gingrich's Troubles Deepen.''

A House Ethics Committee that had appeared paralyzed by partisan bickering has taken a startling step in its long-stalled investigation of Speaker Newt Gingrich. The committee of five Republicans and five Democrats voted unanimously to broaden its inquiry, adding four new charges against Mr. Gingrich.

POINTS OF ORDER

Mr. WALKER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman will state his point of order.

Mr. WALKER. The gentleman in the well is engaging in debate which is beyond the rules of the House in that he is discussing matters that are presently active before the Ethics Committee.

The SPEAKER pro tempore. Does the gentleman from Michigan wish to be heard on the point or order?

Mr. BONIOR. I do.

The SPEAKER pro tempore. The gentleman may proceed.

Mr. BONIOR. This resolution, Mr. Speaker, is about what happens to the House after the House of Representatives adjourns. Clearly, the issue which I am addressing is important in resolving that question. The Speaker of the House has traditionally, under the resolutions of recent years, been able to call us back into session if indeed there was a national or international emergency to do so. However, the agreement was reached in terms of giving the Speaker that power. It seems to me with the cloud hanging over the head of this institution because of the alleged violations by the Speaker on tax fraud and misleading the committee and other issues, that in fact the committee has just today broadened in terms of its interest in GOPAC——

Mr. WALKER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman will state his point of order.

Mr. WALKER. The gentleman in his discussion on the point of order is engaged in debate beyond the rules of the House.

The SPEAKER pro tempore. The point of order is sustained. The gentleman in the well must properly focus on the point of order at hand.

Mr. BONIOR. Mr. Speaker, I am trying to make the point that this resolution is about the Speaker's authority to bring us back.

□ 1715

We are attempting to amend that particular resolution in order, because the Speaker is at question here on a very important point.

In order to trigger the House back into session, if indeed the special counsel issues its report to the Committee on Standards of Official Conduct, it is entirely within the scope of the discussion that we are having on this particular rule.

The SPEAKER pro tempore (Mr. BURTON of Indiana). The Chair is prepared to rule.

Matters pending before the Committee on Standards of Official Conduct regarding the official conduct of sitting Members may not be debated on the House floor if there is not pending a question of the privileges of the House. This has been the consistent ruling of the Chair in this and prior Congresses.

The fact that the committee may have issued an interim status report does not justify such references in debate. This also includes references to proposed House action on and scheduling of matters relating to the conduct of Members.

The gentleman may proceed in order.

POINT OF ORDER

Mr. VOLKMER. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. VOLKMER. Mr. Speaker, according to the resolution presently pending before the House that, in the event that the Committee on Standards of Official Conduct would make a full report to the House subsequent to adjournment sine die, and in that report would either call for the resignation, reprimand, or expulsion of the Speaker, that this House, under this resolution, would not be able to come back in and take up that report.

Now, the debate is, correct me if I am wrong, I think the debate is whether or not this resolution should be amended as to whether or not the House should be able to come back in to take up such a report and take action on that report.

Now, what my point of order is, is the Chair now saying we cannot discuss the aspect of this resolution that is pending before the House?

The SPEAKER pro tempore. The Chair will respond to the gentleman's point of order.

The question is not necessarily merely one of relevance. The question is one of personalities and decorum in debate. Members must avoid personalities within the meaning of rule XIV and the precedents thereunder.

Mr. VOLKMER. You are not saying we cannot debate the issue then. What you are saying is, we should not get into personalities. Is that correct? Is that the Chair's ruling?

The SPEAKER pro tempore. That is the Chair's ruling.

POINT OF ORDER

Mr. GEJDENSON. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. GEJDENSON. Mr. Speaker, in order to try to have an uncensored debate, but without bringing the Speaker into the issue, if Members were to try to have a dialog or debate regarding a potential Speaker indictment or other actions, how would Members be able to inquire as to a debate on this issue without violating the rules of the House?

For instance, if we were not to name this particular Speaker, but simply spoke——

The SPEAKER pro tempore. The gentleman will suspend.

The Chair cannot anticipate that and will rule on that when and if the occasion arises.

The gentleman from Michigan [Mr. BONIOR] may proceed in order.

Mr. BONIOR. Mr. Speaker, the point that I wish to make this evening is that we should not leave it up to the present Speaker to decide whether the House reconvenes to consider his own case. It is a very simple and obvious——

POINT OF ORDER

Mr. LINDER. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LINDER. The gentleman is referring to matters appropriately before the Committee on Standards of Official Conduct, and he is explicitly out of order.

The SPEAKER pro tempore. The Chair sustains the point of order, and personal references to the Speaker are out of order.

The gentleman may proceed in order.

Mr. BONIOR. I will not reference the Speaker then, Mr. Speaker. What I will do is talk with respect to the procedures.

We are offering, as my distinguished colleague from Massachusetts has just done, an amendment to this resolution which allows the House to reconvene as soon as the outside counsel submits a report. It is as simple as that.

And since the resolution deals with the question of whether or not the Speaker of the House should bring the House back into session during the period in which we are adjourned sine die, it seems to me this is a proper subject for discussion, especially given the particular situation that the House finds itself in with respect to its reputation and with respect to its leader.

So I would ask my colleagues to support the amendment offered by my friend from Massachusetts [Mr. MOAKLEY] and to support the editorial that was written today in the New York Times which supports the position that we have taken this evening.

Ms. PRYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS].

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

Mr. Speaker, I happened to catch some of this in my office, and I was concerned about what the resolution might say. I have an inquiry to make to the maker of the resolution, which apparently is at the core of this debate.

Mr. Speaker, if I am reading it right, it says the House of Representatives shall convene on the first Monday after the submission of the special counsel's report on Speaker NEWT GINGRICH to the Investigative Subcommittee to the Committee on Standards of Official Conduct. I cannot comment, of course, on anything going on in that subcommittee, but I cannot in any way assure that there is such a thing now or ever as a special counsel's report.

The second thing that I need to point out to the maker of this resolution is that the potential time in this, even if there were to be such a thing as a report at some point, might well be into the future. I presume that the Nation's business should go forward without regard to a resolution that is as ephemeral as this one is. I would like to know whether the maker of the resolution has any time in mind?

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

Mr. GOSS. I will not yield to the gentleman. I will only make that inquiry to those arguing the other point and trying to use dilatory tactics on this rule.

Mr. MOAKLEY. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, it is deeply disturbing that this Congress would choose to leave town with a dark ethical cloud handing over the U.S. House of Representatives. That cloud, the ethical charges against the Speaker, grows bigger and darker almost every day.

The New York Times today says on its editorial page that we should not adjourn—that the House should not adjourn and simply pass this mess along to a new Congress and a new Ethics Committee. As the New York Times says, ''Had the Republicans been less eager to protect the Speaker, the whole case might have been resolved by now.''

Clearly this investigation has dragged on for far too long. Let us not contribute to the delay any longer.

POINT OF ORDER

Mr. LINDER. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LINDER. Mr. Speaker, the gentlewoman is referring to matters before the Committee on Standards of Official Conduct, and she is specifically ignoring the rules of the House.

The SPEAKER pro tempore. The Chair sustains the point of order. The gentlewoman must proceed in order.

Ms. DELAURO. Mr. Speaker, let us not contribute to the delay any longer. The House should not adjourn without a mechanism in place that resolves the charges once the outside counsel finishes his work. This Congress should reconvene as soon as the outside counsel's report is filed.

POINT OF ORDER

Mr. LINDER. Mr. Speaker, further point of order. The gentlewoman is now referring to matters before the Committee on Standards of Official Conduct with respect to the outside council and she is explicitly ignoring the rules of the House.

The SPEAKER pro tempore. The Chair again sustains the point of order and requests the gentlewoman in the well to proceed in order.

Ms. DELAURO. This Congress should reconvene once there is the continued deliberations of the committee as it so stated in its interim report, so we can bring this inexcusably long process to a just and proper end.

POINT OF ORDER

Mr. SOLOMON. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. SOLOMON. Mr. Speaker, this is not an adjournment resolution. The gentlewoman is out of order.

The SPEAKER pro tempore. For reasons previously stated, the Chair sustains the gentleman's point of order.

Ms. PRYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON] the chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank my colleague from Columbia, OH, for yielding me the time.

Mr. Speaker, it is just regrettable that it is necessary to waste the time of the House with a routine business resolution of this House such as this, all the items of which in the past have been handled by unanimous consent request, which we agreed to when we were in the minority. What is going on around here? The American people are absolutely fed up and sick of this.

Just think about this: The Democrats have asked for this unnecessary extra hour of debate on a resolution that simply provides for such routine matters as setting dates for our organizing caucuses, so we can come back here and organize for convening the Congress next year, and the printing of House rules and manuals. That is what we are here talking about, the ability of committees to file reports after we adjourn. That benefits both sides of the aisle. Also the ability of Members to revise and extend their remarks in the RECORD.

Mr. Speaker, there is nothing unusual. This is the Democrat resolution that we simply are offering ourselves, that they have offered over the last 14 Congresses.

Mr. Speaker, what have we come to here? There is such a breakdown of comity over such routine matters. I am told some of the Democrat leadership is insisting on debating this rule rather than agreeing to the usual unanimous consent request, not because they object to anything in this resolution, it is a pure and simple resolution, but because they want to vent and rave about various things completely unrelated to the resolution. There is going to be a time when an adjournment resolution comes up to perhaps do those things.

I had hoped we had reached an agreement with the President and the Democrat leadership in this Congress over a final spending bill and that we would be able to gracefully and graciously wrap-up this Congress in a proud spirit of bipartisanship. That is what it was when we worked night and day for the last 72 hours with so sleep at all to put this together, agreeing to what the President asked for.

But I guess that was hoping for too much. I even read in today's rollcall that my good friend, the ranking member on the Committee on Rules, who is managing this rule on the other side, has said that he would not even go out to dinner with a Republican member without bringing a taste tester. That hurts.

Mr. MOAKLEY. Mr. Speaker, if the gentleman will yield, that is only because of the new lobbying ethics.

Mr. SOLOMON. Especially only 2 days after the attended a reception I helped organize upstairs for our departing Committee on Rules members on both sides of the aisle, and I thought the food was pretty good, and I thought

the gentleman did too. He was partaking, and we did not have any taste testers up there.

I guess I am still an optimist, when you get down to it. I know we are capable of better, and I still think we can live up to those same capabilities in the future.

I was so encouraged, for instance, by the various bipartisan task forces that appeared before our Committee on Rules, reform hearings we were holding over the last 2 months, to discuss their efforts to restore comity and decorum and civility to this Chamber. DAVID SKAGGS over there, and RAY LAHOOD over here, working on a bipartisan retreat next session, that was so encouraging. BILL ARCHER and TONY BEILENSON from either side of the aisle, who urged us to delay 1 minute until after the end of the day, and, boy, do I think that is a good idea. That would give us some comity back here.

CHRIS SHAYS on our side of the aisle, DAVID MINGE on your side, TOM BARRETT on your side, SCOTT KLUG on yours, and their bipartisan House reform proposals. And I could go on and on and on.

Mr. Speaker, that is the thing we should be doing. We can do the people's business, and we can do it with a smile on our face. We can still stick up for our party, but you do not get involved in issues like this. What are we hearing upstairs in the Committee on Rules room and what we hear downstairs in this Chamber seem to be totally different. I just wish all Members could have heard those voices of reason, those good sense and sensibility reasons before our committee, and maybe today we could all be singing in some kind of harmony here.

Mr. Speaker, let us just try today to elevate the debate in this Chamber to put aside our personal partisan differences, and maybe, just maybe, we can leave this 104th Congress with a better feeling for each other. We owe that to ourselves and we owe it to the American people because, in the final analysis, we have become a Congress, at least legislatively, a true coming together to work for the good of the people. That is what we have accomplished with this omnibus appropriations bill. It was not easy to do. But even the President and OMB and all of the administration people working with that other body over there, which is not always easy sometimes, we have put the this thing together.

Mr. Speaker, I just want to say we have three members from our Committee on Rules that are retiring, the chairman emeritus, JIMMY GUILLEN, who could not be with us today, and then we have TONY BEILENSON on that side of the aisle, and what a voice of common sense and calm and reason he has been on our committee, and ENID GREENE.

□ 1730

We are going to miss these people so terribly up in the Committee on Rules. I just wonder what we are going to get in replacement, because in that partisan committee we have had so much comity and we need that kind of comity here on the floor.

So let us stop this bickering, let us get on with this very simply resolution and pass it.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume to say that the piece that the gentleman from New York [Mr. SOLOMON] referred to when I said that the comity that used to exist in this party when the O'Neils, and the Michels, and the Fords were here is lacking now, and we need a taste tester when we go out to eat with people on the other side was, of course, done with tongue in cheek.

There is not a member of the Committee on Rules that I would not go out and eat with tomorrow, especially if Mr. SOLOMON, is picking up the tab.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR] the distinguished minority whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding me this time, and let me, for my friend from New York, put this into some different context as to why we are offering this amendment to the previous question.

We come down to this well, Members on both sides of the aisle, and we give impassioned speeches about human rights, about democracy. We talk about how our fathers and our forefathers fought, wore the uniform of this country, as the gentleman from New York did and as I did and as many of our colleagues did. We talk about the right to vote, the right to vote in an informed way.

And here we are, 39 days or so before the next election, and we have before us an issue in this body that looks like it will go unresolved, despite the fact that my friend from Florida, Mr. GOSS, in the report that the subcommittee put out just on Thursday, indicated that they will be concluded, according to the rules of the committee.

POINT OF ORDER

Mr. LINDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LINDER. The gentleman is referring to matters before the Committee on Standards of Official Conduct. He is ignoring the House rules one more time. At what point, Mr. Speaker, do we go back to regular order, to obeying the House rules so we can conduct our business?

The SPEAKER pro tempore. The Chair sustains the point of order and asks the gentleman in the well to——

Mr. BONIOR. Mr. Speaker, I want to speak to that point of order.

The SPEAKER pro tempore. The Chair will hear the gentleman.

Mr. BONIOR. Mr. Speaker, I did not interrupt the gentleman from Florida [Mr. GOSS] when he made point of order reference to the work that he was doing in the subcommittee, because I thought it was important for this body to hear.

I merely cite point of order citation of the report that they made Thursday to make this point: And that is that the people of the sixth district of Georgia have a right to know what this body and what the outside counsel will determine on a candidate who is running for office in that district. And it is wrong for this body and this institution to adjourn and to give the authority to adjourn to the person whose case is before this body.

POINT OF ORDER

Mr. LINDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The Chair sustains the gentleman's point of order against the gentleman from Michigan's remarks. The time of the gentleman has expired.

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

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to call on all of my colleagues, Democrats and Republicans, to defeat the previous question and to uphold the recommendation of the bipartisan Committee on Standards of Official Conduct.

Earlier this week the investigative subcommittee charged with investigating the serious allegations against Speaker GINGRICH issued an interim report.

POINT OF ORDER

Mr. LINDER. Mr. Speaker, point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. LINDER. Mr. Speaker, the gentleman is referring to matters before the Committee on Standards of Official Conduct, which is explicitly forbidden by House rules.

The SPEAKER pro tempore. The Chair will sustain the gentleman's point of order. The gentleman in the well will proceed in order.

Mr. LEWIS of Georgia. Mr. Speaker, may I be heard on the point of order?

The SPEAKER pro tempore. The gentleman is recognized to speak on the point of order.

Mr. LEWIS of Georgia. Mr. Speaker, this is unbelievable. This is unreal. This is out of the ordinary. Why can a Member, all of the Members, not read from a report of a standing committee of this body?

The SPEAKER pro tempore. Does the gentleman wish to be heard further on the point of order?

Mr. LEWIS of Georgia. Mr. Speaker, I would like to continue, because I believe we have a mandate, a mission, and a moral obligation.

The SPEAKER pro tempore. The Chair has sustained the point of order, and the gentleman may proceed in order on his own time.

Mr. LEWIS of Georgia. The report was adopted unanimously and it was released——

POINT OF ORDER

Mr. LINDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman will state his point of order again.

Mr. LINDER. The gentleman is continuing to refer to matters in spite of recent admonitions by the Chair that he is not complying with the House rules. He continues to abuse the House rules referring to matters before the Committee on Standards of Official Conduct.

The SPEAKER pro tempore. The Chair sustains the point of order.

Mr. LEWIS of Georgia. I want to be heard, Mr. Speaker, on the point of order.

I said to the gentleman from Georgia, Mr. LINDER, before, and I say again, Mr. LINDER, I know the rules of the House, but I think there comes a time when an injustice is so great that one has to challenge even the rules.

Mr. MCINNIS. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend.

The Chair sustains the point of order and the gentleman will proceed in order.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I wish to speak on the point of order.

The SPEAKER pro tempore. The Chair has ruled. The gentleman may proceed in order.

Mr. LEWIS of Georgia. Mr. Speaker, let me quote from the interim report. The subcommittee is in the process of notifying Representative GINGRICH of these new areas of inquiry.

POINT OF ORDER

Mr. LINDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend in the well. The gentleman will state his point of order.

Mr. LINDER. Mr. Speaker, the gentleman is referring to matters before the Committee on Standards of Official Conduct one more time. This is the third or fourth admonition by the Chair. Apparently, he does not understand the rules. Would you please explain them one more time?

Ms. JACKSON-LEE of Texas. Mr. Speaker.

The SPEAKER pro tempore. The Chair will recognize the gentlewoman from Texas [Ms. JACKSON-LEE] briefly on the point of order.

Ms. JACKSON-LEE of Texas. Mr. Speaker, what I am having difficulty in understanding from the gentleman from Georgia, the document that the gentleman from Georgia in the well is speaking about is a public document, and I am trying to understand, Mr. Speaker, why there would be any ruling that would disagree with any Member being allowed to be in the well of the House speaking to a public document and requesting a procedural amendment while we are in the midst of discussing an adjournment resolution.

I believe that the gentleman is appropriate in his remarks.

The SPEAKER pro tempore. The Chair is prepared to rule. The Char will repeat the prior ruling. Matters pending before the Committee on Standards of Official Conduct regarding the official conduct of sitting Members may not be debated on the floor where there is not pending a question of the privileges of the House.

This has been the consistent ruling of the Chair in this and prior Congresses. The fact that the committee may have issued an interim status report does not justify such references in debate. This also includes references to proposed House action on scheduling of matters relating to the conduct of Members.

The gentleman may proceed in order.

PARLIAMENTARY INQUIRY

Mr. HEFNER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HEFNER. My parliamentary inquiry is this: Would it be appropriate at this time to challenge the ruling of the Chair on this procedure?

The SPEAKER pro tempore. It is the prerogative of any Member to appeal the ruling of the Chair.

Mr. HEFNER. I challenge the ruling of the Chair and call for a recorded vote.

The SPEAKER pro tempore. The Chair has ruled. The question is: Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE OFFERED BY MR. WALKER

Mr. WALKER. Mr. Speaker, I move to table the appeal from the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion to table the appeal.

Mr. VOLKMER. Mr. Speaker, is that motion at the desk? The motion is not at the desk and not timely.

Mr. WALKER. Mr. Speaker, the previous motion was not there.

Mr. VOLKMER. Mr. Speaker, the gentleman did not raise it. He is too late. That is dilatory.

Mr. MCINNIS. Regular order.

Mr. HEFNER. Mr. Speaker, parliamentary inquiry.

Mr. LINDER. Mr. Speaker, point of order.

The SPEAKER pro tempore. The gentleman will suspend. The Clerk will report the motion to table.

The Clerk read as follows:

Mr. WALKER moves to table the motion.

The SPEAKER pro tempore. The question is on the motion to table.

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

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

Mr. VOLKMER. Mr. Speaker, I withdraw my point of order.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. VOLKMER] withdraws his point of order.

The motion to table is agreed to.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. LEWIS] will proceed in order.

Mr. LEWIS of Georgia. Mr. Speaker, it is most unfortunate that the American public will not be able to see the outside counsel report before they cast their votes this November.

I have said it repeatedly over the past few weeks that the American people have the right to see that report and to judge for themselves the evidence gathered against the Speaker, NEWT GINGRICH.

POINT OF ORDER

Mr. LINDER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend. The gentleman will state his point of order.

Mr. LINDER. Mr. Speaker, I reassert my same point of order. The gentleman is referring to matters before the Committee on Standards of Official Conduct.

The SPEAKER pro tempore. Does the gentlewoman from Connecticut [Mrs. JOHNSON] wish to speak on the point of order?

Mrs. JOHNSON of Connecticut. Mr. Speaker, I wish to speak on the point of order.

I would like to remind the Members of this House on both sides of the aisle that rules adopted under the Democrats when they were in the majority, supported by Democrats and Republicans alike, govern the work of the Committee on Standards of Official Conduct and require that its work be made public.

And if the House will have the courage and the civility to let us complete our work, we will complete our work, the matter will be made public, and the Committee on Standards of Official Conduct will hold every Member of this House to those standards.

Mrs. SCHROEDER. Mr. Speaker.

The SPEAKER pro tempore. Does the gentlewoman from Colorado [Mrs. SCHROEDER] wish to speak on the point of order?

Mrs. SCHROEDER. Yes, Mr. Speaker, I would like to be heard on the point of order.

Mr. Speaker, the gentleman from Georgia is making a point that this Speaker has violated those bipartisan rules, or has been accused of that, and that we have been waiting for 2 years, 2 years for this committee to act.

Mr. SOLOMON. Regular order.

Mr. MCINNIS. Regular order.

Mr. LINDER. Regular order.

The SPEAKER pro tempore. The gentlewoman will suspend. The Chair is prepared to rule on the point of order.

The point of order of the gentleman from Georgia is sustained. The gentleman in the well from Georgia must proceed in order.

Mr. LEWIS of Georgia. Mr. Speaker, the bipartisan ethics committee has said it anticipates completing its work by the end of this Congress. We owe it to the American people to dispense with this issue and remove the dark

cloud hanging over this institution before the next Congress.

I urge all of my colleagues, Republicans and Democrats, just as the bipartisan Committee on Standards of Official Conduct did, to do the right thing. Let us return to the 105th Congress untainted by the charges of perjury, tax fraud, money laundering, lying to the Committee on Standards of Official Conduct.

POINT OF ORDER

Mr. LINDER. Point of order.

The SPEAKER pro tempore. The gentleman in the well will suspend.

Mr. LEWIS of Georgia. The American people deserve the right to know what is in this report.

The SPEAKER pro tempore. The gentleman in the well will suspend.

Mr. VOLKMER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. There is a point of order before the House. The gentleman will state his point of order.

Mr. LINDER. The gentleman in the well is making characterizations of allegations that are nowhere in any reports that anyone knows of. He is characterizing the Speaker and he is out of order.

Mr. VOLKMER. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The Chair sustains the point of order.

PARLIAMENTARY INQUIRY

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. VOLKMER. Mr. Speaker, do not the rules of the House require Members to have decorum and not to interrupt the speakers, as is being interrupted at this time; and is it not the prerogative of the Chair to make Members be quiet while a Member is speaking on the floor, that has the floor?

The SPEAKER pro tempore. The Chair will inform the gentleman from Missouri [Mr. VOLKMER] that points of order may be made at any time, may interrupt Members in debate.

Mr. VOLKMER. Mr. Speaker, that is not a point of order, to boo. Booing is not a point of order. That is what was going on, and the Chair did not take any action.

The SPEAKER pro tempore. The gentleman will suspend. The Chair was hearing a point of order at the same time there was a little chaotic action in the House, but there was a point of order before the House.

The gentleman in the well from Georgia must proceed in order.

□ 1745

Mr. LEWIS of Georgia. Mr. Speaker, let me close by saying, it is not easy to stand here, but there comes a time when we must stand up for what is right, for what is fair, for what is just. I love this institution, like all of my colleagues. This institution that we are elected to, we have an obligation, a mandate and a mission to remove this dark cloud hanging over this institution, and let us do the right thing and help remove it by releasing this report.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge a ''no'' vote on the previous question. If the previous question is defeated, I will offer an amendment to the rule. This provision would require that the 104th Congress be reconvened on the first Monday after the Special Counsel submits his report on the Speaker to the Investigative Subcommittee on the Committee on Standards of Official Conduct. This would ensure that Members of the 104th Congress have an opportunity to act upon the findings of this special investigation. I believe it is imperative that the House take this action now to guarantee we can consider the Special Counsel's report. Let me make it clear to my colleagues, both Democrats and Republicans, that defeating the previous question and adopting this amendment is the only way to guarantee that the 104th Congress will be able to act on this matter.

I include the text of this amendment for the RECORD at this point in the debate.

Vote ''no'' on the previous question.

At the end of the resolution add the following new section:

''Sec. 10. The House of Representatives shall reconvene on the first Monday after the submission of the Special Counsel's report on Speaker NEWT GINGRICH to the Investigative Subcommittee of the Committee on Standards of Official Conduct.''

Mr. Speaker, I include the following for the RECORD:

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive	N/A.
S. 2	Senate Compliance	N/A	Closed	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive	N/A.
H.R. 1530	National Defense Authorization Act; FY 1996	H. Res. 164	Restrictive	36R; 18D; 2 Bipartisan.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open	N/A.
H.R. 1977	Interior Appropriations	H. Res. 187	Open	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive	1D.
H.R. 2126	Defense Appropriations	H. Res. 205	Open	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive	2R/3D/3 Bipartisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive	2R/2D.
H.R. 743	The Teamwork for Employees and Managers Act of 1995	H. Res. 226	Open	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed	.....
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive	1D.
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive	1D.
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive	N/A.
H.R. 2491	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive	1D.
H. Con. Res. 109				
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive	N/A.
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed	N/A.
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive	5R.
H.R. 2539	ICC Termination	H. Res. 259	Open	.....
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed	N/A.
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed	2R.
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed	1D; 2R.
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed	N/A.
		PROCEDURE IN THE 104TH CONGRESS 2D SESSION		
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed	N/A.
H.J. Res. 134	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed	N/A.
H. Con. Res. 131				
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed	N/A.
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed	N/A.
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; Rule tabled	N/A.
H.R. 3021	To Guarantee the Continuing Full Investment of Social Security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule	N/A.
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed	N/A.
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed	N/A.
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed	N/A.
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive	N/A.
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive	1D.
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open	N/A.
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open	N/A.
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open	N/A.
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed	N/A.
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open	N/A.
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open	N/A.
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open	N/A.
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open	N/A.
H.R. 2406	The United States Housing Act of 1996	H. Res. 426	Open	N/A.
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open	N/A.
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive	1D; 1R.
H.R. 3230	Defense Authorization Bill FY 1997	H. Res. 430	Restrictive	41 amends; 20D; 17R; 4 bipartisan.
H.R. 3415	Repeal of the 4.3-Cent Increase in Transporation Fuel Taxes	H. Res. 436	Closed	N/A.
H.R. 3259	Intelligence Authorization Act for FY 1997	H. Res. 437	Restrictive	N/A.
H.R. 3144	The Defend America Act	H. Res. 438	Restrictive	1D.
H.R. 3448/H.R. 1227	The Small Business Job Protection Act of 1996, and The Employee Commuting Flexibility Act of 1996.	H. Res. 440	Restrictive	2R.
H.R. 3517	Military Construction Appropriations FY 1997	H. Res. 442	Open	N/A.
H.R. 3540	Foreign Operations Appropriations FY 1997	H. Res. 445	Open	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 3562	The Wisconsin Works Waiver Approval Act	H. Res. 446	Restrictive	N/A.
H.R. 2754	Shipbuilding Trade Agreement Act	H. Res. 448	Restrictive	1R.
H.R. 3603	Agriculture Appropriations FY 1997	H. Res. 451	Open	N/A.
H.R. 3610	Defense Appropriations FY 1997	H. Res. 453	Open	N/A.
H.R. 3662	Interior Appropriations FY 1997	H. Res. 455	Open	N/A.
H.R. 3666	VA/HUD Appropriations	H. Res. 456	Open	N/A.
H.R. 3675	Transportation Appropriations FY 1997	H. Res. 460	Open	N/A.
H.J. Res. 182/H.Res 461	Disapproving MFN Status for the Peoples Republic of China	H. Res. 463	Closed	N/A.
H. Con. Res. 192	Making in order a Concurrent Resolution Providing for the Adjournment of the House over the 4th of July district work period.	H. Res 465	Closed	N/A.
H.R. 3755	Labor/HHS Appropriations FY 1997	H. Res. 472	Open	N/A.
H.R. 3754	Legislative Branch Appropriations FY 1997	H. Res. 473	Restrictive	3D; 5R.
H.R. 3396	Defense of Marriage Act	H. Res. 474	Restrictive	2D.
H.R. 3756	Treasury, Postal Appropriations, FY 1997	H. Res. 475	Open	N/A.
H.R. 3814	Commerce, Justice, State Appropriations, FY 1997	H. Res. 479	Open	N/A.
H.R. 3820	Campaign Finance Reform Act of 1996	H. Res. 481	Restrictive	1D.
H.R. 3734	The Personal Responsibility Act of 1996	H. Res. 482	Restrictive	1D; 1R.
H.R. 3816	Energy and Water Appropriations, FY 1997	H. Res. 483	Open	N/A.
H.R. 2391	Working Families Flexibility Act of 1996	H. Res. 488	Restrictive	N/A.
H.R. 2823	The International Dolphin Conservation Program Act	H. Res. 489	Restrictive	1D.
H.R. 123	English as the Official Language	H. Res. 499	Restrictive	4D; 1R.
H.R. 3719	The Small Business Programs Improvement Act of 1996	H. Res. 516	Open	N/A.
H.R. 3308	United States Armed Forces Protection Act	H. Res. 517	Restrictive	1D; 1R; 1 Bipartisan.
H.R. 4134	Authorizing to deny public education benefits to certain aliens not lawfully present in the United States.	H. Res. 530	Closed	N/A.

*Contract Bills, 67% restrictive; 33% open. All legislation 1st Session, 53% restrictive; 47% open. *** All legislation 2d Session, 61% restrictive; 39% open. All legislation 104th Congress, 57% restrictive; 43% open. ***** NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. PQ Indicates that previous question was ordered on the resolution. Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE. Mr. Speaker, House Resolution 546 is noncontroversial in its form, for a number of minor housekeeping items, and I urge its adoption. Let us pass this final rule and bring us one step closer to finishing our work her in this Congress.

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

The SPEAKER pro tempore. (Mr. BURTON of Indiana). The question is on ordering the previous question.

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

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

N O T I C E

Incomplete record of House proceedings. Except for the following matter, today's House proceedings will be continued in the next issue of the Record.

CONFERENCE REPORT ON H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

Mr. LIVINGSTON submitted the following conference report and statement on the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–863)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3610) ''making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes,'' having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

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

DIVISION A

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the several departments, agencies, corporations and other organizational units of the Government for the fiscal year 1997, and for other purposes, namely:

TITLE I—OMNIBUS APPROPRIATIONS

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

AN ACT 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

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $75,773,000 of which not to exceed $3,317,000 is for the Facilities Program 2000, to remain available until expended: Provided, That not to exceed 43 permanent positions and 44 full-time equivalent workyears and $7,477,000 shall be expended for the Department Leadership Program exclusive of augmentation that occurred in these offices in fiscal year 1996: Provided further, That not to exceed 41 permanent positions and 48 full-time equivalent workyears and $4,660,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

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

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Attorney General, $9,450,000, to remain available until expended, to reimburse any Department of Justice organization for (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of the bombing of the Alfred P. Murrah Federal Building in Oklahoma City or any domestic or international terrorist incident, (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities, and (3) the costs of conducting a terrorism threat assessment of Federal agencies and their facilities: Provided, That funds provided under this heading shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

For an additional amount for necessary expenses, as determined by the Attorney General, $20,000,000, to remain available until expended,

to reimburse any Department of Justice organization for (1) the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident, or (2) the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

ADMINISTRATIVE REVIEW AND APPEALS

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

For an additional amount for security measures for the Executive Office of Immigration Review, $1,000,000: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget, and Emergency Deficit Control Act of 1985, as amended.

VIOLENT CRIME REDUCTION PROGRAMS, ADMINISTRATIVE REVIEW AND APPEALS

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

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $31,960,000; including not to exceed $10,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and for the acquisition, lease, maintenance, and operation of motor vehicles, without regard to the general purchase price limitation for the current fiscal year.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized by law, $4,845,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses, necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collection evidence, to be expended under the direction of, and to be accounted for solely under the certificate if, the Attorney General; and rent of private or Government-owned space in the District of Columbia; $420,793,000 of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended: Provided, That of the funds available in this appropriation, not to exceed $17,525,000 shall remain available until expended for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through ''Salaries and Expenses'', General Administration: Provided further, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses: Provided further, That notwithstanding 31 U.S.C. 1342, the Attorney General may accept on behalf of the United States, and credit to this appropriation, gifts of money, personal property and services, for the purposes of hosting the International Criminal Police Organization's (INTERPOL) American Regional Conference in the United States during fiscal year 1997: Provided, further, That not to exceed 8 permanent positions and 10 full-time equivalent workyears and $987,000 shall be expended for the Office of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details. temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986 as amended, not to exceed $4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

For an additional amount for expenses of the Criminal Division relating to terrorism, $1,719,000: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

VIOLENT CRIME REDUCTION PROGRAMS, GENERAL LEGAL ACTIVITIES

For the expeditious deportation of denied asylum applicants, as authorized by section 130005 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended, $7,750,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $76,447,000: Provided, That notwithstanding any other provision of law, not to exceed $58,905,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1997, so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $17,542,000: Provided further, That any fees received in excess of $58,905,000 in fiscal year 1997, shall remain available until expended, but shall not be available for obligation until October 1, 1997.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Office of the United States Attorneys, including intergovernmental agreements, $923,340,000, of which not to exceed $2,500,000 shall be available until September 30, 1998, for the purposes of (1) providing training of personnel of the Department of Justice in debt collection, (2) providing services to the Department of Justice related to locating debtors and their property, such as title searches, debtor skiptracing, asset searches, credit reports and other investigations, (3) paying the costs of the Department of Justice for the sale of property not covered by the sale proceeds, such as auctioneers' fees and expenses, maintenance and protection of property and businesses, advertising and title search and surveying costs, and (4) paying the costs of processing and tracking debts owed to the United States Government: Provided, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $10,000,000 of those funds available for automated litigation support contracts shall remain available until expended: Provided further, That $1,900,000 for supervision of the International Brotherhood of Teamsters national election, shall remain available until expended: Provided further, That in addition to reimbursable full-time equivalent workyears available to the Office of the United States Attorneys, not to exceed 8,652 positions and 8,936 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Attorneys.

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

VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES ATTORNEYS

For activities authorized by sections 40114, 130005, 190001(b), 190001(d) and 250005 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended, and section 815 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), $43,876,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $28,602,000 shall be available to help meet the increased demands for litigation and related activities, $4,641,000 for Southwest Border Control, $1,000,000 for Federal victim counselors, and $9,633,000 for expeditious deportation of denied asylum applicants.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized by 28 U.S.C. 589a(a), $107,950,000, to remain available until expended and to be derived from the United States Trustee System Fund: Provided, That notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: Provided further, That notwithstanding any other provision of law, $107,950,000 of offsetting collections derived from fees collected pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: Provided further, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 1997, so as to result in a final fiscal year 1997 appropriation from the Fund estimated at $0: Provided further, That any such fees collected in excess of $107,950,000 in fiscal year 1997 shall remain available until expended but shall not be available for obligation until October 1, 1997.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

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

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including the acquisition, lease, maintenance, and operation of vehicles and aircraft, and the purchase of passenger motor vehicles for police-type use, without regard to the general purchase price limitation for the current fiscal year, $457,495,000, as authorized by 28 U.S.C. 561(i); of which not to exceed $6,000 shall be available for official reception and representation expenses; and of which not to exceed $4,000,000 for development, implementation, maintenance and support, and training for an automated prisoner information system, and $2,200,000 to support the Justice Prisoner and Alien Transportation System, shall remain available until expended: Provided, That, with respect to the amounts appropriated above, the service of maintaining and transporting State, local, or territorial prisoners shall be considered a specialized or technical service for purposes of 31 U.S.C. 6505, and any prisoners so transported shall be considered persons (transported for other than commercial purposes) whose presence is associated with the performance of a governmental function for purposes of 49 U.S.C. 40102: Provided further, That not to exceed 12 permanent positions and 12 full-time equivalent

workyears and $700,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES MARSHALS SERVICE

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

FEDERAL PRISONER DETENTION

For expenses, related to United States prisoners in the custody of the United States Marshals Service as authorized in 18 U.S.C. 4013, but not including expenses otherwise provided for in appropriations available to the Attorney General, $405,262,000, as authorized by 28 U.S.C. 561(i), to remain available until expended: Provided, That this appropriation hereafter shall not be available for expenses authorized under 18 U.S.C. 4013(a)(4).

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances, $100,702,000, to remain available until expended; of which not to exceed $4,750,000 may be made available for planning, construction, renovations, maintenance, remodeling, and repair of buildings, and the purchase of equipment incident thereto, for protected witness safesites; of which not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses; and of which not to exceed $4,000,000 may be made available for the purchase, installation and maintenance of a secure, automated information network to store and retrieve the identities and locations of protected witnesses.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $5,319,000: Provided, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict prevention and resolution activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to this paragraph shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ASSETS FORFEITURE FUND

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

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act, $2,000,000.

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND

For payments to the Radiation Exposure Compensation Trust Fund, $13,736,000, not to be available for obligation until September 30, 1997.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking not otherwise provided for, to include intergovernmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $359,430,000, of which $50,000,000 shall remain available until expended: Provided, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: Provided further, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Attorney General for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures described in section 605 of this Act.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 2,706 passenger motor vehicles, of which 1,945 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance, and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General: $2,451,361,000, of which not to exceed $50,000,000 for automated data processing and telecommunications and technical investigative equipment and $1,000,000 for undercover operations shall remain available until September 30, 1998; of which not less than $147,081,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security; of which not to exceed $98,400,000 shall remain available until expended; and of which not to exceed $10,000,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations; and of which $1,500,000 shall be available to maintain an independent program office dedicated solely to the relocation of the Criminal Justice Information Services Division and the automation of fingerprint identification services: Provided, That not to exceed $45,000 shall be available for official reception and representation expenses: Provided further, That not to exceed 81 permanent positions and 85 full-time equivalent workyears and $5,959,000 shall be expended for the Office of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

For an additional amount for necessary expenses of the Federal Bureau of Investigation to prevent and investigate terrorism activities and incidents; provide for additional agents and support staff; protect key physical assets; establish a capability for chemical, biological and nuclear research; improve domestic intelligence; and improve security at Federal Bureau of Investigation offices, $115,610,000, as authorized by the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104–132): Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) as amended (''the 1994 Act''), and the Antiterrorism and Effective Death Penalty Act of 1996 (''the Antiterrorism Act''), $169,000,000, to remain available until expended, which shall derived from the Violent Crime Reduction Trust Fund; of which $76,356,000 shall be for activities authorized by section 190001(c) of the 1994 Act and section 811 of the Antiterrorism Act; $53,404,000 shall be for activities authorized by section 190001(b) of the 1994 Act, of which $20,240,000 shall be for activities authorized by section 103 of the Brady Handgun Violence Prevention Act (Public Law 103–159), as amended; $4,000,000 shall be for training and investigative assistance authorized by section 210501 of the 1994 Act; $9,500,000 shall be for grants to States, as authorized by section 811(b) of the Antiterrorism Act; and $5,500,000 shall be for establishing DNA quality-assurance and proficiency-testing standards, establishing an index to facilitate law enforcement exchange of DNA identification information, and related activities authorized by section 210501 of the 1994 Act.

TELECOMMUNICATIONS CARRIER COMPLIANCE FUND

For necessary expenses, as determined by the Attorney General, $60,000,000, to remain available until expended, to be deposited in the Telecommunications Carrier Compliance Fund for making payments to telecommunications carriers, equipment manufacturers, and providers of telecommunications support services pursuant to section 110 of this Act: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount not previously designated by the President as an emergency requirement shall be available only to the extent an official budget request, for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement, as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; $41,639,000, to remain available until expended.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; purchase of not to exceed 1,158 passenger motor vehicles, of which 1,032 will be for replacement only, for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $745,388,000, of which not to exceed $1,800,000 for research and $15,000,000 for transfer to the Drug Diversion Control Fee Account for operating expenses shall remain available until expended, and of which not to exceed $4,000,000 for purchase of evidence and payments for information, not to exceed $4,000,000

for contracting for automated data processing and telecommunications equipment, and not to exceed $2,000,000 for laboratory equipment, $4,000,000 for technical equipment, and $2,000,000 for aircraft replacement retrofit and parts, shall remain available until September 30, 1998; and of which not to exceed $50,000 shall be available for official reception and representation expenses: Provided, That not to exceed 25 permanent positions and 25 full-time equivalent workyears and $1,828,000 shall be expended for the Office of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

For an additional amount for security measures for domestic and foreign Drug Enforcement Administration offices, $5,000,000: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by sections 180104 and 190001(b) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended, and section 814 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), and for the purchase of passenger motor vehicles for police-type use, as otherwise authorized in this title, $220,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects; $30,806,000, to remain available until expended.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and allien registration, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; purchase for police type use (not to exceed 2,691, of which 1,711 are for replacement only), without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; $1,590,159,00 of which not to exceed $400,000 for research shall remain available until expended; and of which not to exceed $10,000,000 shall be available for costs associated with the training program for basic officer training, and $5,000,000 is for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration: Provided, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of $30,000 during the calendar year beginning January 1, 1997: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That not to exceed $5,000 shall be available for official reception and representation expenses: Provided further; That none of the funds provided in this or any other Act shall be used for the continued operation of the San Clemente and Temecula checkpoints unless the cheek points are open and traffic is being checked one continuous 24-hour basis: Provided further, That the Land Border Fee Pilot Project scheduled to end September 30, 1996, is extended to September 30, 1999 for projects on both the northern and southern borders of the United States, except that no pilot program may implement a universal land border crossing toll: Provided further, That obligated and unobligated balances available to ''Salaries and Expenses, Community Relations Service'' under section 501(c) of the Refugee Education Assistance Act of 1980 are transferred to this account and shall remain available until expended: Provided further, That not to exceed 48 permanent positions and 48 full-time equivalent workyears and $4,628,000 shall be expended for the Office of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

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

VIOLENT CRIME REDUCTION PROGRAMS

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

CONSTRUCTION

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

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 836, of which 572 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments; $2,768,316,000: Provided, That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: Provided further, That the Director of the Federal Prison System (FPS), where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of the FPS, furnish health services to individuals committed to the custody of the FPS: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That not to exceed $6,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $90,000,000 for the activation of new facilities shall remain available until September 30, 1998: Provided further, That of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, as amended, for the care and security in the United States of Cuban and Haitian entrants: Provided further, That notwithstanding section 4(d) of the Service Contract Act of 1965 (41 U.S.C. 353(d)), FPS may enter into contracts and other agreements with private entities for periods of not to exceed 3 years and 7 additional option years for the confinement of Federal prisoners: Provided further, That the National Institute of Corrections hereafter shall be included in the FPS Salaries and Expenses budget, in the Contract Confinement program and shall continue to perform its current functions under 18 U.S.C. 4351, et seq., with the exception of its grant program and shall collect reimbursement for services whenever possible: Provided further, That any unexpended balances available to the ''National Institute of Corrections'' account shall be credited to and merged with this appropriation, to remain available until expended.

VIOLENT CRIME REDUCTION PROGRAMS

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

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; leasing the Oklahoma City Airport Trust Facility; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account; $395,700,000, to remain available until expended, of which not to exceed $14,074,000 shall be available able to construct areas for inmate work programs: Provided, That labor of United States prisoners may be used for work performed under this appropriation: Provided further, That not to exceed 10 percent of the funds appropriated to ''Buildings and Facilities'' in this Act or any other Act may be transferred to ''Salaries and Expenses'', Federal Prison System, upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act: Provided further, That of the total amount appropriated, not to exceed $36,570,000 shall be available for the renovation and construction of United States Marshals Service prisoner-holding facilities.

FEDERAL PRISON INDUSTRIES, INCORPORATED

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

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $3,042,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, and the Missing Children's Assistance Act, as amended, including salaries and expenses in connection therewith, and with the Victims of Crime Act of 1984, as amended, $101,429,000, to remain available until expended, as authorized by section 1001 of title I of the Omnibus Crime Control and Safe Streets Act, as amended by Public Law 102–534 (106 Stat. 3524).

For an additional amount, $17,000,000, to remain available until expended; of which $5,000,000 shall be for Local Firefighter and Emergency Services Training Grants as authorized by section 819 of the Antiterrorism and Effective Death Penalty Act of 1996 (''the Antiterrorism Act''); of which $10,000,000 shall be for development of counterterrorism technologies to help State and local law enforcement combat terrorism, as authorized by section 821 of the Antiterrorism Act; of which $2,000,000 shall be for specialized multi-agency response training: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount not previously designated by the President as an emergency requirement shall be available only to the extent an official budget request, for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement, as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, for State and Local Narcotics Control and Justice Assistance Improvements, notwithstanding the provisions of section 511 of said Act, $361,000,000, to remain available until expended, as authorized by section 1001 of title I of said Act, as amended by Public Law 102–534 (106 Stat. 3524), of which $60,000,000 shall be available to carry out the provisions of chapter A of subpart 2 of part E of title I of said Act, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs.

VIOLENT CRIME REDUCTION PROGRAMS, STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance (including amounts for administrative costs for management and administration, which amounts shall be transferred to and merged with the ''Justice Assistance'' account) authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended (''the 1994 Act''); the Omnibus Crime Control and Safe Streets Act of 1968, as amended (''the 1968 Act'') and the Victims of Child Abuse Act of 1990, as amended (''the 1990 Act'') $2,036,150,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, of which $523,000,000 shall be for Local Law Enforcement Block Grants, pursuant to H.R. 728 as passed by the House of Representatives of February 14, 1995, except that for purposes of this Act, the Commonwealth of Puerto Rico shall be considered a ''unit of local government'' as well as a ''State'', for the purposes set forth in paragraphs (A), (B), (D), (F), and (I) of section 101(a)(2) of H.R. 728 and for establishing crime prevention programs involving cooperation between community residents and law enforcement personnel in order to control, detect, or investigate crime or the prosecution of criminals: Provided, That no funds provided under this heading may be used as matching funds for any other Federal grant program: Provided further, That $20,000,000 of this amount shall be for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement: Provided further, That funds may also be used to defray the costs of indemnification insurance for law enforcement officers; of which $50,000,000 shall be for grants to upgrade criminal records, as authorized by section 106(b) of the Brady Handgun Violence Prevention Act of 1993, as amended, and section 4(b) of the National Child Protection Act of 1993; of which $199,000,000 shall be available as authorized by section 1001 of title I of the 19678 Act, to carry out the provisions of subpart 1, part E of title I of the 1968 Act, notwithstanding section 511 of said Act, for the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs; of which $440,000,000 shall be for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act, as amended; of which $670,000,000 shall be for Violent Offender Incarceration and Truth in Sentencing Incentive Grants pursuant to subtitle A of title II of the 1994 Act, of which $170,000,000 shall be available for payments to States for incarceration of criminal aliens, and of which $12,500,000 shall be available for the Cooperative Agreement Program: Provided further, that funds made available for Violent Offender Incarceration and Truth in Sentencing Incentive Grants to the State of California may, at the discretion of the recipient, be used for payments for the incarceration of criminal aliens: Provided further, That beginning in fiscal year 1999, and thereafter, no funds shall be available to make grants to a State pursuant to section 20103 or section 20104 of the Violent Crime Control and Law Enforcement Act of 1994 unless no later than September 1, 1998, such State has implemented a program of controlled substance testing and intervention for appropriate categories of convicted offenders during periods of incarceration and criminal justice supervision, with sanctions including denial or revocation of release for positive controlled substance tests, consistent with guidelines issued by the Attorney General; of which $6,000,000 shall be for the Court Appointed Special Advocate Program, as authorized by section 218 of the 1990 Act; of which $1,000,000 shall be for Child Abuse Training Programs for Judicial Personnel and Practitioners, as authorized by section 224 of the 1990 Act; of which $145,000,000 shall be for Grants to Combat Violence Against Women, to States, units of local government, and Indian tribal governments, as authorize by section 1001(a)(18) of the 1968 Act; of which $33,000,000 shall be for Grants to Encourage Arrest Policies to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(19) of the 1968 Act; of which $8,000,000 shall be for Rural Domestic Violence and Child Abuse Enforcement Assistance Grants, as authorized by section 40295 of the 1994 Act; of which $1,000,000 shall be for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the 1994 Act; of which $1,750,000 shall be for national stalker and domestic violence reduction, as authorized by section 40603 of the 1994 Act; of which $30,000,000 shall be for grants for residential substance abuse treatment for State prisoners as authorized by section 1001(a)(17) of the 1968 Act; of which $3,000,000 shall be for grants to States and units of local government for projects to improve DNA analysis, as authorized by section 1001(a)(22) of the 1968 Act; of which $900,000 shall be for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 24001(c) of the 1994 Act; of which $750,000 shall be for Motor Vehicle Theft Prevention Programs, as authorized by section 220002(h) of the 1994 Act; of which $200,000 shall be for a National Baseline Study on Campus Sexual Assault, as authorized by section 40506(e) of the 1994 Act; of which $30,000,000 shall be for Drug Courts, as authorized by title V of the 1994 Act; of which $1,000,000 shall be for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act; and of which $2,000,000 shall be for public awareness programs addressing marketing scams aimed at senior citizens, as authorized by section 250005(3) of the 1994 Act: Provided further, That funds made available in fiscal year 1997 under subpart 1 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions and for drug testing initiatives: Provided further, That any 1996 balances for these programs shall be transferred to and merged with this appropriation: Provided further, That if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement ''Weed and Seed'' program activities, $28,500,000, which shall be derived from discretionary grants provided under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, to remain available until expended for intergovernmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies engaged in the investigation and prosecution of violent crimes and drug offenses in ''Weed and Seed'' designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the ''Weed and Seed'' program strategy: Provided, That funds designated by Congress through language for other Department of Justice appropriation accounts for ''Weed and Seed'' program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: Provided further, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of ''Weed and Seed'' program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

COMMUNITY ORIENTED POLICING SERVICES

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 (''the 1994 Act'') (including administrative costs), $1,400,000,000, to remain available until expended, which shall be derived from Violent Crime Reduction Trust Fund, for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act: Provided, That not to exceed 186 permanent positions and 174 full-time equivalent workyears and

$19,800,000 shall be expended for program management and administration.

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

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, $170,000,000, to remain available until expended, as authorized by section 299 of part I of title II and section 506 of title V of the Act, as amended by Public Law 102–586, of which (1) notwithstanding any other provision of law, $5,000,000 shall be available for expenses authorized by part A of title II of the Act, $86,500,000 shall be available for expenses authorized by part B of title II of the Act, and $29,500,000 shall be available for expenses authorized by part C of title II of the Act: Provided, That $16,500,000 of the amounts provided for part B of title II of the Act, as amended, is for the purpose of providing additional formula grants under part B, for innovative local law enforcement and community policing programs, to States that provide assurances to the Administrator that the State has in effect (or will have in effect no later than 1 year after date of application) policies and programs, that ensure that juveniles are subject to accountability-based sanctions for every act for which they are adjudicated delinquent; (2) $12,000,000 shall be available for expenses authorized by sections 281 and 282 of part D of title II of the Act for prevention and treatment programs relating to juvenile gangs; (3) $10,000,000 shall be available for expenses authorized by section 285 of part E of title II of the Act; (4) $7,000,000 shall be available for expenses authorized by part G of title II of the Act for juvenile mentoring programs; and (5) $20,000,000 shall be available for expenses authorized by title V of the Act for incentive grants for local delinquency prevention programs: Provided, That upon the enactment of reauthorization legislation for Juvenile Justice Programs under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, funding provided in this Act shall from that date be subject to the provisions of that legislation and any provisions in this Act that are inconsistent with that legislation shall no longer have effect.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by the Victims of Child Abuse Act of 1990, as amended, $4,500,000, to remain available until expended, as authorized by sections 214B of the Act.

PUBLIC SAFETY OFFICERS BENEFITS

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

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 101. In addition to amounts otherwise made available in this title for official reception and representation expenses, a total of not to exceed $45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 102. Authorities contained in the Department of Justice Appropriation Authorization Act, Fiscal Year 1980 (Pub. L. 96–132, 93 Stat. 1040 (1979)), as amended, shall remain in effect until the termination date of this Act or until the effective date of a department of Justice Appropriation Act, whichever is earlier.

SEC. 103. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: Provided, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

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

SEC. 105. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: Provided, That nothing in this section in any way diminishes the effect of section 104 intended to address the philosophical beliefs of individual employees of the bureau of Prisons.

SEC. 106. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which a publicly-advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: Provided, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated.

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

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

SEC. 109. (a) Section 1930(a) of title 28, United States Code, is amended in paragraph (3), by inserting ''$'' before ''800'', and in paragraph (6), by striking everything after ''total less than $15,000;'' and inserting in lieu thereof: ''$500 for each quarter in which disbursements total $15,000 or more but less than $75,000; $750 for each quarter in which disbursements total $75,000 or more but less than $150,000; $1,250 for each quarter in which disbursements total $150,000 or more but less than $225,000; $1,500 for each quarter in which disbursements total $225,000 or more but less than $300,000; $3,750 for each quarter in which disbursements total $300,000 or more but less than $1,000,000; $5,000 for each quarter in which disbursements total $1,000,000 or more but less than $2,000,000; $7,500 for each quarter in which disbursements total $2,000,000 or more but less than $3,000,000; $8,000 for each quarter in which disbursements total $3,000,000 or more but less than $5,000,000; $10,000 for each quarter in which disbursements total $5,000,000 or more. The fee shall be payable on the last day of the calendar month following the calendar quarter for which the fee is owed.''.

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

''§589a. United States Trustee System Fund

''(a) There is hereby established in the Treasury of the United States a special fund to be known as the 'United States Trustee System Fund' (hereinafter in this section referred to as the 'Fund'). Monies in the Fund shall be available to the Attorney General without fiscal year limitation in such amounts as may be specified in appropriations Acts for the following purposes in connection with the operations of United States trustees—

''(1) salaries and related employee benefits;

''(2) travel and transportation;

''(3) rental of space;

''(4) communication, utilities, and miscellaneous computer charges;

''(5) security investigations and audits;

''(6) supplies, books, and other materials for legal research;

''(7) furniture and equipment;

''(8) miscellaneous services, including those obtained by contract; and

''(9) printing.

''(b) For the purpose of recovering the cost of services of the United States Trustee System, there shall be deposited as offsetting collections to the appropriation 'United States Trustee System Fund', to remain available until expended, the following—

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

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

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

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

''(5) 100 percent of the fees collected under section 1930(a)(6) of this title;

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

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

''(8) excess fees collected under section 586(e)(2) of this title.

''(c) Amounts in the Fund which are not currently needed for the purposes specified in subsection (a) shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

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

''(e) There are authorized to be appropriated to the Fund for any fiscal year such sums as may be necessary to supplement amounts deposited under subsection (b) for the purposes specified in subsection (a).''.

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

(d) Section 101(a) of Public Law 104–91, as amended by section 211 of Public Law 104–99 is further amended by inserting '': Provided further, That, notwithstanding any other provision of law, the fees under 28 U.S.C. 1930(a)(6) shall accrue and be payable from and after January 27, 1996, in all cases (including, without limitation, any cases pending as of that date), regardless of confirmation status of their plans'' after ''enacted into law''.

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

''TITLE IV—TELECOMMUNICATIONS CARRIER COMPLIANCE PAYMENTS

''SEC. 401. DEPARTMENT OF JUSTICE TELECOMMUNICATIONS CARRIER COMPLIANCE FUND.

''(a) ESTABLISHMENT OF FUND.—There is hereby established in the United States Treasury a fund to be known as the Department of Justice Telecommunications Carrier Compliance Fund (hereafter referred to as 'the Fund'), which shall be available without fiscal year limitation to the Attorney General for making payments to

telecommunications carriers, equipment manufacturers, and providers of telecommunications support services pursuant to section 109 of this Act.

''(b) DEPOSITS TO THE FUND.—Notwithstanding any other provision of law, any agency of the United States with law enforcement or intelligence responsibilities may deposit as offsetting collections to the Fund any unobligated balances that are available until expended, upon compliance with any Congressional notification requirements for reprogramming of funds applicable to the appropriation from which the deposit is to be made.

''(c) TERMINATION.—

''(1) The Attorney General may terminate the Fund at such time as the Attorney General determines that the Fund is no longer necessary.

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

''(3) A decision of the Attorney General to terminate the Fund shall not be subject to judicial review.

''(d) AVAILABILITY OF FUNDS FOR EXPENDITURE.—Funds shall not be available for obligation unless an implementation plan as set forth in subsection (e) is submitted to each member of the Committees on the Judiciary and Appropriations of both the House of Representatives and the Senate and the Congress does not by law block or prevent the obligation of such funds. Such funds shall be treated as a reprogramming of funds under section 605 of the Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1997, and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section and this section.

''(e) IMPLEMENTATION PLAN.—The implementation plan shall include:

''(1) the law enforcement assistance capability requirements and an explanation of law enforcement's recommended interface;

''(2) the proposed actual and maximum capacity requirements for the number of simultaneous law enforcement communications intercepts, pen registers, and trap and trace devices that authorized law enforcement agencies may seek to conduct, set forth on a county-by-county basis for wireline services and on a market service area basis for wireless services, and the historical baseline of electronic surveillance activity upon which such capacity requirements are based;

''(3) a prioritized list of carrier equipment, facilities, and services deployed on or before January 1, 1995, to be modified by carriers at the request of law enforcement based on its investigative needs;

''(4) a projected reimbursement plan that estimates the cost for the coming fiscal year and for each fiscal year thereafter, based on the prioritization of law enforcement needs as outlined in (3), of modification by carriers of equipment, facilities and services, installed on or before January 1, 1995.

''(f) ANNUAL REPORT TO THE CONGRESS.—The Attorney General shall submit to the Congress each year a report specifically detailing all deposits and expenditures made pursuant to this Act in each fiscal year. This report shall be submitted to each member of the Committees on the Judiciary and Appropriations of both the House of Representatives and the Senate, and to the Speaker and minority leader of the House of Representatives and to the majority and minority leaders of the Senate, no later than 60 days after the end of each fiscal year.''.

SEC. 111. It is the sense of the Congress that the Drug Enforcement Administration, together with other appropriate Federal agencies, should take such actions as may be necessary to end the illegal importation into the United States of Rohypnol (Flunitrazepam), a drug frequently distributed with the intent to facilitate sexual assault and rape.

SEC. 112. Section 1402 of the Victims of Crime Act of 1984, as amended (42 U.S.C. 10601), is amended at subsection (e) by deleting ''2'' and inserting ''3'', and at subsection (d) by adding a new paragraph (5) as follows:

''(5) The Director may set aside up to $500,000 of the reserve fund described in paragraph (4) to maker supplemental grants to United States Attorneys Offices to provide necessary assistance to victims of the bombing of the Alfred P. Murrah Federal Building in Oklahoma City, to facilitate observation of and/or participation by such victims in trial proceedings arising therefrom, including, without limitation, provision of lodging and travel assistance, and to pay such other, related expenses determined to be necessary by the Director.''.

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

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

''(3) NEW PREVENTION TECHNOLOGIES.—In addition to the study of taggants as provided herein, the Secretary, in consultation with the Attorney General, shall concurrently report to the Congress on the possible use, and exploitation of technologies such as vapor detection devices, computed tomography, nuclear quadropole resonance, thermal neutron analysis, pulsed fast-neutron analysis, and other technologies upon which recommendations to the Congress may be made for further study, funding, and use of the same in preventing and solving acts of terrorism involving explosive devices.''; and

(2) by adding at the end the following new subsection:

''(f) SPECIAL STUDY.—

''(1) IN GENERAL.—Notwithstanding subsection (a), the Secretary of the Treasury shall enter into a contract with the National Academy of Sciences (referred to in this section as the 'Academy') to conduct a study of the tagging of smokeless and black powder by any viable technology for purposes of detection and identification. The study shall be conducted by an independent panel of 5 experts appointed by the Academy.

''(2) STUDY ELEMENTS.—The study conducted under this subsection shall—

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

''(i) will pose a risk to human life or safety;

''(ii) will substantially assist law enforcement officers in their investigative efforts;

''(iii) will impair the quality and performance of the powders (which shall include a broad and comprehensive sampling of all available powders) for their intended lawful use, including, but not limited to the sporting, defense, and handloading uses of the powders, as well as their use in display and lawful consumer pyrotechnics;

''(iv) will have a substantially adverse effect on the environment;

''(v) will incur costs which outweigh the benefits of their inclusion, including an evaluation of the probable production and regulatory cost of compliance to the industry, and the costs and effects on consumers, including the effect on the demand for ammunition; and

''(vi) can be evaded, and with what degree of difficulty, by terrorists or terrorist organizations, including evading tracer elements by the use of precursor chemicals to make black or other powders; and

''(B) provide for consultation on the study with Federal, State, and local officials, nongovernmental organizations, including all national police organizations, national sporting organizations, and national industry associations with expertise in this area and such other individuals as shall be deemed necessary.

''(3) REPORT AND COSTS.—The study conducted under this subsection shall be presented to Congress 12 months after the enactment of this subsection and be made available to the public, including any data tapes or data used to form such recommendations. There are authorized to be appropriated such sums as may be necessary to carry out the study.''.

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

(b) Section 524 (c)(8)(A) is amended by deleting ''(C),''.

SEC. 115. Effective with the enactment of this Act and in any fiscal year hereafter, under policies established by the Attorney General, the Department of Justice may reimburse employees who are paid by an appropriation account within the Department of Justice and are traveling on behalf of the United States in temporary duty status to investigate, prosecute, or litigate (including the provision of support therefor) a criminal or civil matter, or for other similar special circumstances, for Federal, State, and local taxes heretofore and hereafter resulting from any reimbursement of travel expenses from an appropriation account within the Department of Justice: Provided, That such reimbursement may include an amount equal to all income taxes for which the employee would be liable due to such reimbursement.

SEC. 116. Section 524 of the title 28, United States Code, is amended by adding a new subsection (d) as follows:

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

''(2) Gifts, devises, and bequests of money, the proceeds of sale or liquidation of any other property accepted hereunder, and any income accruing from any property accepted hereunder—

''(A) shall be deposited in the Treasury in a separate fund and held in trust by the Secretary of the Treasury for the benefit of the Department of Justice; and

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

''(3) Upon request of the Attorney General, the Secretary of the Treasury may invest and reinvest the fund described herein in public debt securities with maturities suitable for the needs of the fund and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States or comparable maturities.

''(4) Evidences of any intangible personal property (other than money) accepted hereunder shall be deposited with the Secretary of the Treasury, who may hold or liquidate them, except that they shall be liquidated upon the request of the Attorney General.

''(5) For purposes of federal income, estate, and gift taxes, property accepted hereunder shall be considered a gift, devise, or bequest to, or for the use of, the United States.''.

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

''(9)(A) Following the completion of procedures for the forfeiture of property pursuant to any law enforced or administered by the Department, the Attorney General is authorized, in her discretion, to warrant clear title to any subsequent purchaser or transferee of such property.

''(B) For fiscal year 1997, the Attorney General is authorized to transfer, under such terms and conditions as the Attorney General shall specify, real or personal property of limited or marginal value, to a State or local government agency, or its designated contractor or transferee, for use to support drug abuse treatment, drug and crime prevention and education, housing, job skills, and other community-based public health and safety programs. Such transfer shall not create or confer any private right of action in any person against the United States.''.

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

(a) striking ''by 6 months'' and inserting ''for successive 6-month periods''; and

(b) striking the phrase ''employee assigned duties under subsection (l)(1)(A)(iii) certifies'' and inserting ''independent counsel and the division of the court certify''; and

(c) striking ''such employee'' and inserting ''the independent counsel'' and ''the division of the court''.

SEC. 119. This section may be cited as the ''Age Discrimination in Employment Amendments of 1996''.

Subsection 1. Age Discrimination Amendment

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

(b) EXEMPTION.—Section 4(j) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623(j)), as in effect immediately before December 31, 1993—

(1) is reenacted as such section; and

(2) as so reenacted, is amended in paragraph (1) by striking ''and the individual has attained the age'' and all that follows through ''1983, and'' and inserting the following: '', the employer has complied with section 3(d)(2) of the Age Discrimination in Employment Amendments of 1996 if the individual was discharged after the date described in such section, and the individual has attained—

''(A) the age of hiring or retirement, respectively, in effect under applicable State or local law on March 3, 1983; or

''(B)(i) if the individual was not hired, the age of hiring in effect on the date of such failure or refusal to hire under applicable State or local law enacted after the date of enactment of the Age Discrimination in Employment Amendments of 1996; or

''(ii) if applicable State or local law was enacted after the date of enactment of the Age Discrimination in Employment Amendments of 1996 and the individual was discharged, the higher of—

''(I) the age of retirement in effect on the date of such discharge under such law; and

''(II) age 55; and''.

(c) CONSTRUCTION.—Nothing in the repeal, reenactment, and amendment made by subsections (a) and (b) shall be construed to make lawful the failure or refusal to hire, or the discharge of, an individual pursuant to a law that—

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

(2) lowered the age of hiring or retirement, respectively, for firefighters or law enforcement officers that was in effect under applicable State or local law on March 3, 1983.

Subsection 2. Study and Guidelines for Performance Tests

(a) STUDY.—Not later than 3 years after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Director of the National Institute for Occupational Safety and Health (referred to in this section as the ''Secretary''), shall conduct, directly or by contract, a study, and shall submit to the appropriate committees of Congress a report based on the results of the study that shall include—

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

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

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

(4) a description of the alternative methods that are available for determining minimally acceptable performance standards on the tests;

(5) a description of the administrative standards that should be met in the administration, scoring, and score interpretation of the tests; and

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

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

(1) CONSULTATION.—The Secretary shall, during the conduct of the study required by subsection (a), consult with—

(A) the Deputy Administration of the United States Fire Administration:

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

(C) organizations that represent law enforcement officers, firefighters, and employers of the officers and firefighters; and

(D) organizations that represent older individuals.

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

(c) ADVISORY GUIDELINES.—Not later than 4 years after the date of enactment of this Act, the Secretary shall develop and issue, based on the results of the study required by subsection (a), advisory guidelines for the administration and use of physical and mental fitness tests to measure the ability and competency of law enforcement officers and firefighters to perform the requirements of the jobs of the officers and firefighters.

(d) JOB PERFORMANCE TESTS.—

(1) IDENTIFICATION OF TESTS.—After issuance of the advisory guidelines described in subsection (e), the Secretary shall issue regulations identifying valid, nondiscriminatory job performance tests that shall be used by employers seeking the exemption described in section 4(j) of the Age Discrimination in Employment Act of 1967 with respect to firefighters or law enforcement officers who have attained an age of retirement described in such section 4(j).

(2) USE OF TESTS.—Effective on the date of issuance of the regulations described in paragraph (1), any employer seeking such exemption with respect to a firefighter or law enforcement officer who has attained such age shall provide to each firefighter or law enforcement officer who has attained such age an annual opportunity to demonstrate physical and mental fitness by passing a test described in paragraph (1), in order to continue employment.

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

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

Subsection 3. Effective Dates

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsection (b), this title and the amendments made by this title shall take effect on the date of enactment of this Act.

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

SEC. 120. Section 320935(e) of the Violent Crime Control and Law Enforcement Act of 1994 is amended by inserting '', including all trails commenced on or after the effective date of such amendments'' after ''such amendments''.

SEC. 121. This section may be cited as the ''Child Pornography Prevention Act of 1996''.

Subsection 1. Findings

Congress finds that—

(1) the use of children in the production of sexually explicit material, including photographs, films, videos, computer images, and other visual depictions, is a form of sexual abuse which can result in physical or psychological harm, or both, to the children involved;

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

(3) child pornography is often used as part of a method of seducing other children into sexual activity; a child who is reluctant to engage in sexual activity with an adult, or to pose for sexually explicit photographs, can sometimes be convinced by viewing depictions of other children ''having fun'' participating in such activity;

(4) child pornography is often used by pedophiles and child sexual abusers to stimulate and whet their own sexual appetites, and as a model for sexual acting out with children; such use of child pornography can desensitize the viewer to the pathology of sexual abuse or exploitation of children, so that it can become acceptable to and even preferred by the viewer;

(5) new photographic and computer imagining technologies make it possible to produce by electronic, mechanical, or other means, visual depictions of what appear to be children engaging in sexually explicit conduct that are virtually indistinguishable to the unsuspecting viewer from unretouched photographic images of actual children engaging in sexually explicit conduct;

(6) computers and computer imaging technology can be used to—

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

(B) produce visual depictions of child sexual activity designed to satisfy the preferences of individual child molesters, pedophiles, and pornography collectors; and

(C) alter innocent pictures of children to create visual depictions of those children engaging in sexual conduct;

(7) the creation or distribution of child pornography which includes an image of a recognizable minor invades the child's privacy and reputational interests, since images that are created showing a child's face or other identifiable feature on a body engaging in sexually explicit conduct can haunt the minor for years to come;

(8) the effect of visual depictions of child sexual activity on a child molester or pedophile using that material to stimulate or whet his own sexual appetites, or on a child where the material is being used as a means of seducing or breaking down the child's inhibitions to sexual abuse or exploitation, is the same whether the child pornography consists of photographic depictions of actual children or visual depictions produced wholly or in part by electronic, mechanical, or other means, including by computer, which are virtually indistinguishable to the unsuspecting viewer from photographic images of actual children;

(9) the danger to children who are seduced and molested with the aid of child sex pictures is just as great when the child pornographer or child molester uses visual depictions of child sexual activity produced wholly or in part by electronic, mechanical, or other means, including by computer, as when the material consists of unretouched photographic images of actual children engaging in sexually explicit conduct;

(10)(A) the existence of and traffic in child pornographic images creates the potential for many types of harm in the community and presents a clear and present danger to all children; and

(B) it inflames the desires of child molesters, pedophiles, and child pornographers who prey on children, thereby increasing the creation and distribution of child pornography and the sexual abuse and exploitation of actual children who are victimized as a result of the existence and use of these materials;

(11)(A) the sexualization and eroticization of minors through any form of child pornographic images has a deleterious effect on all children by encouraging a societal perception of children as sexual objects and leading to further sexual abuse and exploitation of them; and

(B) this sexualization of minors creates an unwholesome environment which affects the psychological, mental and emotional development of children and undermines the efforts of parents and families to encourage the sound mental, moral and emotional development of children;

(12) prohibiting the possession and viewing of child pornography will encourage the possessors of such material to rid themselves of or destroy the material, thereby helping to protect the victims of child pornography and to eliminate the market for the sexual exploitative use of children; and

(13) the elimination of child pornography and the protection of children from sexual exploitation provide a compelling governmental interest for prohibiting the production, distribution, possession, sale, or viewing of visual depictions of children engaging in sexually explicit conduct, including both photographic images of actual children engaging in such conduct and depictions produced by computer or other means which are virtually indistinguishable to the unsuspecting viewer from photographic images of actual children engaging in such conduct.

Subsection 2. Definitions

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

(1) in paragraph (5), by inserting before the semicolon the following: '', and data stored on computer disk or by electronic means which is capable of conversion into a visual image'';

(2) in paragraph (6), by striking ''and'';

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

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

''(8) 'child pornography' means any visual depiction, including any photograph, film, video, picture, or computer or computer-generated image or picture, whether made or produced by electronic, mechanical, or other means, of sexually explicit conduct, where—

''(A) the production of such visual depiction involves the use of a minor engaging in sexually explicit conduct;

''(B) such visual depiction is, or appears to be, of a minor engaging in sexually explicit conduct;

''(C) such visual depiction has been created, adapted, or modified to appear that an identifiable minor is engaging in sexually explicit conduct; or

''(D) such visual depiction is advertised, promoted, presented, described, or distributed in such a manner that conveys the impression that the material is or contains a visual depiction of a minor engaging in sexually explicit conduct; and

''(9) 'identifiable minor'—

''(A) means a person—

''(i)(I) who was a minor at the time the visual depiction was created, adapted, or modified; or

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

''(ii) who is recognizable as an actual person by the person's face, likeness, or other distinguishing characteristic, such as a unique birthmark or other recognizable feature; and

''(B) shall not be construed to require proof of the actual identity of the identifiable minor.''.

Subsection 3. Prohibited Activities Relating to Material Constituting or Containing Child Pornography

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

''§ 2252A. Certain activities relating to material constituting or containing child pornography

''(a) Any person who—

''(1) knowingly mails, or transports or ships in interstate or foreign commerce by any means, including by computer, any child pornography;

''(2) knowingly receives or distributes—

''(A) any child pornography that has been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(B) any material that contains child pornography that has been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer;

''(3) knowingly reproduces any child pornography for distribution through the mails, or in interstate or foreign commerce by any means, including by computer;

''(4) either—

''(A) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the United States Government, or in the Indian country (as defined in section 1151), knowingly sells or possesses with the intent to sell any child pornography; or

''(B) knowingly sells or possesses with the intent to sell any child pornography that has been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer, or that was produced using materials that have been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer; or

''(5) either—

''(A) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the United States Government, or in the Indian country (as defined in section 1151), knowingly possesses any book, magazine, periodical, film, videotape, computer disk, or any other material that contains 3 or more images of child pornography; or

''(B) knowingly possesses any book, magazine, periodical, film, videotape, computer disk, or any other material that contains 3 or more images of child pornography that has been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer, or that was produced using materials that have been mailed, or shipped or transported in interstate or foreign commerce by any means, including by computer,

shall be punished as provided in subsection (b).

''(b)(1) Whoever violates, or attempts or conspires to violate, paragraphs (1), (2), (3), or (4) of subsection (a) shall be fined under this title or imprisoned not more than 15 years, or both, but, if such person has a prior conviction under this chapter or chapter 109A, or under the laws of any State relating to aggravated sexual abuse, sexual abuse, or abusive sexual conduct involving a minor or ward, or the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, such person shall be fined under this title and imprisoned for not less than 5 years nor more than 30 years.

''(2) Whoever violates, or attempts or conspires to violate, subsection (a)(5) shall be fined under this title or imprisoned not more than 5 years, or both, but, if such person has a prior conviction under this chapter or chapter 109A, or under the laws of any State relating to the possession of child pornography, such person shall be fined under this title and imprisoned for not less than 2 years nor more than 10 years.

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

''(1) the alleged child pornography was produced using an actual person or persons engaging in sexually explicit conduct;

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

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

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

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

Subsection 4. Penalties for Sexual Exploitation of Children.

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

''(d) Any individual who violates, or attempts or conspires to violate, this section shall be fined under this title or imprisoned not less than 10 years nor more than 20 years, or both, but if such person has one prior conviction under this chapter or chapter 109A, or under the laws of any State relating to the sexual exploitation of children, such person shall be fined under this title and imprisoned for not less than 15 years nor more than 30 years, but if such person has 2 or more prior convictions under this chapter or chapter 109A, or under the laws of any State relating to the sexual exploitation of children, such person shall be fined under this title and imprisoned not less than 30 years nor more than life. Any organization that violates, or attempts or conspires to violate, this section shall be fined under this title. Whoever, in the course of an offense under this section, engages in conduct that results in the death of a person, shall be punished by death or imprisoned for any term of years or for life.''.

Subsection 5. Material Involving Sexual Exploitation of Minors

Section 2252 of title 18, United States Code, is amended by striking subsection (b) and inserting the following:

''(b)(1) Whoever violates, or attempts or conspires to violate, paragraphs (1), (2), or (3) of subsection (a) shall be fined under this title or imprisoned not more than 15 years, or both, but if such person has a prior conviction under this chapter or chapter 109A, or under the laws of any State relating to aggravated sexual abuse, sexual abuse, or abusive sexual conduct involving a minor or ward, or the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, such person shall be fined under this title and imprisoned for not less than 5 years nor more than 30 years.

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

Subsection 6. Privacy Protection Act Amendments

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

(1) in subsection (a)(1), by inserting before the parenthesis at the end the following: '', or if the offense involves the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, the sexual exploitation of children, or the sale or purchase of children under section 2251, 2251A, 2252, or 2252A of title 18, United States Code''; and

(2) in subsection (b)(1), by inserting before the parenthesis at the end the following: '', or if the offense involves the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, the sexual exploitation of children, or the sale or purchase of children under section 2251, 2251A, 2252, or 2252A of title 18, United States Code''.

Subsection 7. Amber Hagerman Child Protection Act of 1996

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

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

''(c) WITH CHILDREN.—Whoever 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 in the special maritime and territorial jurisdiction of the United States or in a Federal prison, knowingly engages in a sexual act with another person who has not attained the age of 12 years, or knowingly engages in a sexual act under the circumstances described in subsections (a) and (b) with another person who has attained the age of 12 years but has not attained the age of 16 years (and is at least 4 years younger than that person), or attempts to do so, shall be fined under this title, imprisoned for any term of years or life, or both. If the defendant has previously been convicted of another Federal offense under this subsection, 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.''.

(c) SEXUAL ABUSE OF A MINOR.—Section 2243(a) of title 18, United States Code, is amended 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''.

Subsection 8. Severability

If any provision of this Act, including any provision or section of the definition of the term child pornography, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, including any other provision or section of the definition of the term child pornography, the amendments made by this Act, and the application of such to any other person or circumstance shall not be affected thereby.

This title may be cited as the ''Department of Justice Appropriations Act, 1997''.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $21,449,000, of which $2,500,000 shall remain available until expended: Provided, That not to exceed $98,000 shall be available for official reception and representation expenses.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $40,850,000, to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting export of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtain insurance on official motor vehicles; and rent tie lines and teletype equipment; $270,000,000 to remain available until expended: Provided, That the provisions of the first sentence of sanction 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; $36,000,000, to remain available until expended: Provided, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: Provided further, That payments and contributions collected and accepted for materials or services provided as part of such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other governments.

For an additional amount for nonproliferation efforts to prevent illegal exports of chemical weapon precursors, biological agents, nuclear weapons and missile development equipment, $3,900,000, to remain available until expended; Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, Public Law 91–304, and such laws that were in effect immediately before September 30, 1982, and for trade adjustment assistance, $328,500,000: Provided, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration: Provided further, That, notwithstanding any other provision of law, the Secretary of Commerce may provide financial assistance for projects to be located on military installations closed or scheduled for closure or realignment to grantees eligible for assistance under the Public Works and Economic Development Act of 1965, as amended, without it being required that the grantee have title or ability to obtain a lease for the property, for the useful life of the project, when in the opinion of the Secretary of Commerce, such financial assistance is necessary for the economic development of the area: Provided further, That the Secretary of Commerce may, as the Secretary considers appropriate, consult with the Secretary of Defense regarding the title to land on military installations closed or scheduled for closure or realignment.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $20,036,000: Provided, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $28,000,000: Provided, That of the total amount provided, $2,000,000 shall be available for obligation and expenditure only for projects jointly developed, implemented and administered with the Small Business Administration.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $45,900,000, to remain available until September 30, 1998.

ECONOMICS AND STATISTICS ADMINISTRATION REVOLVING FUND

The Secretary of Commerce is authorized to disseminate economic and statistical data products as authorized by sections 1, 2, and 4 of Public Law 91–412 (15 U.S.C. 1525–1527) and, notwithstanding section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912), charge fees necessary to recover the full costs incurred in their production. Notwithstanding 31 U.S.C. 3302, receipts received from these data dissemination activities shall be credited to this account, to be available for carrying out these purposes without further appropriation.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

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

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, $210,500,000, to remain available until expended.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), $15,000,000, to remain available until expended: Provided, That notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained and used as offsetting collections for costs of such spectrum services, to remain available until expended: Provided further, That hereafter, notwithstanding any other provision of law, NTIA shall not authorize spectrum use or provide any spectrum functions pursuant to the NTIA Organization Act, 47 U.S.C. §§902–903, to any Federal entity without reimbursement as required by NTIA for such spectrum management costs, and Federal entities withholding payment of such cost shall not use spectrum: Provided further, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of the NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended.

PUBLIC BROADCASTING FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, $15,250,000, to remain available until expended as authorized by section 391 of the Act, as amended: Provided, That not to exceed $1,500,000 shall be available for program administration as authorized by section 391 of the Act: Provided further, That notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $21,490,000, to remain available until expended as authorized by section 391 of the Act, as amended: Provided, That not to exceed $3,000,000 shall be available for program administration and other support activities as authorized by section 391: Provided further, That of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: Provided further, That notwithstanding the requirements of section 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office provided for by law, including defense of suits instituted against the Commissioner of Patents and Trademarks, $61,252,000, to remain available until expended: Provided, That the funds made available under this heading are to be derived from deposits in the Patent and Trademark Office Fee Surcharge Fund as authorized by law: Provided further, That the amounts made available under the Fund shall not exceed amounts deposited; and such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, shall remain available until expended.

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

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

SCIENCE AND TECHNOLOGY

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

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

INDUSTRIAL TECHNOLOGY SERVICES

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

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

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; not to exceed 299 commissioned officers on the active list as of September 30, 1997; grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activites pursuant to cooperative agreements; and alteration, modernization, and relocation of facilities as authorized by 33 U.S.C. 883i; $1,854,067,000, to remain available until expended: Provided, That notwithstanding 31 U.S.C. 3302 but consistent with other existing law, fees shall be assessed, collected, and credited to this appropriation as offsetting collections to be available until expended, to recover the costs of administering aeronautical charting programs: Provided further, That the sum herein appropriated from the general fund shall be reduced as such additional fees are received during fiscal year 1997, so as to result in a final general fund appropriation, estimated at not more than $1,851,067,000: Provided further, That any such additional fees received in excess of $3,000,000 in fiscal year 1997 shall not be available for obligation until October 1, 1997: Provided further, That fees and donations received by the National Ocean Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: Provided further, That in addition, $66,000,000 shall be derived by transfer from the fund entitled ''Promote and Develop Fishery Products and Research Pertaining to American Fisheries'': Provided further, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed $2,000,000: Provided further, That not later than November 15, 1996, the Department of Commerce, in conjunction with the National Oceanic and Atmospheric Administration, shall submit to the appropriate committees of the Congress, a long-term plan and a legislative proposal necessary to implement such plan regarding the continuation of a National Oceanic and Atmospheric Administration commissioned corps.

COASTAL ZONE MANAGEMENT FUND

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

CONSTRUCTION

For repair and modification of, and addition to, existing facilities and construction of new facilities, and for facility planning and design and land acquisition not otherwise provided for the National Oceanic and Atmospheric Administration, $58,250,000, to remain available until expended, of which $8,500,000 shall be available only for a grant to the University of New Hampshire for construction and related expenses for an environmental technology facility.

FLEET MODERNIZATION, SHIPBUILDING AND CONVERSION

For expenses necessary for the repair, acquisition, leasing, or conversion of vessels, including related equipment to maintain and modernize the existing fleet and to continue planning the modernization of the fleet, for the National Oceanic and Atmospheric Administration, $8,000,000, to remain available until expended.

FISHING VESSEL AND GEAR DAMAGE COMPENSATION FUND

For carrying out the provisions of section 3 of Public Law 95–376, not to exceed $200,000, to be derived from receipts collected pursuant to subsections (b) and (f) of section 10 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1980), to remain available until expended.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95–372, not to exceed $1,000,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96–339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 100–627), and the American Fisheries Promotion Act (Public Law 96–561), to be derived from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $196,000, to remain available until expended.

FISHING VESSEL OBLIGATIONS GUARANTEES

For the cost of guaranteed loans, $250,000, as authorized by the Merchant Marine Act of 1936, as amended: 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 none of the funds made available under this heading may be used to guarantee loans for any new fishing vessel that will increase the harvesting capacity in any United States fishery.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, including not to exceed $3,000 for official entertainment, $28,490,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of

the Inspector General Act of 1978, as amended (5 U.S.C. App. 1–11 as amended by Public Law 100–504), $20,140,000.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

CONSTRUCTION OF RESEARCH FACILITIES

(RESCISSION)

Of the obligated and unobligated balances available under this heading, $16,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(RESCISSION)

Of the unobligated balances available under this heading, $20,000,000 are rescinded,

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 203. None of the funds made available by this Act may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. None of the funds provided in this or any previous Act, or hereinafter made available to the Department of Commerce, shall be available to reimburse the Unemployment Trust fund or any other fund or account of the Treasury to pay for any expenses paid before October 1, 1992, as authorized by section 8501 of title 5, United States Code, for services performed after April 20, 1990, by individuals appointed to temporary positions within the Bureau of the Census for purposes relating to the 1990 decennial census of population.

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

SEC. 206. (a) Should legislation be enacted to dismantle or reorganize the Department of Commerce, the Secretary of Commerce, no later than 90 days thereafter, shall submit to the Committees on Appropriations of the House and the Senate a plan for transferring funds provided in this Act to the appropriate successor organizations: Provided, That the plan shall include a proposal for transferring or rescinding funds appropriated herein for agencies or programs terminated under such legislation: Provided further, That such plan shall be transmitted in accordance with section 605 of this Act.

(b) The Secretary of Commerce or the appropriate head of any successor organization(s) may use any available funds to carry out legislation dismantling or reorganizing the Department of Commerce to cover the costs of actions relating to the abolishment, reorganization, or transfer of functions and any related personnel action, including voluntary separation incentives if authorized by such legislation; Provided, That the authority to transfer funds between appropriations accounts that may be necessary to carry out this section is provided in addition to authorities included under section 205 of this Act Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 207. Any costs incurred by a Department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title shall be absorbed within the total budgetary resources available to such Department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedure set forth in that section.

SEC. 208. None of the funds appropriated under this Act or any other Act henceforth may be used to develop new fishery management plans, amendments, or regulations which create new individual fishing quota programs (whether such quotas are transferable or not) or to implement any such plans, amendments or regulations approved by a Regional Fishery Management Council or the Secretary after January 4, 1995, until offsetting fees to pay for the cost of administering such plans, amendments, or regulations are expressly authorized under the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.). This restriction shall also apply to any program relating to the Gulf of Mexico commercial red snapper fishery that authorizes the consolidation of licenses, permits or endorsements that result in different trip limits for vessels in the same class. This restriction shall not apply in any way to the North Pacific halibut and sablefish, South Atlantic wreckfish, or the Mid-Atlantic surfclam and ocean (including mahogany) quohog individual fishing quota programs. The term ''individual fishing quota'' does not include a community development quota.

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

SEC. 210. There is hereby established the Bureau of the Census Working Capital Fund, which shall be available without fiscal year limitation, for expenses and equipment necessary for the maintenance and operation of such services and projects as the Director of the Census Bureau determines may be performed more advantageously when centralized: Provided, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the divisions and offices of the Bureau: Provided further, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the Working Capital Fund as of the close of the last completed fiscal year, shall be prepared each year: Provided further, That notwithstanding 31 U.S.C. 3302, the Working Capital Fund may be credited with advances and reimbursements from applicable appropriations of the Bureau and from funds of other agencies or entities for services furnished pursuant to law: Provided further, That any inventories, equipment, and other assets pertaining to the services to be provided by such funds, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made hereafter for the purpose of providing capital, shall be used to capitalize the Working Capital Fund: Provided further, That the Working Capital Fund shall provide for centralized services at rates which will return in full all expenses of operation, including depreciation of fund plant and equipment, amortization of automated data processing software and hardware systems, and an amount necessary to maintain a reasonable operating reserve as determined by the Director.

SEC. 211. (a) Effective 15 days after the enactment of the Sustainable Fisheries Act, section 1 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801) shall be amended to read as follows: ''That this Act may be cited as the ''Magnuson-Stevens Fishery Conservation and Management Act''.''

(b) Effective 15 days after the enactment of the Sustainable Fisheries Act, all references to the Magnuson Fishery Conservation and Management Act shall be redesignated as references to the Magnuson-Stevens Fishery Conservation and Management Act.

This title may be cited as the ''Department of Commerce and Related Agencies Appropriations Act, 1997''.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

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

CARE OF THE BUILDING AND GROUNDS

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

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

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

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, $11,114,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retire from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, $2,556,000,000 (including the purchase of firearms and ammunition); of which not to exceed $13,454,000 shall remain available until expended for space alteration projects; of which $500,000 shall be transferred to the Commission on Structural Alternatives for the Federal Courts of Appeals only after legislation is

enacted to establish the Commission; of which not to exceed $10,000,000 shall remain available until expended for furniture and furnishings related to new space alteration and construction projects; and of which $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions.

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

For an additional amount for expenses relating to additional workload from the Antiterrorism and Effective Death Penalty Act of 1996, and for Court Security needs, $10,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the amount not previously designated by the President as an emergency requirement shall be available only to the extent an official budget request, for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement, as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

VIOLENT CRIME REDUCTION PROGRAMS

For activities of the Federal Judiciary as authorized by law, $30,000,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as authorized by section 190001(a) of Public Law 103–322.

DEFENDER SERVICES

*For the operation of Federal Public Defender and Community Defender organizations; the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended; the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act (18 U.S.C. 3006A(e)); the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel; the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States for foreign countries with which the United States has a treaty for the execution of penal sentences; and the compensation of attorneys * * **

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)); $67,000,000, to remain available until expended: Provided, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702); $127,000,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $49,450,000, of which not to exceed $7,500 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90–219, $17,495,000; of which $1,800,000 shall remain available through September 30, 1998, to provide education and training to Federal court personnel; and of which not to exceed $1,000 is authorized for official reception and representation expenses.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

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

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $8,490,000, of which not to exceed $1,000 is authorized for official reception and representation expenses.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

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

SEC. 303. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except ''Courts of Appeals, District Courts, and other Judicial Services, Defender Services'' and ''Courts of Appeals, District Courts, and other Judicial Services, Fees of Jurors and Commissioners'', shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 304. Notwithstanding any other provision of law, the salaries and expenses appropriation for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses of the Judicial Conference of the United States: Provided, That such available funds shall not exceed $10,000 and shall be administered by the Director of the Administrative Office of the United States Courts in his capacity as Secretary of the Judicial Conference.

SEC. 305. Section 612(l) of title 28, United States Code, shall be amended as follows: strike ''1997'', and insert in lieu thereof ''1998''.

SEC. 306. None of the funds available to the Judiciary in fiscal years 1996 and 1997 and hereafter shall be available for expenses authorized pursuant to section 802(a) of title VIII of section 101(a) of title I of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, Public Law 104–134, for costs related to the appointment of Special Masters prior to April 26, 1996.

SEC. 307.

The United States courthouse at 310 West Sixth Street in Medford, Oregon, shall be known and designated as the ''James A. Redden Federal Courthouse''.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse at 310 West Sixth Street in Medford, Oregon, shall be deemed to be a reference to the ''James A. Redden Federal Courthouse''.

This title may be cited as ''The Judiciary Appropriations Act, 1997''.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended; representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; acquisition by exchange or purchase of passenger motor vehicles as authorized by 31 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674; and for expenses of general administration; $1,700,450,000: Provided, That notwithstanding section 140(a)(5), and the second sentence of section 140(a)(3), of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236), not to exceed $150,000,000 of fees may be collected during fiscal year 1997 under the authority of section 140(a)(1) of that Act: Provided further, That all fees collected under the preceding proviso shall be deposited in fiscal year 1997 as an offsetting collection to appropriations made under this heading to recover the costs of providing consular services and shall remain available until expended: Provided further, That in fiscal year 1998, a system shall be in place that allocates to each department and agency the full cost of its presence outside of the United States.

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

In addition, not to exceed $700,000 in registration fees collected pursuant to section 38 of the Arms Export Control Act, as amended, may be used in accordance with section 45 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2717); and in addition not to exceed $1,223,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act (Public Law 90–553), as amended, and in addition, as authorized by section 5 of such Act $450,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; and in addition not to exceed $15,000 which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State of Department Basic Authorities Act of 1956 (22 U.S.C. 2718(a)).

Notwithstanding section 402 of this Act, not to exceed 20 percent of the amounts made available

in this Act in the appropriation accounts ''Diplomatic and Consular Programs'' and ''Salaries and Expenses'' under the heading ''Administration of Foreign Affairs'' may be transferred between such appropriation accounts: Provided, That any transfer pursuant to this sentence shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

For an additional amount for counterterrorism requirements overseas, including security guards and equipment, $23,700,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b) (2) (D) (i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of State and Foreign Service, provided for by law, including expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and the State Department Basic Authorities Act of 1956, as amended, $352,300,000.

CAPITAL INVESTMENT FUND

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

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), $27,495,000, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980, as amended (Public Law 96–465), as it relates to post inspections: Provided, That notwithstanding any other provision of law, the merger of the Office of Inspector General of the United States Information Agency with the Office of Inspector General of the Department of State provided for in the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1996, contained in Public Law 104–134, is effective hereafter.

REPRESENTATION ALLOWANCES

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

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, $8,332,000, to remain available until September 30, 1998.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–300), and the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Anti Terrorism Act of 1986 (22 U.S.C. 4851), $364,495,000, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)): Provided, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

For an additional amount for security improvements, necessary relocation expenses, and security equipment for United States diplomatic facilities and missions overseas, $24,825,000, to remain available until expended: Provided, That of this amount $9,400,000 is for security projects on behalf of United States and Foreign Commercial Service missions and $1,125,000 is for security projects on behalf of United States Information Agency missions: 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 not previously designated by the President as an emergency requirement shall be available only to the extent an official budget request, for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement, as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted to Congress.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), $5,800,000, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(C)), of which not to exceed $1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, $593,000, as authorized by section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671): 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. In addition, for administrative expenses necessary to carry out the direct loan program, $663,000 which may be transferred to and merged with the Salaries and Expenses account under Administration of Foreign Affairs.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

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

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

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

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, $892,000,000: Provided, That any payment of arrearages shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: Provided further, That 20 percent of the funds appropriated in this paragraph for the assessed contribution of the United States to the United Nations shall be withheld from obligation and expenditure until a certification is made under section 401(b) of Public Law 103–236 for fiscal year 1997: Provided further, That certification under section 401(b) of Public Law 103–236 for fiscal year 1997 may only be made if the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and International Relations of the House of Representatives are notified of the steps taken, and anticipated, to meet the requirements of section 401(b) of Public Law 103–236 at least 15 days in advance of the proposed certification: Provided further, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings: Provided further, That of the funds appropriated in this paragraph, $100,000,000 may be made available only pursuant to a certification by the Secretary of State by no later than January 30, 1997, that the United Nations has taken no action during calendar year 1996 to increase funding for any United Nations program without identifying an offsetting decrease elsewhere in the United Nations budget and cause the United Nations to exceed its no growth budget for the biennium 1996–1997 adopted in December, 1995: Provided further, That if the Secretary of State is unable to make the aforementioned certification, the $100,000,000 is to be applied to paying the current year assessment for other international organizations for which the assessment has not been paid in full or to paying the assessment due in the next fiscal year for such organizations, subject to the reprogramming procedures contained in Section 605 of this Act: Provided further, That notwithstanding section 402 of this Act, not to exceed $10,000,000 may be transferred from the funds made available under this heading to the ''International Conferences and Contingencies'' account for assessed contributions to new or provisional international organizations or for travel expenses of official delegates to international conferences: Provided further, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security $352,400,000, of which $50,000,000 is for payment of arrearages accumulated in 1995, and which shall be available only upon certification by the Secretary of State that at least two of the following have been achieved: (1) savings of at least $100,000,000 will be achieved in the biennial expenses of the following United Nations divisions and activities—the United Nations Conference on Trade and Development, the Regional Economic Commissions, the Department of Public Information, and the Department of Conference Services, travel and overtime; (2) the number of professional and general service staff employed by the United Nations Secretariat at the conclusion of the 1996–1997 biennium will be at least ten percent below the number of such positions on January 1, 1996; and (3) the United Nations has adopted a budget outline for the 1998–1999 biennium that is below $2,608,000,000; as part of a five-year program to achieve major cost-saving reforms in the United Nations and specialized agencies: Provided, That none of the funds made available under this Act shall be obligated or expended for any new or expanded United Nations peacekeeping mission unless, at least fifteen days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency, as far in advance as is practicable), (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate Committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: Provided further, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being

given opportunities to provide equipment, services, and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers.

INTERNATIONAL COMMISSIONS

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

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed $6,000 for representation; as follows:

SALARIES AND EXPENSES

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

CONSTRUCTION

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

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for the International Joint Commission and the international Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103–182; $5,490,000, of which not to exceed $9,000 shall be available for representation expenses incurred by the International Joint Commission.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fishers commissions, not otherwise provided for, as authorized by law, $145,549,000: Provided, That the United States' share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 3324.

OTHER

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by section 501 of Public Law 101–246, $8,000,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses not otherwise provided, for arms control, nonproliferation, and disarmament activities, $41,500,000 of which not to exceed $50,000 shall be for official reception and representation expenses as authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.).

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), to carry out international communication, educational and cultural activities; and to carry out related activities authorized by law, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000 of this appropriation), as authorized by section 801 of such Act of 1948 (22 U.S.C. 1471), and entertainment, including official receptions, within the United States, not to exceed $25,000 as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1474(3)); $440,000,000: Provided, That not to exceed $1,400,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085): Provided further, That not to exceed $7,615,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching, library, motion pictures, and publication programs as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e and, notwithstanding any other law, fees from student advising and counseling: Provided further; That not to exceed $1,100,000 to remain available until expended may be used to carry out projects involving security construction and related improvements for agency facilities not physically located together with Department of State facilities abroad.

For an additional amount for necessary expenses relating to security, $1,375,000: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, a amended.

TECHNOLOGY FUND

For expenses necessary to enable the United States Information Agency to provide for the procurement of information technology improvements, as authorized by the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977 (91 Stat. 1636), $5,050,000, to remain available until expended.

ECDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

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

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 1997, to remain available until expended: Provided, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122) (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 1997, to remain available until expended.

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the United States Information Agency, as authorized by the United States Information and Educational Exchange Act of 1948, as amended, the United States International Broadcasting Act of 1994, as amended, and Reorganization Plan No. 2 of 1977, to carry out international communication activities; $325,000,000, of which not to exceed $16,000 may be used for official receptions within the United States as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1747(3)), not to exceed $35,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085), and not to exceed $39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, not to exceed $250,000 from fees as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e), to remain available until expended for carrying out authorized purposes; and in addition, notwithstanding any other provision of law, not to exceed $1,000,000 in monies received (including receipts from advertising, if any) by or for the use of the United States Information Agency from or in connection with broadcasting resources owned by or on behalf of the Agency, to be available until expended for carrying out authorized purposes.

BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting Act of 1994, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, $25,000,000, to remain available until expended.

RADIO CONSTRUCTION

For the purchase, rent construction, and improvement of facilities for radio transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception as authorized by section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471), $35,490,000, to remain available until expended, as authorized by section 704(a) of such Act of 1948 (22 U.S.C. 1477b(a)).

EAST-WEST CENTER

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054–2057), by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $10,000,000: Provided, that none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NORTH/SOUTH CENTER

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

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $30,000,000, to remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCIES

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

SEC. 402. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriations, except as otherwise specifically provided, shall be increased by more

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

SEC. 403. Funds hereafter appropriated or otherwise made available under this Act or any other Act may be expended for compensation of the United States Commissioner of the International Boundary Commission, United States and Canada, only for actual hours worked by such Commissioner.

SEC. 404. Funds appropriated by this Act for the United States Information Agency, the Arms Control and Disarmament Agency, and the Department of State may be obligated and expended notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948 and section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, section 53 of the Arms Control and Disarmament Act, and section 15 of the State Department Basic Authorities Act of 1956.

SEC. 405. Any costs incurred by a Department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title shall be absorbed within the total budgetary resources available to such Department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 406. Starting sixty days after enactment of this Act, none of the funds made available by this Act may be made available to support the activities of the Standing Consultative Commission (SCC) unless the President provides to the Congress a report containing a detailed analysis of whether the Memorandum of Understanding on Succession and the Agreed Statement regarding Demarcation agreed to by the Standing Consultative Commission on June 24, 1996, which was reaffirmed by Secretary of State Warren Christopher and Minister of Foreign Affairs Evgeny Primakov on September 23, 1996, represent substantive changes to the Anti-Ballistic Missile Treaty of 1972 and whether these agreements will require the advice and consent of the Senate of the United States.

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

(1) inserting before the period at the end of the first sentence the following: ''; except that the Secretary of State may by regulation authorize State officials or the United States Postal Service to collect and retain the execution fee for each application for a passport accepted by such officials or by that Service''; and

(2) striking the second sentence.

This title may be cited as the ''Department of State and Related Agencies Appropriations Act, 1997''.

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies, as authorized by the Merchant Marine Act, 1936, as amended, $148,430,000, to remain available until expended.

MARITIME SECURITY PROGRAM

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

OPERATIONS AND TRAINING

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

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $37,450,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,000,000,000.

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

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

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

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

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $206,000, as authorized by Public Law 99–83,section 1303.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

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

COMMISSION ON IMMIGRATION REFORM

SALARIES AND EXPENSES

For necessary expenses of the Commission on Immigration Reform pursuant to section 141(f) of the Immigration Act of 1990, $2,196,000, to remain available until expended.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

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

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

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

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–02; not to exceed $600,000 for land and structure; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed sixteen) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $189,079,000, of which not to exceed $300,000 shall remain available until September 30, 1998, for research and policy studies: Provided, That $152,523,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation estimated at $36,556,000: Provided further, That any offsetting collections received in excess of $152,523,000 in fiscal year 1997 shall remain available until expended, but shall not be available for obligation until October 1, 1997.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

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

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $85,930,000: Provided, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection

services in accordance with the terms of 31 U.S.C. 3718, as amended: Provided further, That notwithstanding any other provision of law, not to exceed $58,905,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the General Fund shall be reduced as such offsetting collections are received during fiscal year 1997, so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $27,025,000, to remain available until expended: Provided further, That any fees received in excess of $58,905,000 in fiscal year 1997 shall remain available until expended, but shall not be available for obligation until October 1, 1997: Provided further, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242, 105 Stat. 2282–2285).

GAMBLING IMPACT STUDY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the National Gambling Impact Study Commission, $4,000,000 to remain available until expended: Provided, That these funds will be available only upon enactment of an authorization for this Commission.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $283,000,000, of which $274,400,000 is for basic field programs and required independent audits; $1,500,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients; and $7,100,000 is for management and administration.

ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

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

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

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

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

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

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

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

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

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

(ii) an alien whose child has been battered or subjected to extreme cruelty in the United States by a spouse or parent of the alien (without the active participation of the alien in the battery or extreme cruelty), or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, and the alien did not actively participate in such battery or cruelty.

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

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

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

SEC. 503. (a) CONTINUATION OF AUDIT REQUIREMENTS.—The requirements of section 509 of Public Law 104–134 (110 Stat. 1321–58 et seq.), other than subsection (l) of such section, shall apply during fiscal year 1997.

(b) REQUIREMENT OF ANNUAL AUDIT.—An annual audit of each person or entity receiving financial assistance from the Legal Services Corporation under this Act shall be conducted during fiscal year 1997 in accordance with the requirements referred to in subsection (a).

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

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

NATIONAL BANKRUPTCY REVIEW COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the National Bankruptcy Review Commission, as authorized by the Bankruptcy Reform Act of 1994, $494,000.

OUNCE OF PREVENTION COUNCIL

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

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, $260,400,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Organization of Securities Commissions, and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including (1) such incidental expenses as meals taken in the course of such attendance, (2) any travel and transportation to or from such meetings, and (3) any other related lodging or subsistance: Provided, That immediately upon enactment of this Act, the rate of fees under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) shall increase from one-fiftieth of one percentum to one-thirty-third of one percentum, and such increase shall be deposited as an offsetting collection to this appropriation, to remain available until expended, to recover costs of services of the securities registration process: Provided further, That effective January 1, 1997, every national securities association shall pay to the Commission a fee at a rate of one-three-hundredth of one percentum of the aggregate dollar amount of sales transacted by or through any member of such association otherwise than on a national securities exchange (other than bonds, debentures, and other evidences of indebtedness) subject to prompt last sale reporting pursuant to the rules of the Commission or a registered national securities association, excluding any sales for which fee is paid under section 31 of the Securities Exchange Act of 1934 (15 U.S.C. 78ee), and such increase shall be deposited as an offsetting collection to this appropriation, to remain available until expended, to recover the costs to the Government of the supervision and regulation of securities markets and securities professionals: Provided further, That the fee due from every national securities association shall be paid on or before September 30, 1997, with respect to transactions and sales occurring during the period beginning on January 1, 1997, and ending at the close of August 31, 1997: Provided further, That the total amount appropriated for fiscal year 1997 under this heading shall be reduced as all such offsetting fees are deposited to this appropriation so as to result in a final total fiscal year 1997 appropriation from the General Fund estimated at not more than $37,778,000: Provided further, That any such fees collected in excess of $222,622,000 shall remain available until expended but shall not be available for obligation until October 1, 1997.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 103–403, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, $223,547,000, of which $1,000,000 shall only be available for obligation and expenditure for projects jointly developed, implemented and administered with the Minority Business Development Agency of the Department of Commerce: Provided, That the Administration is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: Provided further, That notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: Provided further, That $75,500,000 shall be available to fund grants for performance in fiscal year 1997 or fiscal year 1998 as authorized by section 21 of the Small Business Act, as amended. In addition, for expenses not otherwise provided for, of the Small Business Administration, $11,500,000, of which: $3,000,000 shall be available for a grant to continue the WVHTC

Foundation outreach program to assist small business development; $7,000,000 shall be available for a grant to the Center for Rural Development in Somerset, Kentucky, for small business and rural technology development assistance; $1,000,000 shall be available for a grant to Indiana State University for the renovation and equipping of a training facility, to assist in creating small business and economic development opportunities; and $500,000 shall be available for a continuation grant to the Center for Entrepreneurial Opportunity in Greensburg, Pennsylvania, to provide for small business consulting and assistance.

OFFICE OF INSPECTOR GENERAL

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

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of direct loans, $1,691,000, and for the cost of guaranteed loans, $182,017,000, authorized by 15 U.S.C. 631 note, of which $2,317,000, to be available until expended, shall be for the Microloan Guarantee Program, and of which $40,510,000 shall 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 during fiscal year 1997, commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, as amended, shall not exceed the amount of financings authorized under section 20(n)(2)(b) of the Small Business Act, as amended.

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

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, $105,432,000, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, for administrative expenses to carry out the direct loan program, $86,500,000, including not to exceed $500,000 for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program, and said sums may be transferred to and merged with appropriations for Salaries and Expenses and Office of Inspector General.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the ''Surety Bond Guarantees Revolving Fund'', authorized by the Small Business Investment Act, as amended, $3,730,000, to remain available without fiscal year limitation as authorized by 15 U.S.C. 631 note.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

SEC. 504. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of fund under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102–572 (106 Stat. 4515–4516)), $6,000,000, to remain available until expended: Provided, That not to exceed $2,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

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

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

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

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1997, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions, or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1997, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

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

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

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

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

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

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

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

(2) Recovering and repatriating American remains,

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

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

SEC. 610. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds (1) that the United Nations undertaking is a peacekeeping mission, (2) that such undertaking will involve United States Armed Forces under the command or operational control of a foreign national, and (3) that the President's military advisors have not submitted to the President a recommendation that such involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

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

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC–17 rated movies, through whatever medium presented;

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

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

(5) the use of possession of any electric or electronic musical instrument.

SEC. 612. None of the funds made available in title II for the National Oceanic and Atmospheric Administration (NOAA) under the heading ''Fleet Modernization, Shipbuilding and Conversion'' may be used to implement sections 603, 604, and 605 of Public Law 102–567: Provided, That NOAA may develop a modernization plan for its fisheries research vessels that takes fully into account opportunities for contracting for fisheries surveys.

SEC. 613. Any costs incurred by a Department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such Department or Agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 614. None of the funds made available in this Act to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

SEC. 615. Of the funds appropriated in this Act under the heading ''OFFICE OF JUSTICE PROGRAMS—STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE'' and ''Community Oriented Policing Services Program'', not more than ninety percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant and 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.

SEC. 616. LIMITATION ON PATENT INFRINGEMENTS RELATING TO A MEDICAL PRACTITIONER'S PERFORMANCE OF A MEDICAL ACTIVITY.

Section 287 of title 35, United States Code, is amended by adding at the end the following new subsection:

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

(2) For the purposes of this subsection:

(A) the term ''medical activity'' means the performance of a medical or surgical procedure on a body, but shall not include (i) the use of a patented machine, manufacture, or composition of matter in violation of such patent, (ii) the practice of a patented use of a composition of matter in violation of such patent, or (iii) the practice of a process in violation of a biotechnology patent.

(B) the term ''medical parctioner'' means any natural person who is licensed by a State to provide the medical activity described in subsection (c)(1) or who is acting under the direction of such person in the performance of the medical activity.

(C) the term ''related health care entity'' shall mean an entity with which a medical practitioner has a professional affiliation under which the medical practitioner performs the medical activity, including but not limited to nursing home, hospital, university, medical school, health maintenance organization, group medical practice, or a medical clinic.

(D) the term ''professional affiliation'' shall mean staff privileges, medical staff membership, employment or contractual relationship, partnership or ownership interest, academic appointment, or other affiliation under which a medical practitioner provides the medical activity on behalf of, or in association with, the health care entity.

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

(F) the term ''patented use of a composition of matter'' does not include a claim for a method of performing a medical or surgical procedure on a body that recites the use of a composition of matter where the use of that composition of matter does not directly contribute to achievement of the objective of the claimed method.

(G) the term ''State'' shall mean any state or territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) This subsection does not apply to the activities of any person, or employee or agent of such person (regardless of whether such person is a tax exempt organization under section 501(c) of the Internal Revenue Code), who is engaged in the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician's office), where such activities are:

(A) directly related to the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician's office), and

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

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

SEC. 617. Effective with the enactment of this Act and to any fiscal year hereafter, section 8 of Public Law 96–132 is hereby repealed.

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

(1) the closed shipyard historically built military vessels and responsible entities now seek to reopen it as an internationally competitive commercial shipyard;

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

(B) has a reuse plan approved by the Navy in which commercial shipbuilding and repair are primary activities and has a revolving economic conversion fund approved by the Department of Defense; and

(3) the State in which the shipyard is located, and each other involved State, or a State-chartered agency, is making a significant financial investment in the overall cost of reactivation and modernization as its contribution to the reactivation and modernization project, in addition to the funds required by subsection (d)(2) of this section.

(b) WAIVERS.—Notwithstanding any other provision of title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), the Secretary shall not apply the requirements of section 1104A(d) of that Act when issuing a guarantee or a commitment to guarantee an obligation under this section.

(c) CONDITIONS.—The Secretary shall impose such conditions on the issuance of a guarantee or a commitment to guarantee under this section as are necessary to protect the interests of the United States from the risk of a default. The Secretary shall consider the interdependency of such shipyard modernization and reactivation projects and related vessel loan guarantee requests pending under title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) before issuing a guarantee of a commitment to guarantee under this section.

(d) FUNDING PROVISIONS.—

(1) The Secretary may not guarantee or commit to guarantee obligations under this section that exceed $50,000,000 in the aggregate.

(2) The amount of appropriated funds required by the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.) in advance of the Secretary's issuance of a guarantee or a commitment to guarantee under this section shall be provided by the State in which the shipyard is located, and other involved States, or by a State-chartered agency, and deposited by the Secretary in the financing account established under the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.) for loan guarantees issued by the Secretary under title XI of the Merchant Marine Act of 1936 (46 App. U.S.C. 1271 et seq.). No federally appropriated funds shall be available for this purpose. The funds deposited into that financing account shall be held and applied by the Secretary in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.), except that, unless the Secretary shall have earlier paid an obligee or been required to pay an obligee pursuant to the terms of a loan guarantee, the funds deposited in that financing account shall be returned, upon the expiration of the Secretary's loan guarantee, to the State, States, or State-chartered agency which originally provided the funds to the Secretary.

(3) Notwithstanding the provisions of any other law or regulation, the cost (as that term is defined by the Federal Credit Reform Act of 1990 (2 U.S.C. 661a et seq.)) of a guarantee or commitment to guarantee issued under this section—

(A) may only be determined with reference to the merits of the specific closed shipyard reactivation project which is the subject of that guarantee or commitment to guarantee, without reference to any other project, type of project, or averaged risk; and

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

(e) SUNSET.—No commitment to guarantee obligations under this section shall be issued by the Secretary after one year after the date of enactment of this section.

(f) DEFINITION.—As used in this section, the term ''Secretary'' means the Secretary of Transportation.

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

(RESCISSION)

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

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

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

TITLE VIII—FISCAL YEAR 1996 SUPPLEMENTAL AND RESCISSION

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

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

(RESCISSION)

Of the unobligated balances made available under this heading until September 30, 1996, $40,000,000 are rescinded: Provided, That these funds shall only be available for rescission if enacted by September 30, 1996.

TITLE IX—SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for ''Economic Development Assistance Programs'' for emergency infrastructure expenses resulting from Hurricane Fran and Hurricane Hortense and other natural disasters, $25,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RELATED AGENCY

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

For an additional amount for ''Disaster Loans Program Account'' for emergency expenses resulting from Hurricanes Fran and Hortense and other disasters, $113,000,000 for the cost of direct loans, to remain available until expended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974; and for administrative expenses to carry out the disaster loan program, $22,000,000, to remain available until expended, which may be transferred to and merged with ''Salaries and Expenses'': Provided further, That both amounts are hereby designated by Congress as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This Act may be cited as the ''Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1997''.

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

AN ACT Making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $20,633,998,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $16,986,976,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $6,111,728,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $17,069,490,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $2,073,479,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,405,606,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $388,643,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payment to the Department of Defense Military Retirement Fund; $783,697,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $3,266,393,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,296,490,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $11,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $17,519,340,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: Provided, That during the current fiscal year and hereafter, funds appropriated under this paragraph may be made available to the Department of the Interior to support the Memorial Day and Fourth of July ceremonies and activities in the National Capital Region: Provided further, That of the funds appropriated in this paragraph, not less than $300,000,000 shall be made available only for conventional ammunition care and maintenance.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the

Navy and the Marine Corps, as authorized by law; and not to exceed $3,995,000, can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $20,061,961,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $2,254,119,000.

OPERATION AND MAINTENANCE, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $8,362,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $17,263,193,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; $10,044,200,000, of which not to exceed $25,000,000 may be available for the CINC initiative fund account; and of which not to exceed $28,500,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided, That of the funds appropriated under this heading, $20,000,000 shall be made available only for use in federally owned education facilities located on military installations for the purpose of transferring title of such facilities to the local education agency: Provided further, That of the funds appropriated under this heading, $1,000,000 is available, by grant or other transfer, to the Harnett County School Board, Lillington, North Carolina, for use by the school board for the education of dependents of members of the Armed Forces and employees of the Department of Defense located at Fort Bragg and Pope Air Force Base, North Carolina.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,119,436,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $886,027,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $109,667,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,496,553,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with national Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); $2,254,477,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals, maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things, hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; $2,716,379,000.

OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses directly relating to Overseas Contingency Operations by United States military forces; $1,140,157,000: Provided, That the Secretary of Defense may transfer these funds only to operation and maintenance accounts within this title: Provided further, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces; $6,797,000, of which not to exceed $2,500 can be used for official representation purposes.

ENVIRONMENTAL RESTORATION, ARMY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $339,109,000, to remain available until transferred: Provided, That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That not more than twenty-five percent of funds provided under this heading may be obligated for environmental remediation by the Corps of Engineers under total environmental remediation contracts.

ENVIRONMENTAL RESTORATION, NAVY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Navy, $287,788,000, to remain available until transferred: Provided, That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Air Force, $394,010,000, to remain available until transferred: Provided, That the Secretary of the Air Force shall, upon determining that such funds are required by environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Defense $36,722,000, to remain available until transferred: Provided, that the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $256,387,000, to remain available until transferred: Provided,

That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIL AID

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code); $49,000,000, to remain available until September 30, 1998.

FORMER SOVIET UNION THREAT REDUCTION

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components and weapons technology and expertise; $327,900,000, to remain available until expended.

QUALITY OF LIFE ENHANCEMENTS, DEFENSE

For expenses, not otherwise provided for, resulting from unfunded shortfalls in the repair and maintenance of real property of the Department of Defense (including military housing and barracks); $600,000,000, for the maintenance of real property of the Department of Defense (including minor construction and major maintenance and repair), which shall remain available for obligation until September 30, 1998, as follows:

Army, $149,000,000;
Navy, $108,000,000;
Marine Corps, $45,000,000;
Air Force, $108,000,000;
Army Reserve, $18,000,000;
Navy Reserve, $18,000,000;
Marine Corps Reserve, $9,000,000;
Air Force Reserve, $15,000,000;
Army National Guard, $86,000,000; and
Air National Guard, $44,000,000.

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories thereof; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefore, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the following purposes; $1,348,434,000, to remain available for obligation until September 30, 1999.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,041,867,000, to remain available for obligation until September 30, 1999.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,470,286,000, to remain available for obligation until September 30, 1999: Provided, That of the funds appropriated in this paragraph and notwithstanding the provisions of title 31, United States Code, Section 1502(a), not to exceed $33,100,000 may be obligated for future year V903 diesel engine requirements to maintain the industrial base.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,127,149,000, to remain available for obligation until September 30, 1999.

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of not to exceed 14 passenger motor vehicles for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $3,172,485,000, to remain available for obligation until September 30, 1999: Provided, That of the funds appropriated in this paragraph and notwithstanding the provisions of title 31, United States Code, Section 1502(a), not to exceed $2,400,000 may be obligated for future year V903 diesel engine requirements to maintain the industrial base.

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $7,027,010,000, to remain available for obligation until September 30, 1999.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools, in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $1,389,913,000, to remain available for obligation until September 30, 1999: Provided, That in addition to the foregoing purposes, the funds appropriated above under this heading shall be available to liquidate reported deficiencies in appropriations provided under this heading in prior Department of Defense appropriations acts, to the extent such deficiencies cannot otherwise be liquidated pursuant to 31 U.S.C. 1553(b).

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $289,695,000, to remain available for obligation until September 30, 1999.

SHIPBUILIDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

For continuation of the SSN–21 attack submarine program, $649,071,000;
NSSN–1 (A), $296,186,000;
NSSN–2 (A), $501,000,000;
CVN Refuelings, $237,029,000;
DDG–51 destroyer program, $3,609,072,000;
Oceanographic ship program, $54,400,000;
Oceanographic ship SWATH, $45,000,000;
LCAC landing craft air cushion program (AP–CY), $3,000,000; and
For craft, outfitting, post delivery, conversions, and first destination transportation, $218,907,000;

in all: $5,613,665,000, to remain available for obligation until September 30, 2201: Provided, That additional obligations may be incurred after

September 30, 2001, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: Provided further, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: Provided further, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $3,067,944,000, to remain available for obligation until September 30, 1999.

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 88 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; $569,073,000, to remain available for obligation until September 30, 1999.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $6,404,980,000, to remain available for obligation until September 30, 1999.

MISSILE PROCUREMENT, AIR FORCE

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

PROCUREMENT OF AMMUNITION, AIR FORCE

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $293,153,000, to remain available for obligation until September 30, 1999.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 506 passenger motor vehicles for replacement only; the purchase of 1 vehicle required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $287,000 per vehicle; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $5,944,680,000, to remain available for obligation until September 30, 1999.

PROCUREMENT, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 389 passenger motor vehicles for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $1,978,005,000, to remain available for obligation until September 30, 1999.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; $780,000,000, to remain available for obligation until September 30, 1999: Provided, That the Chiefs of the Reserve and National Guard component shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $5,062,763,000 to remain available for obligation until September 30, 1998.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $8,208,946,000, to remain available for obligation until September 30, 1998: Provided, That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique requirements of the Special Operations Forces.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $14,499,606,000, to remain available for obligation until September 30, 1998: Provided, That not less than $1,000,000 of the funds appropriated in this paragraph shall be made available only to assess the budgetary, cost, technical, operational, training, and safety issues associated with a decision to eliminate development of the F–22B two-seat training variant of the F–22 advanced tactical fighter: Provided further, That the assessment required by the preceding proviso shall be submitted, in classified and unclassified versions, by the Secretary of the Air Force to the congressional defense committees not later than February 15, 1997: Provided further, That of the funds made available in this paragraph, $10,000,000 shall be only for development of reusable launch vehicle technologies.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment; $9,362,800,000, to remain available for obligation until September 30, 1998: Provided, That not less than $304,171,000 of the funds appropriate in this paragraph shall be made available only for the Sea-Based Wide Area Defense (Navy Upper-Tier) program.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Director, Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; $282,038,000, to remain available for obligation until September 30, 1998.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; $24,968,000, to remain available for obligation until September 30, 1998.

TITLE V—REVOLVING AND MANAGEMENT FUNDS

DEFENSE BUSINESS OPERATIONS FUND

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

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744); $1,428,002,000, to remain available until expended: Provided, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all ship-board services; propulsion system components (that is;

engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: Provided further, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: Provided further, That the Secretary of the military department responsible for such procurement may waive these restrictions on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law; $10,207,308,000, of which $9,937,838,000 shall be for Operation and maintenance, of which not to exceed three percent shall remain available until September 30, 1998; and of which $269,470,000, to remain available for obligation until September 30, 1999, shall be for Procurement: Provided, That of the funds appropriated under this heading, $14,500,000 shall be made available for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross: Provided further, That notwithstanding any other provision of law, of the funds provided under this heading, the Secretary of Defense is directed to use and obligate, within thirty days of enactment of this Act, not less than $3,400,000 only to permit private sector or non-Federal physicians who have used and will use the antibacterial treatment method based upon the excretion of dead and decaying spherical bacteria to work in conjunction with the Walter Reed Army Medical Center on a treatment protocol and related studies for Desert Storm Syndrome affected veterans.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, $758,447,000, of which $478,947,000 shall be for Operation and maintenance, $191,200,000 shall be for Procurement to remain available until September 30, 1999, and $88,300,000 shall be for Research, development, test and evaluation to remain available until September 30, 1998: Provided, That of the funds made available under this heading, $1,000,000 shall be available until expended only for a Johnston Atoll off-island leave program: Provided further, That notwithstanding any other provision of law, the Secretaries concerned may, pursuant to uniform regulations prescribe travel and transportation allowances for travel by participants in the off-island leave program.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation; $807,800,000: Provided, That the funds appropriated by this paragraph shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; $139,157,000, of which $137,157,000 shall be for Operation and maintenance, of which not to exceed $500,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on his certificate of necessity for confidential military purposes; and of which $2,000,000, to remain available until September 30, 1999, shall be for Procurement.

TITLE VII—RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

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

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

For necessary expenses of the Intelligence Community Management Account; $129,146,000: Provided, That of the funds appropriated under this hearing, $27,000,000 shall be transferred to the Department of Justice for the National Drug Intelligence Center to support the Department of Defense's counterdrug monitoring and detection responsibilities.

PAYMENT TO KAHO'OLAWE ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND

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

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102–183, $5,100,000, to be derived from the National Security Education Trust Fund, to remain available until expended.

TITLE VIII—GENERAL PROVISIONS

Sec. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

Sec. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: Provided, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: Provided further, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: Provided further, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.

Sec. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

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

(TRANSFER OF FUNDS)

Sec. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest he may, with the approval of the Office of Management and Budget, transfer not to exceed $2,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: Provided further, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: Provided further, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations by reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: Provided, That transfers may be made between such funds and the ''Foreign Currency Fluctuations, Defense'' and ''Operation and Maintenance'' appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

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

SEC. 8008. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services shall be available for payments to physicians and other non-institutional health care providers in excess of the amounts allowed in fiscal year 1996 for similar services, except that: (a) for services for which the Secretary of Defense determines an increase is justified by economic circumstances, the allowable amounts may be increased in accordance with appropriate economic index data similar to that used pursuant to title XVIII of the Social Security Act; and (b) for services the Secretary determines are overpriced based on allowable payments under title XVIII of the Social Security Act, the allowable amounts shall be reduced by not more than 15 percent (except that the reduction may be waived if the Secretary determines that it would impair adequate access to health care services for beneficiaries). The Secretary shall solicit public comment prior to promulgating regulations to implement this section. Such regulations shall include a limitation, similar to that used under title XVIII of

the Social Security Act, on the extent to which a provider may bill a beneficiary on actual charge in excess of the allowable amount.

SEC. 8009. None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year, unless the congressional defense committees have been notified at least thirty days in advance of the proposed contract award: Provided, That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: Provided further, That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed $500,000,000 unless specifically provided in this Act: Provided further, That no multiyear procurement contract can be terminated without 10-day prior notification to the congressional defense committees: Provided further, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement: Provided further, That notwithstanding Section 8010 of Public Law 104–61, funds appropriated for the DDG–15 destroyer program in Public Law 104–61 may be used to initiate a multiyear contract for the Raleigh Burke class destroyer program.

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

Javelin missiles;
Army Tactical Missile System (ATACMS);
MK19–3 grenade machine guns:
M16A2 rifles:
M249 Squad Automatic Weapons;
M4 carbine rifles;
M240B machine guns; and
Arleigh Burke (DDG–15) class destroyers.

SEC. 8010. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: Provided, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: Provided further, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 8011. (a) During fiscal year 1997, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

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

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

SEC. 8012. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the fifty United States, its territories, and the District of Columbia, 125,000 civilian workyears: Provided, That workyears shall be applied as defined in the Federal Personnel Manual: Provided further, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.

SEC. 8013. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8014. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 3015(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act—

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

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

nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: Provided, That in the case of a member covered by clause (1), these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives involving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: Provided further, That this subsection applies only to active components of the Army.

(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: Provided, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: Provided further, That this subsection applies only to active components of the Army.

SEC. 8015. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That this section shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 percent Native American ownership.

(TRANSFER OF FUNDS)

SEC. 8016. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8017. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: Provided, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): Provided further, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: Provided further, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8018. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: Provided, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8019. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

SEC. 8020. Notwithstanding any other provision of law, during the current fiscal year, the

Secretary of Defense may, be Executive Agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: Provided, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: Provided further, That the Department of Defense's budget submission for fiscal year 1998 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: Provided further, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: Provided further, That each such Executive Agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate thirty days prior to the conclusion and endorsement of any such agreement established under this provision.

SEC. 8021. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols.

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

SEC. 8023. None of the funds appropriated by this Act shall be available for payments under the Department of Defense contract with the Louisiana State University Medical Center involving the use of cats for Brain Missile Wound Research, and the Department of Defense shall not make payments under such contract from funds obligated prior to the date of the enactment of this Act, except as necessary for costs incurred by the contractor prior to the enactment of this Act: Provided, That funds necessary for the care of animals covered by this contract are allowed.

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

SEC. 8025. None of the funds provided in this Act or any other Act shall be available to conduct bone trauma research at any Army Research Laboratory until the Secretary of the Army certifies that the synthetic compound to be used in the experiments is of such a type that its use will result in a significant medical finding, the research has military application, the research will be conducted in accordance with the standards set by an animal care and use committee, and the research does not duplicate research already conducted by a manufacturer or any other research organization.

SEC. 8026. During the current fiscal year, none of the funds available to the Department of Defense may be used to procure or acquire (1) defensive handguns unless such handguns are the M9 or M11 9mm Department of Defense standard handguns, or (2) offensive handguns except for the Special Operations Forces: Provided, That the foregoing shall not apply to handguns and ammunition for marksmanship competitions.

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

SEC. 8028. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5 or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

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

(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under sections 331, 332, 333, or 12406 of title 10, or other provision of law, as applicable, or

(B) full-time military service for his or her State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

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

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, and such leave shall be considered leave under section 6323(b) of title 5.

SEC. 8029. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of twenty-four months after initiation of such study with respect to a single function activity or forty-eight months after initiation of such study for a multi-function activity.

SEC. 8030. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.

SEC. 8031. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

SEC. 8032. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130 Weather Reconnaissance mission below the levels funded in this Act.

SEC. 8033. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the afforded the maximum practicable opportunity to participate as subcontractors and supplies in the performance of contracts let by the Department of Defense.

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

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

SEC. 8034. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

SEC. 8035. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes of specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: Provided, That, upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

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

SEC. 8037. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) LIMITATION ON COMPENSATION.—No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, may be compensated for his or her services as a member of such entity, or as a paid consultant, except under the same conditions, and to the same extent, as members of the Defense Science Board: Provided, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 1997 may be used by a defense FFRDC, through a fee or other payment mechanism, for charitable contributions, for construction of new buildings, for payment of cost sharing for projects funded by government grants, or for absorption of contract overruns.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 1997, not more than 5,975 staff years of technical effort (staff years) may be funded for defense FFRDCs: Provided, That of the specific amount referred to previously in this subsection, not more than 1,088 staff years may be funded for the defense studies and analysis FFRDCs.

(e) Notwithstanding any other provision of law, the Secretary of Defense shall control the total number of staff years to be performed by defense FFRDCs during fiscal year 1997 so as to reduce the total amounts appropriated in titles II, III, and IV of this Act by $52,286,000: Provided, That the total amounts appropriated in

titles II, III, and IV of this Act are hereby reduced by $52,286,000 to reflect savings from the use of defense FFRDCs by the department.

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

(g) The Secretary of Defense shall, with the submission of the department's fiscal year 1998 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(h) The total amounts appropriated to or for the use of the department in titles II, III, and IV of this Act are hereby further reduced by $102,286,000 to reflect savings from the decreased use of non-FFRDC consulting services by the department.

(i) No part of the reductions contained in subsections (e) and (h) of this section may be applied against any budget activity, activity group, subactivity group, line item, program element, program, project, subproject or activity which does not fund defense FFRDC activities or non-FFRDC consulting services within each appropriation account.

(j) Not later than 90 days after enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (i) above pursuant to this section.

SEC. 8038. None of the funds in this or any other Act shall be available for the preparation of studies on—

(a) the feasibility of removal and transportation of unitary chemical weapons or agents from the eight chemical storage sites within the continental United States to Johnston Atoll: Provided, That this prohibition shall not apply to General Accounting Office studies requested by a Member of Congress or a Congressional Committee; and

(b) the potential future uses of the nine chemical disposal facilities other than for the destruction of stockpile chemical munitions and as limited by section 1412(c)(2), Public Law 99–145: Provided, That this prohibition does not apply to future use studies for the CAMDS facility at Tooele, Utah.

SEC. 8039. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: Provided, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: Provided further, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: Provided further, That these restrictions shall not apply to contracts which are in being as of the date of enactment of this Act.

SEC. 8040. For the purposes of this Act, the term ''congressional defense committees'' means the National Security Committee of the House of Representatives, the Armed Services Committee of the Senate, the subcommittee on Defense of the Committee on Appropriations of the Senate, and the subcommittee on National Security of the Committee on Appropriations of the House of Representatives.

SEC. 8041. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: Provided, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: Provided further, That Office of Management and Budget Circular A–76 shall not apply to competitions conducted under this section.

SEC. 8042. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 1997. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term ''Buy American Act'' means title III of the Act entitled ''An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes'', approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8043. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

SEC. 8044. During the current fiscal year and hereafter, voluntary separation incentives payable under 10 U.S.C. 1175 may be paid in such amounts as are necessary from the assets of the Voluntary Separation Incentive Fund established by section 1175(h)(1).

(INCLUDING TRANSFER OF FUNDS)

SEC. 8045. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8046. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the Armed Forces who is not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training: Provided, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: Provided further, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be paid directly from funds appropriated for operation and maintenance of the reserve component of the member concerned.

SEC. 8047. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the Defense Agencies.

SEC. 8048. Notwithstanding any other provision of law, funds available for ''Drug Interdiction and Counter-Drug Activities, Defense'' may be obligated for the Young Marines program.

SEC. 8049. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8050. During the current fiscal year and hereafter, annual payments granted under the provisions of section 4416 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2714) shall be made from appropriations in this Act which are available for the pay of reserve component personnel.

SEC. 8051. Of the funds appropriated or otherwise made available by this Act, not more than $119,200,000 shall be available for payment of the operating costs of NATO Headquarters: Provided, That the Secretary of Defense may waive this section for Department of Defense support provided to NATO forces in and around the former Yugoslavia.

SEC. 8052. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $100,000.

SEC. 8053. During the current fiscal year and hereafter, appropriations available for the pay and allowances of active duty members of the Armed Forces shall be available to pay the retired pay which is payable pursuant to section 4403 of Public Law 102–484 (10 U.S.C. 1293 note) under the terms and conditions provided in section 4403.

SEC. 8054. (a) During the current fiscal year, none of the appropriations or funds available to the Defense Business Operations Fund shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Defense Business Operations Fund if such an item would not have been chargeable to the Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 1998 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1998 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act

shall be budgeted for in a proposed fiscal year 1998 procurement appropriation and not in the supply management business area or any other area or category of the Defense Business Operations Fund.

SEC. 8055. None of the funds provided in this Act shall be available for use by a Military Department to modify an aircraft, weapon, ship or other item of equipment, that the Military Department concerned plans to retire or otherwise dispose of within five years after completion of the modification: Provided, That this prohibition shall not apply to safety modifications: Provided further, That this prohibition may be waived by the Secretary of a Military Department if the Secretary determines it is in the best national security interest of the United States to provide such waiver and so notifies the congressional defense committees in writing.

SEC. 8056. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 1998.

SEC. 8057. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8058. (a) Notwithstanding any other provision of law, funds appropriated in this Act for the High Performance Computing Modernization Program shall be made available only for the acquisition, modernization and sustainment of supercomputing capability and capacity at Department of Defense (DoD) science and technology sites under the cognizance of the Director of Defense Research and Engineering and DoD test and evaluation facilities under the Director of Test and Evaluation, OUSD (A&T): Provided, That these funds shall be awarded based on user-defined requirements.

(b) Of the funds appropriated in this Act under the heading ''Procurement, Defense-Wide'', $124,735,000 shall be made available for the High Performance Computing Modernization Program. Of the total funds made available for the program pursuant to this subsection, $20,000,000 shall be for the Army High Performance Computing Research Center.

SEC. 8059. Of the funds appropriated by the Department of Defense under the heading ''Operation and Maintenance, Defense-Wide'', not less than $8,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8060. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

SEC. 8061. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

SEC. 8062. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with Bay American Act. For purposes of this subsection, the term ''Bay American Act'' means title III of the Act entitled ''An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes'', approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a ''Made in America'' inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8063. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposal work, or

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

Provided, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8064. Funds appropriated by this Act for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 8065. Notwithstanding section 142 of H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997, as passed by the Senate on September 10, 1996, of the funds provided in title VI of this Act, under the heading ''Chemical Agents and Munitions Destruction, Defense'', $40,000,000 shall only be available for the conduct of a pilot program to identify and demonstrate not less than two alternatives to the baseline incineration process for the demilitarization of assembled chemical munitions: Provided, That the Under Secretary of Defense for Acquisition and Technology shall, not later than December 1, 1996, designate a program manager who is not, nor has been, in direct or immediate control of the baseline reverse assembly incineration demilitarization program to carry out the pilot program: Provided further, That the Under Secretary of Defense for Acquisition and Technology shall evaluate the effectiveness of each alternative chemical munitions demilitarization technology identified and demonstrated under the pilot program to demilitarize munitions and assembled chemical munitions while meeting all applicable Federal and State environmental and safety requirements: Provided further, That the Under Secretary of Defense for Acquisition and Technology shall transmit, by December 15 of each year, a report to the congressional defense committees on the activities carried out under the pilot program during the preceding fiscal year in which the report is to be made: Provided further, That section 142(f)(3) of H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997, as passed by the Senate on September 10, 1996, is repealed: Provided further, That no funds may be obligated for the construction of a baseline incineration facility at the Lexington Blue Grass Army Depot or the Pueblo Depot activity until 180 days after the Secretary of Defense has submitted to the congressional defense committees a report detailing the effectiveness of each alternative chemical munitions demilitarization technology identified and demonstrated under the pilot program and its ability to meet the applicable safety and environmental requirements: Provided further, That none of the funds in this or any other Act may be obligated for the preparation of studies, assessments, or planning of the removal and transportation of stockpile assembled unitary chemical weapons or neutralized chemical agent to any of the eight chemical weapons storage sites within the continental United States.

SEC. 8066. (a) None of the funds made available by this Act may be obligated for design, development, acquisition, or operation of more than 47 Titan IV expendable launch vehicles, or for satellite mission-model planning for a Titan IV requirement beyond 47 vehicles.

(b) $59,600,000 made available in this Act for Research, Development, Test and Evaluation, Air Force, may only be obligated for development of a new family of medium-lift and heavy-lift expendable launch vehicles evolved from existing technologies.

SEC. 8067. None of the funds available to the Department of Defense in this Act may be used to establish additional field operating agencies of any element of the Department during fiscal year 1997, except for field operating agencies funded within the National Foreign Intelligence Program: Provided, That the Secretary of Defense may waive this section by certifying to the House and Senate Committees on Appropriations that the creation of such field operating agencies will reduce either the personnel and/or financial requirements of the Department of Defense.

SEC. 8068. Notwithstanding section 303 of Public Law 96–487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes.

SEC. 8069. Notwithstanding any other provision of law, for resident classes entering the war colleges after September 30, 1997, the Department of Defense shall require that not less than 20 percent of the total of United States military student at each war college shall be from military departments other than the hosting military department: Provided, That each military department will recognize the attendance at a sister military department war college as the equivalent of attendance at its own war college for promotion and advancement of personnel.

(RESCISSIONS)

SEC. 8070. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

''Procurement of Ammunition, Army, 1995/1997'', $4,500,000;

''Aircraft Procurement, Navy, 1995/1997'', $8,000,000;

''Procurement of Ammunition, Navy and Marine Corps, 1995/1997'', $2,000,000;

''Other Procurement, Navy, 1995/1997'', $10,000,000;

''Aircraft Procurement, Air Force, 1995/1997'', $3,100,000;

''Missile Procurement, Air Force, 1995/1997'', $31,900,000;

''Aircraft Procurement, Navy, 1996/1998'', $5,400,000;

''Procurement of Ammunition, Navy, and Marine Corps, 1996/1998'', $12,708,000;

''Aircraft Procurement, Air Force, 1996/1998'', $9,000,000;

''Missile Procurement, Air Force, 1996/1998'', $20,000,000;

''Other Procurement, Air Force, 1996/1998'', $26,000,000;

''Research, Development, Test and Evaluation, Navy 1996/1997'', $4,500,000.

SEC. 8071. None of the funds provided in this Act may be obligated for payment on new contracts on which allowable costs charged to the government include payments for individual compensation at a rate in excess of $250,000 per year.

SEC. 8072. Of the funds appropriated in the Department of Defense Appropriations Act, 1996 (Public Law 104–61), under the hearing ''Other Procurement, Army'', the Department of the Army shall grant $477,000 to the Kansas Unified School District 207 for the purpose of integrating schools at Fort Leavenworth into the existing fiber optic network on post.

SEC. 8073. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the Army National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8074. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8075. During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: Provided, That during the performance of such duty, the members of the National Guard shall be under State command and control: Provide further, That such duty shall be treated as full-time National Guard duty for purposes of section 12602 (a)(2) and (b)(2) of title 10, United States Code.

SEC. 8076. Funds appropriated in this Act for operation and maintenance of the Military Departments, Unified and Specified Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence support to Unified Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the General Defense Intelligence Program and the Consolidated Cryptologic Program: Provided, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8077. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 1996 level: Provided, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

SEC. 8078. All refunds or other amounts collected in the administration of the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be credited to current year appropriations.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8079. None of the funds appropriated in this Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning, design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed $1,118,000,000.

SEC. 8080. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(TRANSFER OF FUNDS)

SEC. 8081. Appropriations available in this Act under the heading ''Operation and Maintenance, Defense-Wide'' for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

SEC. 8082. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: Provided, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8083. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa: Provided, That notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8084. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8085. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8086. None of the funds appropriated by this Act shall be available to lease or charter a vessel in excess of seventeen months (inclusive of any option periods) to transport fuel or oil for the Department of Defense if the vessel was constructed after October 1, 1995 unless the Secretary of Defense requires that the vessel be constructed in the United States with a double hull under the long-term lease or charter authority provided in section 2401 note of title 10, United States Code: Provided, That this limitation shall not apply to contracts in force on the date of enactment of this Act: Provided further, That by 1997 at least 20 percent of annual leases and charters must be for ships of double hull design constructed after October 1, 1995 if available in numbers sufficient to satisfy this requirement: Provided further, That the Military Sealift Command shall plan to achieve the goal of eliminating single hull ship leases by the year 2015.

(TRANSFER OF FUNDS)

SEC. 8087. In addition to amounts appropriated or otherwise made available by this Act, $300,000,000 is hereby appropriated to the Department of Defense and shall be available only for transfer to the United States Coast Guard.

SEC. 8088. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $150,000,000 to reflect savings from reduced carryover of activities funded through the Defense Business Operations Fund, to be distributed as follows: ''Operation and Maintenance, Army'', $60,000,000; and ''Operation and Maintenance, Navy'', $90,000,000.

SEC. 8089. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: Provided, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8090. During the current fiscal year, the Army shall use the former George Air Force Base as the airhead for the National Training Center at Fort Irwin: Provided, That none of the funds in this Act shall be obligated or expended to transport Army personnel into Edwards Air Force Base for training rotations at the National Training Center.

SEC. 8091. (a) The Secretary of Defense shall submit, on a quarterly basis, a report to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate setting forth all costs (including incremental costs) incurred by the Department of Defense during the preceding quarter in implementing or supporting resolutions of the United Nations Security Council, including any such resolution calling for international sanctions, international peacekeeping operations, and humanitarian missions undertaken by the Department of Defense. The quarterly report shall include an aggregate of all such Department of Defense costs by operation or mission.

(b) The Secretary of Defense shall detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities.

SEC. 8092 (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—(1) This section applies to—

(A) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(B) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8093. To the extent authorized by subchapter VI of Chapter 148 of title 10, United States Code, the Secretary of Defense shall issue loan guarantees in support of U.S. defense exports not otherwise provided for: Provided, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed $15,000,000,000: Provided further, That the exposure fees charged and collected by the Secretary for each guarantee, shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: Provided further, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services and Foreign Relations of the Senate and the Committees on Appropriations, National Security and International Relations in the House of Representatives on the implementation of this program: Provided further, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of Chapter 148 of title 10.

SEC. 8094. None of the funds available to the Department of Defense shall be obligated or expended to make a financial contribution to the United Nations for the cost of an United Nations peacekeeping activity (whether pursuant to assessment or a voluntary contribution) or for payment of any United States arrearage to the United Nations.

SEC. 8095. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

SEC. 8096. The amount otherwise provided by this Act for ''Operation and Maintenance, Air Force'' is hereby reduced by $194,500,000, to reflect a reduction in the pass-through to the Air Force business areas of the Defense Business Operations Fund.

SEC. 8097. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions or agents to the Johnston Atoll for the purpose of storing or demilitarizing such munitions or agents.

(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition or agent of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

SEC. 8098. None of the funds provided in title II of this Act for ''Former Soviet Union Threat Reduction'' may be obligated or expended to finance housing for any individual who was a member of the military forces of the Soviet Union or for any individual who is or was a member of the military forces of the Russian Federation.

SEC. 8099. During the current fiscal year, no more than $15,000,000 of appropriations made in this Act under the heading ''Operation and Maintenance, Defense-Wide'' may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8100. Beginning in fiscal year 1997 and thereafter, and notwithstanding any other provision of law, fixed and mobile telecommunications support shall be provided by the White House Communications Agency (WHCA) to the United States Secret Service (USSS), without reimbursement, in connection with the Secret Service's duties directly related to the protection of the President or the Vice President or other officer immediately next in order of succession to the office of the President at the White House Security Complex in the Washington, D.C. Metropolitan Area and Camp David, Maryland. For these purposes, the White House Security Complex includes the White House, the White House grounds, the Old Executive Office Building, the New Executive Office Building, the Blair House, the Treasury Building, and the Vice President's Residence at the Naval Observatory.

SEC. 8101. None of the funds provided in this Act may be obligated or expended for the sale of zinc in the National Defense Stockpile if zinc commodity prices decline more than five percent below the London Metals Exchange market price reported on the date of enactment of this Act.

SEC. 8102. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading ''Shipbuilding and Conversion, Navy'' shall be considered to be for the same purpose as any subdivision under the heading ''Shipbuilding and Conversion, Navy'' appropriations in any prior year, and the one percent limitation shall apply to the total amount of the appropriation.

SEC. 8103. During the current fiscal year, and notwithstanding 31 U.S.C. 1552(a), not more than $107,000,000 appropriated under the heading ''Aircraft Procurement, Air Force'' in Public Law 101–511 and not more than $15,000,000 appropriated under the heading ''Aircraft Procurement, Air Force'' in Public Law 102–172 which were available and obligated for the B–2 Aircraft Program shall remain available for expenditure and for adjusting obligations for such Program until September 30, 2002.

SEC. 8104. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101–510, as amended (31 U.S.C. 1551 note): Provided, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: Provided further, That the total amount charged to a current appropriation under this section may not exceed an amount equal to one percent of the total appropriation for that account.

(TRANSFER OF FUNDS)

SEC. 8105. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: Provided further, That the amounts shall be transferred between the following appropriations in the amount specified:

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1985/1995'':

CG–47 cruiser program, $4,300,000;

For craft, outfitting, and post delivery, $2,000,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1985/1995'':

DDG–51 destroyer program, $6,300,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1986/1996'':

LHD–1 amphibious assault ship program, $2,154,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1986/1996'':

For craft, outfitting and post delivery, $2,154,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1987/1996'':

T–AO fleet oiler program, $1,095,000;

Oceanographic ship program, $735,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1987/1996'';

For craft, outfitting, and post delivery, $1,830,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1989/2000'':

T–AO fleet oiler program, $6,571,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1989/2000'';

SSN–21 attack submarine program, $6,571,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1991/2001'':

DDG–51 destroyer program, $12,687,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1991/2001'';

LHD–1 amphibious assault ship program, $9,387,000;

MHC coastal mine hunter program, $3,300,000

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1992/1996'':

For escalation, $1,600,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1992/1996'';

MHC coastal mine hunter program, $1,600,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1993/1997'':

DDG–51 destroyer program, $5,000,000;

LSD–41 cargo variant ship program, $2,700,000;

For craft, outfitting, post delivery, and first destination transportation, and inflation adjustment, $1,577,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1993/1997'';

AOE combat support ship program, $9,277,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1995/1999'':

Carrier replacement program, $18,023,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1993/1997'';

MHC coastal mine hunter program, $6,7000,000;

AOE combat support ship program, $11,323,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1994/1998'':

LHD–1 amphibious assault ship program, $4,1000,000;

Mine warfare command and control ship, $1,000,000;

For craft, outfitting, post delivery, and first destination transportation, $2,000,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1995/1999'':

Carrier replacement program, $9,477,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2000'':

NSSN–1 (AP), $3,791,000;

DDG–51 destroyer program, $4,075,000;

CVN Refuelings, $5,212,000;

LHD–1 amphibious ship program, $16,800,000;

T–AGS–64 multi-purpose oceanographic survey ship, $375,000;

For craft, outfitting, post delivery, conversions and first destination transportation, $11,770,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1994/1998'':

DDG–51 destroyer program, $41,800,000; and

Under the heading, ''Shipbuilding and Conversion, Navy, 1995/1999'':

For craft, outfitting, post delivery, conversions and first destination transportation, $16,800,000.

SEC. 8106. (a) The Secretary of Defense shall require not later than June 30, 1997, each disbursement by the Department of Defense in an amount in excess of $3,000,000 be matched to a particular obligation before the disbursement is made.

(b) The Secretary shall ensure that a disbursement in excess of the threshold amount applicable under section (a) is not divided into multiple disbursements of less than that amount for the purpose of avoiding the applicability of such section to that disbursement.

SEC. 8107. Notwithstanding any other provision of law, the Air Force shall not introduce any new supplier for the remaining production units for the AN/ALE–47 Countermeasures Dispenser System without conducting a full and open competition that will include, but not be limited to, small businesses.

SEC. 8108. The Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees a detailed report identifying, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project, subproject, and activity, any activity for which the fiscal year 1998 budget request was reduced because Congress appropriated funds above the President's budget request for that specific activity for fiscal year 1997.

SEC. 8109. In applying section 9005 of the Department of Defense Appropriations Act, 1993, Public Law 102–396 (10 U.S.C. 2241 note), during the current fiscal year and thereafter—

(1) the term ''synthetic fabric and coated synthetic fabric'' shall be deemed to include all textile fibers and yarns that are for use in such fabrics; and

(2) such section shall be treated, notwithstanding section 34 of Public Law 93–400 (41 U.S.C. 430), as being applicable to contracts and subcontracts for the procurement of commercial items that are articles or items, specialty metals, or tools covered by that section 9005.

SEC. 8110. Notwithstanding any other provision of law, including Section 2304(j) of title 10, United States Code, of the funds appropriated under the heading ''Aircraft Procurement, Navy'' in Public Law 104–61, $45,000,000 shall be made available only for acquisition of T–39N aircraft, associated ground-based training system (GBTS), service life extension related components and parts, associated equipment, and data that meet the Undergraduate Flight Officer (UNFO) training requirements by procurement of the T–39N aircraft currently being used by the Navy for UNFO training under a services contract.

SEC. 8111. TRADE-OFF STUDY OF CURRENT AND FUTURE DEEP-STRIKE CAPABILITIES.—

(1) The Secretary of Defense shall carry out the deep-strike tradeoff study announced by the President to study tradeoffs between bombers, land and sea-based tactical aircraft, and missiles capable of striking targets in an enemy's rear area.

(2) The Secretary of Defense shall establish an ad hoc review committee under the auspices of the Defense Science Board to establish the methodological approach to the tradeoff study, to establish a broad range of stressing scenarios of interest, and to review assumptions regarding the analysis to be conducted.

(3) The ad hoc review committee to be established under paragraph (2) shall include among its members analysts who have performed or participated in bomber tradeoff analysis, retired military personnel with broad experience in recent conventional warfare operations, and experts on the logistics of both initial deployment and sustaining support. These members shall be selected without regard for current service on the Defense Science Board.

(4) After submitting its recommendations for the conduct of the deep-strike tradeoff study to the Secretary of Defense the ad hoc review committee shall continue to meet regularly to review preliminary results of the analysis and to recommend additional variations in assumptions that may be required to illuminate particular force tradeoff issues.

SEC. 8112. Notwithstanding 31 U.S.C. 1552(a), of the funds provided in Department of Defense Appropriations Acts, not more than the specific amounts of funds from the following accounts shall remain available for the payment of satellite on-orbit incentive fees until the fees are paid:

''Missile Procurement, Air Force, 1990/1992'', $17,800,000;

''Missile Procurement, Air Force, 1991/1993'', $19,330,000;

''Missile Procurement, Air Force, 1992/1994'', $23,570,000;

''Missile Procurement, Air Force, 1993/1995'', $16,780,000;

''Missile Procurement, Air Force, 1994/1996'', $16,780,000;

SEC. 8113. TACTICAL AIRCRAFT REQUIREMENT STUDY.—The Secretary of Defense and the Chairman of the Joint Chiefs of Staff shall carry out a joint study under the direct supervision of the Joint Requirements Oversight Council (JROC) assessing future tactical aircraft requirement across service jurisdictions. This study shall determine the best and most affordable mix of weapon systems to carry out different mission areas and shall include recommendations for changes to the planned numbers and types of tactical aircraft to be developed and procured over the next ten years if appropriate. Such report shall be submitted to the congressional defense committees no later than March 30, 1997.

SEC. 8114. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel homeported on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.

SEC. 8115. (a) None of the funds available to the Department of Defense under this Act may be obligated or expended to reimburse a defense contractor for restructuring costs associated with a business combination of the defense contractor that occurs after the date of enactment of this Act unless:

(10 the audible savings for the Department of Defense resulting from the restructuring will exceed the costs allowed by a factor of at least two to one, or

(2) the savings for the Department of Defense resulting from the restructuring will exceed the costs allowed and the Secretary of Defense determines that the business combination will result in the preservation of a critical capability that might otherwise be lost to the Department, and

(3) the report required by Section 818(c) of Public Law 103–337 to be submitted to Congress in 1996 is submitted.

(b) Not later than April 1, 1997, the Comptroller General shall, in consultation with the Inspector General of the Department of Defense, the Secretary of Defense, and the Secretary of Labor, submit to Congress a report which shall include the following:

(1) an analysis and breakdown of the restructuring costs paid by or submitted to the Department of Defense to companies involved in business combinations since 1993;

(2) an analysis of the specific costs associated with workforce reductions;

(3) an analysis of the services provided to the workers affected by business combinations;

(4) an analysis of the effectiveness of the restructuring costs used to assist laid off workers in gaining employment;

(5) in accordance with section 818 of Public Law 103–337, an analysis of the savings reached from the business combination relative to the restructuring costs paid by the Department of Defense.

(c) The report should set forth recommendations to make this program more effective for workers affected by business combinations and more efficient in terms of the use of Federal dollars.

SEC. 8116. Notwithstanding any other provision of law, none of the funds appropriated in this Act may be used to purchase, install, replace, or otherwise repair any lock on a safe or security container which protects information critical to national security or any other classified materials and which has not been certified as passing the security lock specifications contained in regulation FF–L–2740 dated October 12, 1989, and has not passed all testing criteria and procedures established through February 28, 1992: Provided, That the Director of Central Intelligence may waive this provision, on a case-by-case basis only, upon certification that the above cited locks are not adequate for the protection of sensitive intelligence information.

SEC. 8117. Section 8110 of Public Law 104–61 (109 Stat. 674) is hereby repealed.

SEC. 8118. The Secretary of Defense, in conjunction with the Secretary of Labor, shall take such steps as required to ensure that those Department of Defense contractors and other entities subject to section 4212(d) of title 38, United States Code are aware of, and in compliance with, the requirements of that section regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans: Provided, That the Secretary of Defense shall ensure that those Department of Defense contractors and other entities subject to section 4212(d) of title 38, United States Code which

have contracts with the Department of Defense are notified of the potential penalties associated with failure to comply with these annual reporting requirements (including potential suspension or debarment from federal contracting): Provided further, That within 180 days of enactment of this Act the Secretary of Labor and the Secretary of Defense shall submit a report to Congress which—

(1) using the most recent reporting data, details the number of reports received from Department of Defense contractors and the estimated number of Department of Defense contractors which are not in compliance with these annual reporting requirements;

(2) describes the steps taken by the Departments of Labor and Defense in order to ensure compliance with section 4212(d) of title 38, United States Code;

(3) describes any additional measures taken or planned to be taken by the Departments of Labor and Defense to improve compliance with section 4212(d) of title 38, United States Code pursuant to this section; and

(4) any further recommendations regarding additional action (including changes in existing law) which may be necessary to improve compliance with section 4212(d) of title 38, United States Code.

SEC. 8119. Funds appropriated in title II of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: Provided, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.

SEC. 8120. (a) LIMITATION ON ADVANCE BILLING.—During fiscal year 1997, advance billing for services provided or work performed by the Defense Business Operations Fund activities of the Department of the Navy in excess of $1,000,000,000 is prohibited.

(b) REVISED RATES; ADDITIONAL SURCHARGES.—In conjunction with the Under Secretary of Defense (Comptroller), the Secretary of the Navy shall develop a plan to revise fiscal year 1997 customer rates or establish additional surcharges so as to increase revenues to the Defense Business Operations Fund by at least an additional $500,000,000 in executing orders accepted during fiscal year 1997.

(c) TRANSFER AUTHORITY.—To the extent necessary to comply with any rate increase or new surcharge on rates in fiscal year 1997 established under subsection (b), the Secretary of the Navy shall transfer at least $500,000,000, from funds made available under subsection (d), into customer accounts of the Navy used to reimburse the Defense Business Operations Fund so as to provide customers with sufficient resources to pay the increased customer rates and additional surcharges. The transfer authority provided by this subsection is in addition to other transfer authority provided in this Act. The funds transferred shall be merged with and available for the same purposes, and for the same time period, as the appropriation to which transferred.

(d) SOURCE OF FUNDS.—To provide funds for transfer under subsection (c), the amounts appropriated elsewhere in this Act for the following appropriation accounts are reduced by 2.0 percent: Aircraft Procurement, Navy; Weapons Procurement, Navy; Procurement of Ammunition, Navy and Marine Corps; Shipbuilding and Conversion, Navy; Other Procurement, Navy; and Research, Development, Test and Evaluation, Navy. These reductions shall be applied on a pro-rata basis to each line item, program element, program, project, subproject, and activity within each appropriation account.

SEC. 8121. The Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: Provided, That costs for which reimbursement is waived pursuant to this subsection shall be paid from appropriations available for the Asia-Pacific Center.

SEC. 8122. (a) Of the amounts appropriated or otherwise made available by this Act for the Department of the Air Force, $2,000,000 shall be available only for a facility at Lackland Air Force Base, Texas to provide comprehensive care and rehabilitation services to children with disabilities who are dependents of members of the Armed Forces.

(b) Subject to subsection (c), the Secretary of the Air Force shall grant the funds made available under subsection (a) to the Children's Association for Maximum Potential (CAMP) for use by the association to defray the costs of designing and constructing the facility referred to in subsection (a).

(c)(1) The Secretary may not make a grant of funds under subsection (b) until the Secretary and the association enter into an agreement under which the Secretary leases to the association the facility to be constructed using the funds.

(2) The term of the lease under subsection (c)(1) may not be less than 25 years.

(3) The Secretary may require such additional terms and conditions in connection with the lease as the Secretary considers appropriate to protect the interests of the United States.

SEC. 8123. None of the funds appropriated by this Act may be obligated or expended—

(1) to reduce the number of units of special operations forces of the Army National Guard during fiscal year 1997;

(2) to reduce the authorized strength of any such unit below the strength authorized for the unit as of September 30, 1996; or

(3) to apply any administratively imposed limitation on the assigned strength of any such unit at less than the strength authorized for that unit as of September 30, 1996.

SEC. 8124. (a) The Secretary of the Army shall ensure that solicitations for contracts for unrestricted procurement to be entered into using funds appropriated for the Army by this Act include, where appropriate, specific goals for subcontracts with small businesses, small disadvantaged businesses, and women owned small businesses.

(b) The Secretary shall ensure that any subcontract entered into pursuant to a solicitation referred to in subsection (a) that meets a specific goal referred to in that subsection is credited toward the overall goal of the Army for subcontracts with the businesses referred to in that subsection.

SEC. 8125. (a) The Secretary of the Air Force and the Director of the Office of Personnel Management shall submit a joint report describing in detail the benefits, allowances, services, and any other forms of assistance which may or shall be provided to any civilian employee of the Federal Government or to any private citizen, or to the family of such an individual, who is injured or killed while traveling on an aircraft owned, leased, chartered, or operated by the Government of the United States.

(b) The report required by subsection (a) above shall be submitted to the congressional defense committees and to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives not later than December 15, 1996.

SEC. 8126. (a) Not later than March 1, 1997, the Deputy Secretary of Defense shall submit to the congressional defense committees a report on Department of Defense procurements of propellant raw materials.

(b) The report shall include the following:

(1) The projected future requirements of the Department of Defense for propellant raw materials, such as nitrocellulose.

(2) The capacity, ability, and production cost rates of the national technology and industrial base, including Government-owned, contractor-operated facilities, contractor-owned and operated facilities, and Government-owned, Government-operated facilities, for meeting such requirements.

(3) The national security benefits of preserving in the national technology and industrial base contractor-owned and operated facilities for producing propellant raw materials, including nitrocellulose.

(4) The extent to which the cost rates for production of nitrocellulous in Government-owned, contractor-operated facilities is lower because of the relationship of those facilities with the Department of Defense than such rates would be without that relationship.

(5) The advantages and disadvantages of permitting commercial facilities to compete for award of Department of Defense contracts for procurement of propellant raw materials, such as nitrocellulose.

SEC. 8127. Not later than six months after the date of the enactment of this Act the Secretary of the Air Force shall submit to Congress a cost-benefit analysis of consolidating the ground station infrastructure of the Air Force that supports polar orbiting satellites.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8128. In addition to the amounts appropriated elsewhere in this Act, $100,000,000 is appropriated for defense against weapons of mass destruction: Provided, That the funds appropriated under this section may be transferred to and merged with funds appropriated elsewhere in this Act and that this transfer authority shall be in addition to any other transfer authority provided under this Act: Provided further, That of the funds made available by this section, $10,000,000 shall be transferred to and merged with funds appropriated in this Act for ''Procurement, Marine Corps'' and shall be available only for the procurement of equipment that enhances the capability of the Chemical-Biological Incident Response Force to respond to incidents of terrorism.

SEC. 8129. The Secretary of Defense, in consultation with the Secretary of Health and Human Services and the Director of the Office of Personnel Management, shall submit a report to the congressional defense committees by February 1, 1997 containing recommendations regarding the establishment of a demonstration program under which covered beneficiaries under chapter 55 of title 10, United States Code, who are entitled to benefits under part A of the medicare program and who do not have access to TRICARE, would be permitted to enroll in a health benefits program offered through the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code.

SEC. 8130. (a) Section 203 of H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997, as passed by the Senate on September 10, 1996, is hereby amended by repealing section 203(a), section 203(c), and section 203(e).

(b) The amendments made by section (a) shall take effect as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 as if section 203 of such Act had been enacted as so amended.

SEC. 8131. (a) Section 722(c) of the National Defense Authorization Act for Fiscal Year 1997 is amended—

(1) by striking out paragraph (2);

(2) by striking out ''(1)''; and

(3) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(b) The amendments made by subsection (a) shall take effect as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 as if section 722 of such Act had been enacted as so amended.

SEC. 8132. The Secretary of Defense shall complete a cost/benefit analysis on the establishment of a National Missile Defense Joint Program Office: Provided, That the Secretary of

Defense shall submit a report on this analysis to the congressional defense committees not later than March 31, 1997: Provided further, That the Department of Defense shall take no action to establish any National Missile Defense Joint Program Office, to reassign service National Missile Defense roles and missions under any National Missile Defense Joint Program Office strategy or to relocate people under such a strategy prior to March 31, 1997.

SEC. 8133. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8134. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: Provided, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: Provided further, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.

SEC. 8135. (a) Section 2867 of the National Defense Authorization Act for Fiscal Year 1997 is amended—

(1) by striking out ''Michael O'Callaghan Military Hospital'' both places it appears in the text of such section and inserting in lieu thereof ''Mike O'Callaghan Federal Hospital''; and

(2) in the section heading, by striking out ''MICHAEL O'CALLAGHAN MILITARY HOSPITAL'' and inserting in lieu thereof ''MIKE O'CALLAGHAN FEDERAL HOSPITAL''.

(b) The amendments made by subsection (a) shall take effect as of the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 and shall apply as if such amendments had been included insection 2867 of such Act when enacted.

SEC. 8136. (a) In addition to any other reductions required by this Act, the following funds are hereby reduced from the following accounts in title IV of this Act in the specified amounts:

''Research, Development, Test and Evaluation, Army'', $101,257,000;

''Research, Development, Test and Evaluation, Navy'', $164,179,000;

''Research, Development, Test and Evaluation, Air Force'', $289,992,000;

''Research, Development, Test and Evaluation, Defense-Wide'', $119,483,000;

Developmental Test and Evaluation, Defense'', $5,641,000.

(b) The reductions taken pursuant to subsection (a) shall be applied on a pro-rata basis by subproject within each R-1 program element as modified by this Act, except that no reduction may be taken against the funds made available to the Department of Defense for Ballistic Missile Defense.

(c) Unless expressly exempted by subsection (b), each program element, program, project, subproject, and activity funded by title IV of this Act shall be allocated a pro-rata share of any of the reductions made by this section.

(d) Not later than 60 days after enactment of this Act, the Secretary of Defense shall submit to the Congressional defense committees a report listing the specific funding reductions allocated to each category listed in subsection (c) above pursuant to this section.

SEC. 8137. In addition to amounts appropriated or otherwise made available in this Act, $230,680,000 is hereby appropriated to the Department of Defense for anti-terrorism, counterterrorism, and security enhancement programs and activities, as follows:

''Operation and Maintenance, Army'', $15,249,000;

''Operation and Maintenance, Navy'', $23,956,000;

''Operation and Maintenance, Marine Corps'', $600,000;

''Operation and Maintenance, Air Force'', $10,750,000;

''Operation and Maintenance, Defense-Wide'', $29,534,000;

''Operation and Maintenance, Navy Reserve'', $517,000;

''Other Procurement, Army'', $5,252,000;

''Other Procurement, Air Force'', $101,472,000;

''Procurement, Defense-Wide'', $35,350,000;

''Research, Development, Test and Evaluation, Defense-Wide'', $8,000,000:

Provided, That such amounts in their entirety are 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 funds appropriated in this section, or made available by transfer of such funds, for programs and activities of the Central Intelligence Agency shall remain available until September 30, 1997: Provided further, That funds appropriated in this section, or made available by transfer of such funds, to any intelligence agency or activity of the United States Government shall be deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

SEC. 8138. Of the amounts provided in Titles I though VIII of this Act, $230,680,000 are permanently canceled: Provided, That the Secretary of Defense shall allocate the amount of budgetary resources canceled by this section on a pro-rata basis among each budget activity, activity group and subactivity group and each program, project or activity within each appropriations account.

Titles I through VIII of this Act may be cited as the ''Department of Defense Appropriations Act, 1997''

TITLE IX—FISCAL YEAR 1996 SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR ANTI-TERRORISM, COUNTERTERRORISM, AND SECURITY ENHANCEMENT ACTIVITIES

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide emergency supplemental appropriations for the Department of Defense for the fiscal year ending September 30, 1996, namely:

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for ''Military Personnel, Army'', $4,800,000: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for ''Military Personnel, Air Force'', $4,000,000: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for ''Operation and Maintenance, Army'', $21,200,000, to remain available until September 30, 1997: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for ''Operation and Maintenance, Air Force'', $67,400,000, to remain available until September 30, 1997: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That these funds may be used to liquidate obligations incurred by the Air Force during fiscal year 1996 for costs incurred under the authority of the Feed and Forage Act (41 U.S.C. 11).

PROCUREMENT

OTHER PROCUREMENT, ARMY

For an additional amount for ''Other Procurement, Army'', $11,600,000, to remain available until September 30, 1998: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for ''Other Procurement, Air Force'', $13,600,000, to remain available until September 30, 1998: Provided, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

GENERAL PROVISIONS

(RESCISSIONS)

SEC. 9001. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded, as of the date of enactment of this Act, from the following accounts in the specified amounts:

''Procurement of Ammunition, Army, 1994/1996'', $1,000,000;

''Other Procurement, Army, 1994/1996'', $6,000,000;

''Research, Development, Test and Evaluation, Army, 1995/1996'', $2,055,000;

''Aircraft Procurement, Navy, 1994/1996'', $10,157,000;

''Weapons Procurement, Navy 1994/1996'', $10,688,000;

''Other Procurement, Navy, 1994/1996'', $4,000,000;

''Research, Development, Test and Evaluation, Navy, 1995/1996'', $6,909,000;

''Aircraft Procurement, Air Force, 1994/1996'', $18,771,000;

''Missile Procurement, Air Force, 1994/1996'', $10,156,000;

''Other Procurement, Air Force, 1994/1996'', $14,395,000;

''Research, Development, Test and Evaluation, Air Force, 1995/1996'', $4,918,000;

''Procurement, Defense-Wide, 1994/1996'', $9,954,000;

''Research, Development, Test and Evaluation, Defense-Wide, 1995/1996'', $23,597,000.

SEC. 9002. Funds appropriated by this title, or made available by transfer of such funds, for programs and activities of the Central Intelligence Agency shall remain available until September 30, 1997: Provided, That funds appropriated by this title, or made available by transfer of such funds, to any intelligence agency, or intelligence activity of the United States Government shall be deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

(c) For programs, projects or activities in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

AN ACT making appropriations for the foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes

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, $726,000,000 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, $46,614,000: 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, effective July 21, 1997, notwithstanding any other provision of law, none of the funds made available by this or any other Act may be made available to compensate the incumbent Chairman and President of the Export-Import Bank: 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: 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: Provided further, That section 235(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(3)) is amended by striking out ''1996'' and inserting in lieu thereof ''1997'' and, notwithstanding section 235(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(1)), the maximum contingent liability of issuing authority for insurance and financing shall not in the aggregate exceed the amounts provided in section 235(a)(1) and (2) of that Act. 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, 1998, 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

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other diseases, and related activities, in addition to funds otherwise available for such purposes, $600,000,000, to remain available until expended: Provided, That this amount shall be made available for such activities as (1) immunization programs, (2) oral rehydration programs, (3) health and nutrition programs, and related education programs, which address the needs of mothers and children, (4) water and sanitation programs, (5) assistance for displaced and orphaned children, (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria and other diseases, (7) not to exceed $98,000,000 for basic education programs for children, and (8) a contribution on a grant basis to the United Nations Children's Fund (UNICEF) pursuant to section 301 of the Foreign Assistance Act of 1961.

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, $1,181,500,000, to remain available until September 30, 1998: Provided, That of the amount appropriated under this heading, up to $20,000,000 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 $11,500,000 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 ''Child Survival and Disease Programs Fund'' that are made available by the Agency for International Development for development assistance activities, the amount made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961 (relating to the Development Fund for Africa) and the amount made available for activities in the Latin America and Caribbean region 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 each such region is to the total amount requested for development assistance for such fiscal year: Provided further, That funds appropriated under this heading may be made available, notwithstanding any other provision of law except section 515 of this Act, to assist Vietnam to reform its trade regime (such as through reform of its commercial and investment legal codes): 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 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 $17,500,000 may 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 displace 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 $500,000 of the funds made available under this heading shall be available only for support of the United States Telecommunications Training Institute.

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 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 assistant 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, 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 as provided through the regular notification procedures of the Committees on Appropriations.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the 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, $3,500,000, 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, $470,750,000: Provided, That none of the funds appropriated by this Act for programs administered by the Agency for International Development may be used to finance printing costs of any report or study (except feasibility, design, or evaluation reports or studies) in excess of $25,000 without the approval of the Administrator of the Agency or the Administrator's designee.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $30,000,000, to remain available until September 30, 1998, 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, $2,343,000,000, 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 sums 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 nonmilitary 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 none of the funds appropriated under this heading shall be made available for Zaire.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 1998.

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 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) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.

(e) 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 531 of this Act shall apply.

(f) With regard to funds appropriate under this heading that are made available for economic revitalization programs in Bosnia and Herzegovina, 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 Herzegovina has complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Herzegovina 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, $625,000,000, 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)(1) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than $10,000,000 shall be available only for assistance for Mongolia, of which amount not less than $6,000,000 shall be available only for the Mongolian energy sector.

(2) Funds made available for assistance for Mongolia may be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

(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 business, 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) Off 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: Provided further, That $5,000,000 shall be available only for a land and resource management institute to identify nuclear contamination at Chornobyl: Provided further, That $15,000,000 shall be available for the legal restructuring necessary to support a decentralized market-oriented economic system, including enactment of necessary substantive commercial law, implementation of reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys, and law students, and education of the public designed to promote understanding of a law-based economy.

(l) Of the funds made available for Ukraine, under this Act and Public Law 104–107, 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 funds 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) 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.

(o)(1) 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 Iraq with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(2) Paragraph (1) shall not apply if the President determines that making such funds available is important to the national security interest of the United States. Any such determination shall cease to be effective six months after being made unless the President determines that its continuation is important to the national security interest of the United States.

(p) 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: Provided, That to further the development of the private sector in the Trans-Caucasus, such amount and amounts appropriated for purposes of subsection (t) under the heading ''Assistance for the New Independent States of the Former Soviet Union'' in Public Law 104–107 may be invested in a

Trans-Caucasus Enterprise Fund or, notwithstanding the provisions of such subsection, invested in other funds established by public or private organizations, or transferred to the Overseas Private Investment Corporation to be available, subject to the requirements of the Federal Credit Reform Act, to subsidize the costs of direct and guaranteed loans.

(q)(1) 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.

(2) Paragraph (1) shall not apply if the President determines that making such funds available is important to the national security interest of the United States. Any such determination shall cease to be effective six months after being made unless the President determines that its continuation is important to the national security interest of the United States.

(r) Of the funds appropriated under this heading, not less than $15,000,000 should 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.

(s) Funds made available under this Act or any other Act (other than assistance under title V of the FREEDOM Support Act and section 1424 of the ''National Defense Authorization Act for Fiscal Year 1997'') may not be provided for assistance 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.

(t) 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), $208,000,000, 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 section 481 of the Foreign Assistance Act of 1961, $213,000,000: 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: Provided further, That none of the funds made available under this heading may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence to believe such unit has committed gross violations of human rights unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking steps to bring the responsible members of the security forces unit to justice.

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 2955 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.

REFUGEE RESETTLEMENT ASSISTANCE

For necessary expenses for the targeted assistance program authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 and administered by the Office of Refugee Resettlement of the Department of Health and Human Services, in addition to amounts otherwise available for such purposes, $5,000,000.

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, $133,000,000, 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 $25,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework: Provided further, That such funds may be obligated to KEDO only if, prior to such obligation of funds, the President certifies and so reports to Congress that (1)(A) of the United States is taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by the end of fiscal year 1997; and (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which it was not intended: Provided further, That the President may waive the certification requirements of the preceding proviso if the President determines that it is vital to the national security interests of the United States: Provided further, That no funds may be obligated for KEDO until 30 calendar days after submission to Congress of the waiver permitted under the preceding proviso: Provided further, That before obligating any funds for KEDO, the President shall report to Congress on (1) the cooperation of North Korea in the process of returning to the United States the remains of United States military personnel who are listed as missing in action as a result of the Korean conflict (including conducting joint field activities with the United States); (2) violations of the military armistice agreement of 1953; (3) the actions which the United States is taking to assure that North Korea is consistently taking steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula and engage in North-South dialogue; and (4) all instances of non-compliance with the Agreed Framework between North Korea and the United States and the Confidential Minute, including diversion of heavy fuel oil: Provided further, That the obligation of such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the Secretary of State shall submit to the appropriate congressional committees an annual report (to be submitted with the annual presentation for appropriations) providing a full and detailed accounting of the fiscal year request for the United States contribution to KEDO, the expected operating budget of the Korean Peninsula Energy Development Organization, to include proposed annual costs associated with heavy fuel oil purchases and other related activities, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis.

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, $43,475,000: Provided, 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 international military education and training.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,164,000,000: 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 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 $7,000,000 may be transferred, notwithstanding any other provision of law, 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, Liberia, and Guatemala: 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 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 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.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

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 INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $700,000,000, for the United States contribution to the tenth replenishment, to remain available until expended: Provided, That none of the funds may be obligated before March 1, 1997: Provided further, That not less than twenty days before such funds are obligated, the Secretary of the Treasury shall submit a report to the Committees on Appropriations on his efforts to reach agreement with the other IDA–11 donors, including at the February 1997 IDA–11 donors review meeting, that the procurement restrictions in the Interim Trust Fund will be lifted.

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, $56,000,000, 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 account 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, $169,950,000: 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 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 $25,000,000 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 fund: 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).

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, 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, Antiterrorism, 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, 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.

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 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: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committee on Appropriations.

(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 purpose of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for ''Child Survival and Disease Programs Fund'', ''Development Assistance'', ''Debt restructuring'', ''International organizations and programs'', ''Trade and Development Agency'', ''International narcotics control'', ''Assistance for Eastern Europe and the Baltic States'', ''Assistance for the New Independent State 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'', ''Nonprofiferation, anti-terrorism, demining and related programs'', ''Foreign Military Financing Program'', ''International military education and training'', ''Inter-American Foundation'', ''African Development Foundation'', ''Peace Corps'', ''Migration and refugee assistance'', 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 Committee for obligation under any of these specific heading unless the Appropriations Committee of both Houses of Congress are previously notified fifteen days in advance: Provided, 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 of 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, 1998.

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

AUTHORIZATION FOR POPULATION PLANNING

SEC. 518A. (a) None of the funds made available in title II of this Act for population planning activities or other population assistance pursuant to section 104(b) of the Foreign Assistance Act or any other provision of law may be obligated or expended prior to July 1, 1997.

(b) Not to exceed $385,000,000 of the funds appropriated in title II of this Act may be made available for population planning activities or other population assistance.

(c) Such funds may be apportioned only on a monthly basis, and such monthly apportionments may not exceed 8 percent of the total available for such activities.

(d) Not later than February 1, 1997, the President shall submit a finding to the Congress regarding the impact of the limitation on obligations imposed by subsection (a) of this section on the proper functioning of the population planning program. If such Presidential finding indicates that the limitation is having a negative impact on the proper functioning of the population planning program, funds for population planning activities and other population assistance referred to in subsection (a) may be made available beginning March 1, 1997, notwithstanding the July 1, 1997, limitation set forth in subsection (a), if the Congress approves such finding by adoption of a joint resolution of approval not later than February 28, 1997, in accordance with subsection (e).

(e) CONGRESSIONAL REVIEW PROCEDURE.—

(1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as those rules relate to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(2) For purposes of this section, the term ''resolution'' means a joint resolution, the text of which is as follows: ''That the House of Representatives and Senate approve the Presidential finding, submitted to the Congress on XXXXX, that the limitation on obligations imposed by section 518A(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, is having a negative impact on the proper functioning of the population planning program.''. The blank space therein shall be filled with the date on which the President submits his finding to the House of Representatives and the Senate.

(3) On the day on which the President submits a finding under this section to the Congress, a joint resolution described in paragraph (2) shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which the President submits such finding, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. A resolution once introduced in the House with respect to a Presidential finding under this section shall be referred to 1 or more committees (and all resolutions with respect to the same Presidential finding shall be referred to the same committee or committees) by the Speaker of the House of Representatives. A resolution once introduced in the Senate with respect to a Presidential finding under this section shall be referred to the appropriate committee (and all resolutions with respect to the same Presidential finding shall be referred to the same committee) by the President of the Senate.

(4) No amendment to a resolution introduced under this section shall be in order in either the House of Representatives or the Senate; and no motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the presiding officer to entertain a request to suspend the application of this subsection by unanimous consent.

(5)(A) If any committee to which a resolution with respect to a Presidential finding under this section has been referred has not reported it at

the end of 5 calendar days after its introduction, such committee shall be automatically discharged from further consideration of the resolution and it shall be placed on the appropriate calendar. A vote on final passage of the resolution, shall be taken in each House on or before February 28, 1997. If prior to the passage by 1 House of a resolution of that House under this section, that House receives the same resolution from the other House, then—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House, but

(ii) the vote on final passage shall be on the resolution of the other House.

(6)(A) A motion in the House of Representatives to proceed to the consideration of a resolution under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the House of Representatives on the resolution described in paragraph (2) of this subsection shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing such resolution. A motion to further limit debate shall not be debatable. It shall not be in order to move to recommit a resolution or to move to reconsider the vote by which such resolution was agreed to or disagreed to.

(C) Appeals from the decision of the Chair relating to the application of the rules of the House of Representatives to the procedures relating to a resolution under this section shall be decided without debate.

(D) Except to the extent specifically provided in preceding provisions of this subsection, consideration in the House of Representatives of a resolution under this subsection shall be governed by the rules of the House of Representatives applicable to other resolutions in similar circumstances.

(7)(A) A motion in the Senate to proceed to the consideration of a resolution under this section shall not be debatable. It shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on the resolution described in paragraph (2) of this subsection, and all debatable motions and appeals in connection therewith, shall be limited to not more than 2 hours. The time shall be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(C) A motion in the Senate to further limit debate is not debatable. A motion to recommit a resolution is not in order.

REPORTING REQUIREMENT

SEC. 519. 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. 520. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Guatemala (except that this provision shall not apply to development assistance for Guatemala), Dominican Republic, Haiti, Liberia, Pakistan, Peru, Serbia, Sudan, or Zaire except as provided through the regular notification procedures of the Committee on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. 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: Economics 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. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of acquired immune deficiency syndrome in developing countries: Provided, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: Provided further, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. 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 Untied States.

RECIPROCAL LEASING

SEC. 524. 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. 525. 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 Committee 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. 526. 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. 527. (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. 528. 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. 528A. 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. 529. 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. 530. 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 shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 531. (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 necessary 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.

(6) REPORTING REQUIREMENT.—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(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 lest 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 FINANCING INSTITUTIONS

SEC. 532. (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. 533. (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 national 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.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 533A. 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.

POW/MIA MILITARY DRAWDOWN

SEC. 534. (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. 535. 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. 536. 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. 537. 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 Corp 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. 538. 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. 539. (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. 540. (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 and Herzegovina that is acceptable to the parties.

SPECIAL AUTHORITIES

SEC. 541. (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(c) 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 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 a report to the Committees on Appropriations by February 1, 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: Provided further, That the prohibition on assistance 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 may be waived by the President if he determines and reports to the Committees on Appropriations that is is important to the national security interest of the United States to do so.

(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. 542. 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 county;

(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. 543. (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 and in other regions consistent with the provisions of section 534(b) 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 section 534(c) and the second and third sentences 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. 544. (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. 544A. (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. 545. 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.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 546. 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. 547. 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. 548. 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. 549. 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. 550. 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. 551. (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. 552. (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. 553. 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 maker 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. 554. 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. 555. 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 President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of 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 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.

LANDMINES

SEC. 556. Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State 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''.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 557. 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 restrictions 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. 558. 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 tips 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 CORRIDORS

SEC. 559. The Foreign Assistance Act of 1961 is amended by adding immediately after section 620H the following new section:

SEC. 6201. 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.

''(c) NOTICE.—Prior to making any determination under subsection (b), the President shall notify the Committee on International Relations, the Committee on Foreign Relations, and the Committees on Appropriations of the Senate and House of Representatives of his intention to make such a determination, the effective date of the determination, and the reasons for making the determination.''.

EQUITABLE ALLOCATION OF FUNDS

SEC. 560. Not more than 20 percent of the funds appropriated by this Act to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act of 1961, that are made available for Latin America and the Caribbean region may be made available, through bilateral and Latin America and the Caribbean regional programs, to provide assistance for any country in such region.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 561. (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 REQUIREMENTS.—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. 562. 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.

INTERNATIONAL DEVELOPMENT ASSOCIATION

SEC. 563. In order to pay for the United States contribution to the tenth replenishment of the resources of the International Development Association authorized in section 526 of Public Law 103–87, there is authorized to be appropriated, without fiscal year limitation, $700,000,000 for payment by the Secretary of the Treasury.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 564. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owned 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 provide 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''.

(c) 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. 565. (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 define 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 should 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.

(c) 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''.

LIBERIA

SEC. 566. Funds appropriated by this Act may be made available for assistance for Liberia notwithstanding section 620(q) of the Foreign Assistance Act of 1961 and section 512 of this Act.

GUATEMALA

SEC. 567. (a) Funds provided in this Act may be made available for the Guatemalan military forces, and the restrictions on Guatemala under the headings ''International Military Education and Training'' and ''Foreign Military Financing Program'' shall not apply, only if the President determines and certifies to the Congress that the Guatemalan military is cooperating fully with efforts to resolve human rights abuses which elements of the Guatemalan military forces are alleged to have committed, ordered or attempted to thwart the investigation of, and with efforts to negotiate a peace settlement.

(b) The prohibition contained in subsection (a) shall not apply to funds made available to implement a ceasefire or peace agreement.

(c) Any funds made available pursuant to subsections (a) or (b) shall be subject to the regular notification procedures of the Committees on Appropriations.

(d) Any funds made available pursuant to subsections (a) and (b) for international military education and training may only be for expanded international military education and training.

SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS

SEC. 568. (a) BILATERAL ASSISTANCE.—The President is authorized to withhold funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act for any country described in subsection (c).

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury should 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. 569. (a) LIMITATION.—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 on a semiannual basis if he determines and certifies to the appropriate committees of Congress that it is in the national interest of the United States.

POLICY TOWARD BURMA

SEC. 570. (a) Until such time as the President determines and certifies to Congress that Burma has made measurable and substantial progress in improving human rights practices and implementing democratic government, the following sanctions shall be imposed on Burma:

(1) BILATERAL ASSISTANCE.—There will be no United States assistance to the Government of Burma, other than:

(A) humanitarian assistance,

(B) subject to the regular notification procedures of the Committees on Appropriations, counter-narcotics assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, if the Secretary of State certifies to the appropriate congressional committees that—

(i) the Government of Burma is fully cooperating with United States counter narcotics efforts, and

(ii) the programs are fully consistent with United States human rights concerns in Burma and serve the United States national interest, and

(C) assistance promoting human rights and democratic values.

(2) MULTILATERAL ASSISTANCE.—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 funds of the respective bank to or for Burma.

(3) VISAS.—Except as required by treaty obligations or to staff the Burmese mission to the United States, the United States should not grant entry visas to any Burmese government official.

(b) CONDITIONAL SANCTIONS.—The President is hereby authorized to prohibit, and shall prohibit United States persons from new investment in Burma, if the President determines and certifies to Congress that, after the date of enactment of this Act, the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the Democratic opposition.

(c) MULTILATERAL STRATEGY.—The President shall seek to develop, in coordination with members of ASEAN and other countries having major trading and investment interests in Burma, a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Law and Order Restoration Council (SLORC) and democratic opposition groups within Burma.

(d) PRESIDENTIAL REPORTS.—Every six months following the enactment of this Act, the President shall report to the Chairmen of the Committee on Foreign Relations, the Committee on International Relations and the House and Senate Appropriations Committees on the following:

(1) progress toward democratization in Burma;

(2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

(3) progress made in developing the strategy referred to in subsection (c).

(e) WAIVER AUTHORITY.—The President shall have the authority to waive, temporarily or permanently, any sanction referred to in subsection (a) or subsection (b) if he determines and certifies to Congress that the application of such sanction would be contrary to the national security interests of the United States.

(e) DEFINITIONS.—

(1) The term ''international financial institutions'' shall include the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Asian Development Bank, and the International Monetary Fund.

(2) The term ''new investment'' shall mean any of the following activities if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a nongovernmental entity in Burma, on or after the date of the certification under subsection (b):

(A) the entry into a contract that includes the economical development of resources located in Burma, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership, including an equity interest, in that development;

(C) the entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation:

Provided, That the term ''new investment'' does not include the entry into, performance of, or financing of a contract to sell or purchase goods, services, or technology.

REPORT REGARDING HONG KONG

SEC. 571. In light of the deficiencies in reports submitted to the Congress pursuant to section 301 of the United States-Hong Kong Policy Act (22 U.S.C. 5731), the Congress directs that the additional report required to be submitted during 1997 under such section include detailed information on the status of, and other developments affecting, implementation of the Sino-British Joint Declaration on the Question of Hong King, including—

(1) the Basic Law and its consistency with the Joint Declaration;

(2) Beijing's plans to replace the elected legislature with an appointed body;

(3) the openness and fairness of the election of the chief executive and the executive's accountability to the legislature;

(4) the treatment of political parties;

(5) the independence of the Judiciary and its ability to exercise the power of final judgment over Hong Kong law; and

(6) the Bill of Rights.

USE OF FUNDS FOR PURCHASE OF PRODUCTS NOT MADE IN AMERICA

SEC. 572. The Administrator of the Agency for International Development shall provide a report to the appropriate committees of the Congress on the ability of the United States Government to implement a provision of law (and on the foreign policy implications of such a provision of law) which would require that United States funds could be made available to the government of a foreign country for the purchase of any equipment or products only if such purchases were to occur in such foreign country or the United States, and substantially similar equipment and products were made in the United States and available for purchase at a price that is not more than 10 percent higher than that in other countries.

CONFLICT IN CHECHNYA

SEC. 573. The Secretary of State shall provide to the Committees on Appropriations no later than 30 days from the date of enactment of this Act a detailed report on actions undertaken by the United States Government to resolve the conflict in Chechnya.

EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

SEC. 575. 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. 576. (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 that fund activities of the armed forces and security forces;

(2) has not provided a summary of a current audit to the institution.

(b) DEFINITION.—For purposes of this section, the term ''internation financial institution'' shall include the institutions identified in section 532(b) of this Act.

GUARANTEES

SEC. 577. 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.

INFORMATION ON COOPERATION WITH UNITED STATES ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY REPORTS ON TERRORISM

SEC. 578. 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, information on—

''(A) the extent to which the government of the foreign country is cooperating with the United States Government in apprehending, convicting, and punishing and individual or individuals responsible for the act; and

''(B) the extent to which the government of the foreign country is cooperating 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 information 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 of State determines that the transmittal of the information with respect to a foreign country under paragraph (3) of (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 information under such paragraph in classified form.''.

FEMALE GENITAL MUTILATION

SEC. 579. (a) LIMITATION.—Beginning 1 year 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) has, as a cultural custom, a known history of the practice of female genital mutilation; and

(2) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

(B) DEFINITION.—For purposes of this section, the term ''international financial'' shall include the institutions identified in section 532(b) of this Act.

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. 580. (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 1996.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term ''United States assistance'' has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 581. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term ''United States person'' refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

HAITI

SEC. 582. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard: Provided, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VIETNAMESE REEDUCATION CAMP INTERNEES RESETTLED UNDER THE ORDERLY DEPARTURE PROGRAM

SEC. 584. (a) ELIGIBILITY FOR ORDERLY DEPARTURE PROGRAM.—For purposes of eligibility for the Orderly Departure Program for nationals of Vietnam, during fiscal year 1997, an alien described in subsection (b) shall be considered to be a refugee of special humanitarian concern to the United States within the meaning of section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) and shall be admitted to the United States for resettlement if the alien would be admissible as an immigrant under the Immigration and Nationality Act (except as provided in section 207(c)(3) of that Act).

(b) ALIENS COVERED.—An alien described in this subsection is an alien who—

(1) is the son or daughter of a national of Vietnam who—

(A) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; and

(B) has been accepted for resettlement as a refugee under the Orderly Departure Program on or after April 1, 1995;

(2) is 21 years of age or older; and

(3) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

(c) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

NORTH KOREA

SEC. 585. Ninety days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State, in consultation with the Secretary of Defense, shall provide a report in a classified or unclassified form to the Committee on Appropriations including the following information:

(a) a best estimate on fuel used by the military forces of the Democratic People's Republic of Korea (DPRK);

(b) the deployment position and military training and activities of the DPRK forces and best estimate of the associated costs of these activities;

(c) steps taken to reduce the DPRK level of forces; and

(d) cooperation, training, or exchanges of information, technology or personnel between the DPRK and any other nation supporting the development or deployment of a ballistic missile capability.

LIMITATION ON ASSISTANCE TO MEXICO

SEC. 587. Not less than $2,500,000 of the funds appropriated or otherwise made available by this Act for the Government of Mexico shall be withheld from obligation until the President has determined and reported to Congress that—

(1) the Government of Mexico is taking actions to reduce the amount of illegal drugs entering the United States from Mexico; and

(2) the Government of Mexico—

(A) is taking effective actions to apply vigorously all law enforcement resources to investigate, track, capture, incarcerate, and prosecute individuals controlling, supervising, or managing international narcotics cartels or other similar entities and the accomplices of such individuals, individuals responsible for, or otherwise involved in, corruption, and individuals involved in money-laundering;

(B) is pursuing international anti-drug trafficking initiatives;

(C) is cooperating fully with international efforts at narcotics interdiction; and

(D) is cooperating fully with requests by the United States for assistance in investigations of money-laundering violations and is making progress toward implementation of effective laws to prohibit money-laundering.

LIMITATION OF ASSISTANCE TO TURKEY

SEC. 588. Not more than $22,000,000 of the funds appropriated in this Act under the heading ''Economic Support Fund'' may be made available to the Government of Turkey.

CIVIL LIABILITY FOR ACTS OF STATE SPONSORED TERRORISM

SEC. 589. (a) an official, employee, or agent of a foreign state designated as a state sponsor of terrorism designated under section 6(j) of the Export Administration Act of 1979 while acting within the scope of his or her office, employment, or agency shall be liable to a United States national or the national's legal representative for personal injury or death caused by acts of that official, employee, or agent for which the courts of the United States may maintain jurisdiction under section 1605(a)(7) of title 28, United States Code, for money damages which may include economic damages, solatium, pain, and suffering, and punitive damages if the acts were among those described in section 1605(a)(7).

(b) Provisions related to statute of limitations and limitations on discovery that would apply to an action brought under 28 U.S.C. 1605(f) and (g) shall also apply to actions brought under this section. No action shall be maintained under this action if an official, employee, or agent of the United States, while acting within the scope of his or her office, employment, or agency would not be liable for such acts if carried out within the United States.

Titles I through V of this Act may be cited as the ''Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997''.

TITLE VI

NATO ENLARGEMENT FACILITATION ACT OF 1996

SEC. 601. SHORT TITLE.

This title may be cited as the ''NATO Enlargement Facilitation Act of 1996''.

SEC. 602. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) The NATO Alliance is, and has been since its inception, purely defensive in character, and it poses no threat to any nation. The enlargement of the NATO Alliance to include as full and equal members emerging democracies in Central And Eastern Europe will serve to reinforce stability and security in Europe by fostering their integration into the structures which have created and sustained peace in Europe since 1945. Their admission into NATO will not threaten any nation. America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(3) The sustained commitment of the member countries of NATO to a mutual defense has made possible the democratic transformation of Central and Eastern Europe. Members of the Alliance can and should play a critical role in addressing the security challenges of the post-Cold

War era and in creating the stable environment needed for those emerging democracies in Central and Eastern Europe to successfully complete political and economic transformation.

(4) The United States continues to regard the political independence and territorial integrity of all emerging democracies in Central and Eastern Europe as vital to European peace and security.

(5) The active involvement by the countries of Central and Eastern Europe has made the Partnership for Peace program an important forum to foster cooperation between NATO and those countries seeking NATO membership.

(6) NATO has enlarged its membership on 3 different occasions since 1949.

(7) Congress supports the admission of qualified new members to NATO and the European Union at an early date and has sought to facilitate the admission of qualified new members into NATO.

(8) Lasting security and stability in Europe requires not only the military integration of emerging democracies in Central and Eastern Europe into existing European structures, but also the eventual economic and political integration of these countries into existing European structures.

(9) As new members of NATO assume the responsibilities of Alliance membership, the costs of maintaining stability in Europe should be shared more widely. Facilitation of the enlargement process will require current members of NATO, and the United States in particular, to demonstrate the political will needed to build on successful ongoing programs such as the Warsaw Initiative and the Partnership for Peace by making available the resources necessary to supplement efforts prospective new members are themselves undertaking.

(10) New members will be full members of the Alliance, enjoying all rights and assuming all the obligations under the North Atlantic Treaty, signed at Washington on April 4, 1949 (hereafter in this Act referred to as the ''Washington Treaty'').

(11) In order to assist emerging democracies in Central and Eastern Europe that have expressed interest in joining NATO to be prepared to assume the responsibilities of NATO membership, the United States should encourage and support efforts by such countries to develop force structure and force modernization priorities that will enable such countries to contribute to the full range of NATO missions, including, most importantly, territorial defense of the Alliance.

(12) Cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed interest in joining NATO, such as the Baltic Peacekeeping Battalion, the Polish-Lithuanian Joint Peacekeeping Force, and the Polish-Ukrainian Peacekeeping Force, can make an important contribution to European peace and security and international peacekeeping efforts, can assist those countries preparing to assume the responsibilities of possible NATO membership, and accordingly should receive appropriate support from the United States.

(13) NATO remains the only multilateral security organization capable of conducting effective military operations and preserving security and stability of the Euro-Atlantic region.

(14) NATO is an important diplomatic forum and has played a positive role in defusing tensions between members of the Alliance and, as a result, no military action has occurred between two Alliance member states since the inception of NATO in 1949.

(15) The admission to NATO of emerging democracies in Central and Eastern Europe which are found to be in a position to further the principles of the Washington Treaty would contribute to international peace and enhance the security of the region. Countries which have become democracies and established market economies, which practice good neighborly relations, and which have established effective democratic civilian control over their defense establishments and attained a degree of interoperability with NATO, should be evaluated for their potential to further the principles of the Washington Treaty.

(16) Democratic civilian control of defense forces is an essential element in the process of preparation for those states interested in possible NATO membership.

(17) Protection and promotion of fundamental freedoms and human rights is an integral aspect of genuine security, and in evaluating requests for membership in NATO, the human rights records of the emerging democracies in Central and Eastern Europe should be evaluated according to their commitments to fulfill in good faith the human rights obligations of the Charter of the United Nations, the principles of the Universal Declaration on Human Rights, and the Helsinki Final Act.

(18(A number of Central and Eastern European countries have expressed interest in NATO membership, and have taken concrete steps to demonstrate this commitment, including their participation in Partnership for Peace activities.

(19) The Caucasus region remains important geographically and politically to the future security of Central Europe. As NATO proceeds with the process of enlargement, the United States and NATO should continue to examine means to strengthen the sovereignty and enhance the security of United Nations recognized countries in that region.

(20) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the accession date for each new member will vary.

(21) The provision of additional NATO transition assistance should include those emerging democracies most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(22) The Congress of the united States finds in particular that Poland, Hungary, and the Czech Republic have made significant progress toward achieving the criteria set forth in section 203(d)(3) of the NATO Participation Act of 1994 and should be eligible for the additional assistance described in this Act.

(23) The evaluation of future membership in NATO for emerging democracies in Central and Eastern Europe should be based on the progress of those nations in meeting criteria for NATO membership, which require enhancement of NATO's security and the approval of all NATO members.

(24) The process of NATO enlargement entails the consensus agreement of the governments of all 16 NATO members and ratification in accordance with their constitutional procedures.

(25) Some NATO members, such as Spain and Norway, do not allow the deployment of nuclear weapons on their territory although they are accorded the full collective security guarantees provided by Article 5 of the Washington Treaty. There is no a priori requirement for the stationing of nuclear weapons on the territory of new NATO members, particularly in the current security climate. However, NATO retains the right to alter its security posture at any time as circumstances warrant.

SEC. 603. UNITED STATES POLICY.

It is the policy of the United States—

(1) to join with the NATO allies of the United States to adapt the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist the emerging democracies in Central and Eastern Europe in their transition so that such countries may eventually qualify for NATO membership;

(3) to support the enlargement of NATO in recognition that enlargement will benefit the interests of the United States and the Alliance and to consider these benefits in any analysis of the costs of NATO enlargement;

(4) to ensure that all countries in Central and Eastern Europe are fully aware of and capable of assuming the costs and responsibilities of NATO membership, including the obligation set forth in Article 10 of the Washington Treaty that new members be able to contribute to the security of the North Atlantic area; and

(5) to work to define a constructive and cooperative political and security relationship between an enlarged NATO and the Russian Federation.

SEC. 604. SENSE OF THE CONGRESS REGARDING FURTHER ENLARGEMENT OF NATO.

It is the sense of the Congress that in order to promote economic stability and security in Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Albania, Moldova, and Ukraine—

(1) the United States should continue and expand its support for the full and active participation of these countries in activities appropriate for qualifying for NATO membership;

(2) the United States Government should use all diplomatic means available to press the European Union to admit as soon as possible any country which qualifies for membership;

(3) the United States Government and the North Atlantic Treaty Organization should continue and expand their support for military exercises and peacekeeping initiatives between and among these nations, nations of the North Atlantic Treaty Organization, and Russia; and

(4) the process of enlarging NATO to include emerging democracies in Central and Eastern Europe should not be limited to consideration of admitting Poland, Hungary, the Czech Republic, and Slovenia as full members of the NATO Alliance.

SEC. 605. SENSE OF THE CONGRESS REGARDING ESTONIA, LATVIA AND LITHUANIA.

In view of the forcible incorporation of Estonia, Latvia, Lithuania into the Soviet Union in 1940 under the Molotov-Ribbentrop Pact and the refusal of the United States and other countries to recognize that incorporation of over 50 years, it is the sense of the Congress that—

(1) Estonia, Latvia, and Lithuania have valid historical security concerns that must be taken into account by the United States; and

(2) Estonia, Latvia, and Lithuania should not be disadvantaged in seeking to join NATO by virtue of their forcible incorporation into the Soviet Union.

SEC. 606. DESIGNATION OF COUNTRIES ELIGIBLE FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—The following countries are designated as eligible to receive assistance under the program established under section 203(a) of the NATO Participation Act of 1994 and shall be deemed to have been so designated pursuant to section 203(d)(1) of such Act: Poland, Hungary, and the Czech Republic.

(b) DESIGNATION OF SLOVENIA.—Effective 90 days after the date of enactment of this Act, Slovenia is designated as eligible to receive assistance under the program established under section 203(a) of the NATO Participation Act of 1994, and shall be deemed to have been so designated pursuant to section 203(d) of such Act, unless the President certifies the Congress prior to such effective date that Slovenia fails to meet the criteria under section 203(d)(3) of such Act.

(c) DESIGNATION OF OTHER COUNTRIES.—The President shall designate other emerging democracies in Central and Eastern Europe a eligible to receive assistance under the program established under section 203(a) of such Act if such countries—

(1) have expressed a clear desire to join NATO;

(2) have begun an individualized dialogue with NATO in preparation for accession;

(3) are strategically significant to an effective NATO defense; and

(4) meet the other criteria outlined in section 203(d)(3) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note).

(d) RULE OF CONSTRUCTION.—Nothing in this section precludes the designation by the President of Estonia, Latvia, Lithuania, Romania, Slovakia, Bulgaria, Albania, Moldova, Ukraine, or any other emerging democracy in Central and Eastern Europe pursuant to section 203(d) of the NATO Participation Act of 1994 as eligible to receive assistance under the program established under section 203(a) of such Act.

SEC. 607. AUTHORIZATION OF APPROPRIATIONS FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—There are authorized to be appropriated $60,000,000 for fiscal year 1997 for the program established under section 203(a) of the NATO Participation Act of 1994.

(b) AVAILABILITY.—Of the funds authorized to be appropriated by subsection (a)—

(1) not less than $20,000,000 shall be available for the cost, as defined in section 502(5) of the Credit Reform Act of 1990, of direct loans pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the ''Foreign Military Financing Program'');

(2) not less than $30,000,000 shall be available for assistance on a grant basis pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the ''Foreign Military Financing Program''); and

(3) not more than $10,000,000 shall be available for assistance pursuant to the authority of section 203(c)(3) of the NATO Participation Act of 1994 (relating to international military education and training).

(c) RULE OF CONSTRUCTION.—Amounts authorized to be appropriated under this section are authorized to be appropriated in addition to such amounts as otherwise may be available for such purposes.

SEC. 608. REGIONAL AIRSPACE INITIATIVE AND PARTNERSHIP FOR PEACE INFORMATION MANAGEMENT SYSTEM.

(a) IN GENERAL.—To the extent provided in advance in appropriations acts for such purposes, funds described in subsection (b) are authorized to be made available to support the implementation of the Regional Airspace Initiative and the Partnership for Peace Information Management System, including—

(1) the procurement of items in support of these programs; and

(2) the transfer of such items to countries participating in these programs.

(b) FUNDS DESCRIBED.—Funds described in this subsection are funds that are available—

(1) during any fiscal year under the NATO Participation Act of 1994 with respect to countries eligible for assistance under that Act; or

(2) during fiscal year 1997 under any Act to carry out the Warsaw Initiative.

SEC. 609. EXCESS DEFENSE ARTICLES.

(a) PRIORITY DELIVERY.—Notwithstanding any other provision of law, the delivery of excess defense articles under the authority of section 203(c) (1) and (2) of the NATO Participation Act of 1994 and section 516 of the Foreign Assistance Act of 1961 shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to all other countries except those countries referred to in section 541 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Public Law 103–306; 108 Stat. 1640).

(b) COOPERATIVE REGIONAL PEACEKEEPING INITIATIVES.—The Congress encourages the President to provide excess defense articles and other appropriate assistance to cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed an interest in joining NATO in order to enhance their ability to contribute to European peace and security and international peacekeeping efforts.

SEC. 610. MODERNIZATION OF DEFENSE CAPABILITY.

The Congress endorses efforts by the United States to modernize the defense capability of Poland, Hungary, the Czech Republic, Slovenia, and any other countries designated by the President pursuant to section 203(d) of the NATO Participation Act of 1994, by exploring with such countries options for the sale or lease to such countries of weapons systems compatible with those used by NATO members, including air defense systems, advanced fighter aircraft, and telecommunications infrastructure.

SEC. 611. TERMINATION OF ELIGIBILITY.

(a) TERMINATION OF ELIGIBILITY.—The eligibility of a country designated pursuant to subsection (a) or (b) of section 606 or pursuant to section 203(d) of the NATO Participation Act of 1994 may be terminated upon a determination by the President that such country does not meet the criteria set forth in section 203(d)(3) of the NATO Participation Act of 1994.

(b) NOTIFICATION.—At least 15 days before terminating the eligibility of any country pursuant to subsection (a), the President shall notify the congressional committees specified in section 634A of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

SEC. 612. CONFORMING AMENDMENTS TO THE NATO PARTICIPATION ACT.

The NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended in sections 203(a), 203(d)(1), and 203(d)(2) by striking ''countries emerging from communist domination'' each place it appears and inserting ''emerging democracies in Central and Eastern Europe''.

TITLE VII—MIDDLE EAST DEVELOPMENT BANK

SEC. 701. SHORT TITLE.

This title may be cited as the ''Bank for Economic Cooperation and Development in the Middle East and North Africa Act''

SEC. 702. ACCEPTANCE OF MEMBERSHIP.

The President is hereby authorized to accept membership for the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa (in this title referred to as the ''Bank'') provided for by the agreement establishing the Bank (in this title referred to as the ''Agreement''), signed on May 31, 1996.

SEC. 703. GOVERNOR AND ALTERNATIVE GOVERNOR.

(a) APPOINTMENT.—At the inaugural meeting of the Board of Governors of the Bank, the Governor and the alternate for the Governor of the International Bank for Reconstruction and Development, appointed pursuant to section 3 of the Bretton Woods Agreements Act, shall serve ex-officio as a Governor and the alternate for the Governor, respectively, of the Bank. The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor.

(b) COMPENSATION.—Any person who serves as a Governor of the Bank or as an alternate for the Governor may not receive any salary or other compensation from the United States by reason of such service.

SEC. 704. APPLICABILITY OF CERTAIN PROVISIONS OF THE BRETTON WOODS AGREEMENTS ACT.

Section 4 of the Bretton Woods Agreements Act shall apply to the Bank in the same manner in which such section applies to the International Bank for Reconstruction and Development and the International Monetary Fund.

SEC. 705. FEDERAL RESERVE BANKS AS DEPOSITORIES.

Any Federal Reserve Bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

SEC. 706. SUBSCRIPTION OF STOCK.

(a) SUBSCRIPTION AUTHORITY.—

(1) IN GENERAL.—The Secretary of the Treasury may subscribe on behalf of the United States to not more than 7,011,270 shares of the capital stock of the Bank.

(2) EFFECTIVENESS OF SUBSCRIPTION COMMITMENT.—Any commitment to make such subscription shall be effective only to such extent or in such amounts as are provided for in advance by appropriations Acts.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For payment by the Secretary of the Treasury of the subscription of the United States for shares described in subsection (a), there are authorized to be appropriated $1,050,007,800 without fiscal year limitation.

(c) LIMITATIONS ON OBLIGATION OF APPROPRIATED AMOUNTS FOR SHARES OF CAPITAL STOCK.—

(1) PAID-IN CAPITAL STOCK.—

(A) IN GENERAL.—Not more than $105,000,000 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of paid-in capital stock.

(B) FISCAL YEAR 1997. Not more than $52,500,000 of the amounts appropriated pursuant to subsection (b) for fiscal year 1997 may be obligated for subscription to shares of paid-in capital stock.

(2) CALLABLE CAPITAL STOCK.—Not more than $787,505,852 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of callable capital stock.

(d) DISPOSITION OF NET INCOME DISTRIBUTIONS BY THE BANK.—Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

SEC. 707. JURISDICTION AND VENUE OF CIVIL ACTIONS BY OR AGAINST THE BANK.

(a) JURISDICTION.—The United States district courts shall have original and exclusive jurisdiction of any civil action brought in the United States by or against the Bank.

(b) VENUE.—For purposes of section 1391(b) of title 28, United States Code, the Bank shall be deemed to be a resident of the judicial district in which the principal office of the Bank in the United States, or its agent appointed for the purpose of accepting service or notice of service, is located.

SEC. 708. EFFECTIVENESS OF AGREEMENT.

The Agreement shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in the Bank and the entry into force of the Agreement.

SEC. 709. EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE BANK; REPORTS REQUIRED.

(a) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Bank (including any guaranty by the Bank, whether or not limited in scope) in connection with borrowing of funds, or the guarantee of securities as to both principal and interest, shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 and section 3(a)(12) of the Securities Exchange Act of 1934. The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, may suspend the provisions of subsection (a) at any time as any or all securities issued or guaranteed by the Bank during the period of such suspension.

The Commission shall include in its annual reports to the Congess such information as it shall deem advisable with regard to the operations and effect of this section.

SEC. 710. TECHNICAL AMENDMENTS.

(a) ANNUAL REPORT REQUIRED ON PARTICIPATION OF THE UNITED STATES IN THE BANK.—Section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) is amended by inserting ''Bank for Economic Cooperation and Development in the Middle East and North Africa,'' after ''Inter-American Development Bank''.

(b) EXEMPTION FROM LIMITATIONS AND RESTRICTIONS ON POWER OF NATIONAL, BANKING ASSOCIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES OF THE BANK.—The seventh sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by inserting ''Bank for Economic Cooperation and Development in the Middle East and North Africa,'' after ''the Inter-American Development Bank''.

(c) BENEFITS FOR UNITED STATES CITIZEN-REPRESENTATIVES TO THE BANK.—Section 51 of Public Law 91–599 (22 U.S.C. 276c–2) is amended by inserting ''the Bank for Economic Cooperation and Development in the Middle East and North Africa,'' after ''the Inter-American Development Bank,''.

(d) For programs, projects or activities in the Department of the Interior and Related Agencies Appropriations Act, 1997, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

AN ACT Making appropriations for the Department of the Interior, and related agencies for the fiscal year ending September 30, 1997, and for other purposes.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $572,164,000, to remain available until expended, of which $2,010,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which $3,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–6a(i)); and of which $1,000,000 shall be available in fiscal year 1997 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for challenge cost share projects supporting fish and wildlife conservation affecting Bureau lands; in addition, $27,300,000 for Mining Law Administration program operations, to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $572,164,000; and in addition, not to exceed $5,000,000, to remain available until expended, from annual mining claim fees; which shall be credited to this account for the costs of administering the mining claim fee program, and $2,000,000 from communication site rental fees established by the Bureau for the cost of administering communication site activities: Provided, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors: Provided further, That in fiscal year 1997 and thereafter, all fees, excluding mining claim fees, in excess of the fiscal year 1996 collections established by the Secretary of the Interior under the authority of 43 U.S.C. 1734 for processing, recording, or documenting authorizations to use public lands or public land natural resources (including cultural, historical, and mineral) and for providing specific services to public land users, and which are not presently being covered into any Bureau of Land Management appropriation accounts, and not otherwise dedicated by law for a specific distribution, shall be made immediately available for program operations in this account and remain available until expended.

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire use and management, fire preparedness, suppression operations, and emergency rehabilitation by the Department of the Interior, $252,042,000, to remain available until expended, of which not to exceed $5,025,000 shall be for the renovation or construction of fire facilities: Provided, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: Provided further, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without costs from funds available from this appropriation: Provided further, That unobligated balances of amounts previously appropriated to the ''Fire Protection'' and ''Emergency Department of the Interior Firefighting Fund'' may be transferred to this appropriation.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended (42 U.S.C. 9601 et seq.), $12,000,000, to remain available until expended: Provided, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to sections 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: Provided further, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $4,333,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–07), $113,500,000, of which not to exceed $400,000 shall be available for administrative expenses.

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579 including administrative expenses and acquisition of lands or waters, or interests therein, $10,410,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $100,515,000, to remain available until expended: Provided, That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $9,113,000, to remain available until expended: Provided, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: Provided, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary,

for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: Provided, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly-produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

The Bureau of Land Management's Visitor Center in Rand, Oregon is hereby named the ''William B. Smullin Visitor Center''.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended, $523,947,000, to remain available until September 30, 1998, of which $11,557,000 shall remain available until expended for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976, to compensate for loss of fishery resources from water development projects on the Lower Snake River, and of which $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended Provided, That hereafter, pursuant to 31 U.S.C. 9701, the Secretary shall charge reasonable fees for the full costs of providing training by the National Education and Training Center, to be credited to this account, notwithstanding 31 U.S.C. 3302, for the direct costs of providing such training.

CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $43,365,000 to remain available until expended.

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601, et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251, et seq.), the Oil Pollution Act of 1990 (Public Law 101–380), and Public Law 101–337; $4,000,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4–11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $44,479,000, of which $3,000,000 is authorized to be appropriated and shall be used to establish the Clarks River National Wildlife Refuge in Kentucky, to be derived from the Land and Water Conservation Fund, to remain available until expended.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $14,085,000, for grants to States, to be derived from the Cooperative Endangered Species Conservation Fund, and to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,779,000.

REWARDS AND OPERATIONS

For expenses necessary to carry out the provisions of the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), $1,000,000, to remain available until expended.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $9,750,000, to remain available until expended.

RHINOCEROS AND TIGER CONSERVATION FUND

For deposit to the Rhinoceros and Tiger Conservation Fund, $400,000, to remain available until expended, to carry out the Rhinoceros and Tiger Conservation Act of 1994 (Public Law 103–391).

WILDLIFE CONSERVATION AND APPRECIATION FUND

For deposit to the Wildlife Conservation and Appreciation Fund, $800,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 83 passenger motor vehicles of which 73 are for replacement only (including 43 for police-type use); not to exceed $400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: Provided, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly-produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: Provided further, That the Service may accept donated aircraft as replacements for existing aircraft: Provided further, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 103–551: Provided further, That section 101(c) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 is amended in section 315(c)(1)(E) (110 Stat. 1321–201; 16 U.S.C. 460l–6a note) by striking ''distributed in accordance with section 201(c) of the Emergency Wetlands Resources Act'' and inserting ''available to the Secretary of the Interior until expended to be used in accordance with clauses (i), (ii), and (iii) of section 201(c)(A) of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3911(c)(A))''.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed $1,593,000 for the Volunteers-in-Parks program, and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,152,311,000 without regard to 16 U.S.C. 451, of which $800,000,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $72,000,000, to remain available until expended is to be derived from the special fee account established pursuant to title V, section 5201, of Public Law 100–203.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $37,976,000

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), $36,612,000 to be derived from the Historic Preservation Fund, to remain available until September 30, 1998.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $163,444,000 to remain available until expended, of which $270,000 shall be used for appropriate fish restoration projects not related to dam removal including reimbursement to the State of Washington for emergency actions taken to protect the 1996 run of fall chinook salmon on the Elwha River: Provided, That funds previously provided under this heading that had been made available to the City of Hot Springs, Arkansas, to be used for a flood protection feasibility study, are now made available to the City of Hot Springs for the rehabilitation of the Federally-constructed Hot Springs Creek Arch, including the portion within Hot Springs National Park.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1997 by 16 U.S.C. 460l–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4–11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $53,915,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $1,500,000 is to administer the State assistance program: Provided, That any funds made available for the purpose of acquisition of the Elwha and Glines dams shall be used solely for acquisition, and shall not be expended until the full purchase amount has been appropriated by the Congress; Provided further, That of the funds

provided herein, $9,000,000 is available for acquisition of the Sterling Forest, subject to authorization.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 404 passenger motor vehicles, of which 287 shall be for replacement only, including not to exceed 320 for police-type use, 13 buses, and 6 ambulances: Provided, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided further, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may in fiscal year 1997 and thereafter enter into cooperative agreements that involve the transfer of National Park Service appropriated funds to State, local and tribal governments, other public entities, educational institutions, and private nonprofit organizations for the public purpose of carrying out National Park Service programs pursuant to 31 U.S.C. 6305 to carry out public purposes of National Park Service programs.

Nothwithstanding any other provision of law, remaining balances, including interest, from funds granted to the National Park Foundation pursuant to the National Park System Visitor Facilities Fund Act of 1983 (Public Law 97–433, 96 Stat. 2277) shall be available to the National Park Foundation for expenditure in units of the National Park System for the purpose of improving visitor facilities.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332 and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $738,913,000 of which $64,559,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,000,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $137,500,000 shall be available until September 30, 1998 for the biological research activity and the operation of the Cooperative Research Units: Provided, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: Provided further, That beginning in fiscal year 1998 and once every five years thereafter, the National Academy of Sciences shall review and report on the biological research activity of the Survey: Provided further, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: Provided, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302, et seq.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $156,955,000, of which not less than $70,063,000 shall be available for royalty management activities; and an amount not to exceed $41,000,000 for the Technical Information Management System and activities of the Outer Continental Shelf (OCS) Lands Activity, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for OCS administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for OCS administrative activities established after September 30, 1993: Provided, That $1,500,000 for computer acquisitions shall remain available until September 30, 1998: Provided further, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): Provided further, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: Provided further, That notwithstanding any other provision of law, $15,000 under this head shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or Tribes, or to correct prior unrecoverable erroneous payments.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,440,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $94,172,000, and notwithstanding 31 U.S.C. 3302, an additional amount shall be credited to this account, to remain available until expended, from performance bond forfeitures in fiscal year 1997: Provided, That the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States, moneys collected in fiscal year 1997 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: Provided further, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $177,085,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $4,000,000 shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines through the Appalachian Clean Streams Initiative: Provided, That grants to minimum program States will be $1,500,000 per State in fiscal year 1997: Provided further, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 per centum shall be used for emergency reclamation projects in any one State and funds for federally-administered emergency reclamation projects under this proviso shall not exceed $11,000,000: Provided further, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 per centum limitation per State and may be used without fiscal year limitation for emergency projects: Provided further, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available to States under title IV of Public Law 95–87 may be used, at their discretion, for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must

first complete all Surface Mining Control and Reclamation Act priority one projects.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, or institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau, including such expenses in field offices; maintaining of Indian reservation roads as defined in 23 U.S.C. 101; and construction, repair, and improvement of Indian housing, $1,436,902,000 of which not to exceed $86,520,000 shall be for welfare assistance payments and not to exceed $90,829,000 shall be for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts or grants or compacts entered into with the Bureau prior to fiscal year 1997, as authorized by the Indian Self-Determination Act of 1975, as amended, and up to $5,000,000 shall be for the Indian Self-Determination Fund, which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts, or cooperative agreements with the Bureau under such Act; and of which not to exceed $365,124,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 1997, and shall remain available until September 30, 1998; and of which not to exceed $53,805,000 for higher education scholarships, adult vocational training, and assistance to public schools under 25 U.S.C. 452 et seq., shall remain available until September 30, 1998; and of which not to exceed $54,973,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, and the Navajo-Hopi Settlement Program: Provided, That tribes and tribal contractors may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants or compact agreements and for unmet welfare assistance costs: Provided further, That funds made available to tribes and tribal organizations through contracts or grants obligated during fiscal year 1997, as authorized by the Indian Self-Determination Act of 1975, or grants authorized by the Indian Education Amendments of 1988 (25 U.S.C. 2001 and 2008A) shall remain available until expended by the contractor or grantee: Provided further, That to provide funding uniformity within a Self-Governance Compact, any funds provided in this Act with availability for more than one year may be reprogrammed to one year availability but shall remain available within the Compact until expended: Provided further, That notwithstanding any other provision of law, Indian tribal governments may, by appropriate changes in eligibility criteria or by other means, change eligibility for general assistance or change the amount of general assistance payments for individuals within the service area of such tribe who are otherwise deemed eligible for general assistance payments so long as such changes are applied in a consistent manner to individuals similarly situated: Provided further, That any savings realized by such changes shall be available for use in meeting other priorities of the tribes: Provided further, That any net increase in costs to the Federal Government which result solely from tribally increased payment levels for general assistance shall be met exclusively from funds available to the tribe from within its tribal priority allocation: Provided further, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 1997, may be transferred during fiscal year 1998 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: Provided further, That any such unobligated balances not so transferred shall expire on September 30, 1998: Provided further, That notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska in fiscal year 1997: Provided further, That funds made available in this or any other Act for expenditure through September 30, 1998 for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1995: Provided further, That no funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995: Provided further, That in fiscal year 1997 and thereafter, notwithstanding the provisions of 25 U.S.C. 2012(h)(1) (A) and (B), upon the recommendation of either (i) a local school board and school supervisor for an education position in a Bureau of Indian Affairs operated school, or (ii) an Agency school board and education line officer for an Agency education position, the Secretary shall establish adjustments to the rates of basic compensation or annual salary rates established under 25 U.S.C. 2012(h)(1) (A) and (B) for education positions at the school or the Agency, at a level not less than that for comparable positions in the nearest public school district, and the adjustment shall be deemed to be a change to basic pay and shall not be subject to collective bargaining: Provided further, That any reduction to rates of basic compensation or annual salary rates below the rates established under 25 U.S.C. 2012(h)(1) (A) and (B) shall apply only to educators appointed after June 30, 1997, and shall not affect the right of an individual employed on June 30, 1997, in an education position, to receive the compensation attached to such position under 25 U.S.C. 2012(h)(1) (A) and (B) so long as the individual remains in the same position at the same school: Provided further, That notwithstanding 25 U.S.C. 2012(h)(1)(B), when the rates of basic compensation for teachers and counselors at Bureau-operated schools are established at the rates of basic compensation applicable to comparable positions in overseas schools under the Defense Department Overseas Teachers Pay and Personnel Practices Act, such rates shall become effective with the start of the next academic year following the issuance of the Department of Defense salary schedule and shall not be effected retroactively.

CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483 $94,531,000, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That not to exceed 6 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: Provided further, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a non-reimbursable basis: Provided further, That for fiscal year 1997, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: Provided further, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: Provided further, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: Provided further, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): Provided further, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e).

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $69,241,000, to remain available until expended; of which $68,400,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618, 102–374, 102–575, and for implementation of other enacted water rights settlements, including not to exceed $8,000,000, which shall be for the Federal share of the Catawba Indian Tribe of South Carolina Claims Settlement, as authorized by section 5(a) of Public Law 103–116; and of which $841,000 shall be available pursuant to Public Laws 98–500, 99–264, and 100–580.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: 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 total loan principal, any part of which is to be guaranteed, not to exceed $34,615,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $500,000.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, the Technical Assistance of Indian Enterprises account, the Indian Direct Loan Program account, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $65,188,000, of which (1) $61,339,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $3,849,000 shall be available for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99–396, or any subsequent legislation related to Commonwealth of the Northern Mariana Islands grant funding: Provided further, That section 703(a) of Public Law 94–241, as amended, is hereby amended by striking ''of the Government of the Northern Mariana Islands'': Provided further, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): Provided further, That any appropriation for disaster assistance under this head in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compacts of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $23,538,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $58,286,000, of which not to exceed $7,500 may be for official reception and representation expenses, and of which up to $2,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $35,443,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General, $24,439,000, together with any funds or property transferred to the Office of Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Assets Forfeiture Fund, that represent an equitable share from the forfeiture of property in investigations in which the Office of Inspector General participated, with such transferred funds to remain available until expended.

NATIONAL INDIAN GAMING COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the National Indian Gaming Commission, pursuant to Public Law 100–497, $1,000,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $32,126,000, to remain available until expended for trust funds management: Provided, That funds made available to tribes and tribal organizations through contracts or grants obligated during fiscal year 1997, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: Provided further, That unobligated balances previously made available (1) to liquidate obligations owed tribal and individual Indian payees of any checks canceled pursuant to section 1003 of the Competitive Equality Banking Act of 1987 (Public Law 100–86; 31 U.S.C. 3334(b)), (2) to restore Individual Indian Monies trust funds, Indian Irrigation Systems, and Indian Power Systems accounts amounts invested in credit unions or defaulted savings and loan associations and which where not Federally insured, including any interest on these amounts that may have been earned, but was not because of the default, and (3) to reimburse Indian trust fund account holders for losses to their respective accounts where the claim for said loss has been reduced to a judgement or settlement agreement approved by the Department of Justice, under the heading ''Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians'', Bureau of Indian Affairs in fiscal years 1995 and 1996, are hereby transferred to and merged with this appropriation and may only be used for the operation of trust programs, in accordance with this appropriation.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: Provided, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: Provided further, That no programs funded with appropriated funds in ''Departmental Management'', ''Office of the Solicitor'', and ''Office of Inspector General'' may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: Provided, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oilspills; response and natural resource damage assessment activities related to actual oilspills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: Provided, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: Provided further, That for emergency rehabilitation and wildfire suppression activities, no funds shall be made available under this authority until funds appropriated to ''Wildland Fire Management'' shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: Provided further, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations

shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: Provided, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

SEC. 107. Prior to the transfer of Presidio properties to the Presidio Trust, when authorized, the Secretary may not obligate in any calendar month more than 1/12 of the fiscal year 1997 appropriation for operation of the Presidio: Provided, That prior to the transfer of any Presidio property to the Presidio Trust, the Secretary shall transfer such funds as the Trust deems necessary to initiate leasing and other authorized activities of the Trust: Provided further, That this section shall expire on December 31, 1996.

SEC. 108. No final rule or regulation of any agency of the Federal Government pertaining to the recognition, management, or validity of a right-of-way pursuant to Revised Statute 2477 (43 U.S.C. 932) shall take effect unless expressly authorized by an Act of Congress subsequent to the date of enactment of this Act.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of Northern, Central, and Southern California; the North Atlantic; Washington and Oregon; and the Eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity, on lands within the North Aleutian Basin planning area.

SEC. 111. No funds provided in this title may be expended by the Department of the Interior for the conduct of preleasing and leasing activities in the Eastern Gulf of Mexico for Outer Continental Shelf Lease Sale 151 in the Outer Continental Shelf Natural Gas and Oil Resource Management Comprehensive Program, 1992–1997.

SEC. 112. No funds provided in this title may be expended by the Department of the Interior for the conduct of preleasing and leasing activities in the Atlantic for Outer Continental Shelf Lease Sale 164 in the Outer Continental Shelf Natural Gas and Oil Resource Management Comprehensive Program, 1992–1997.

SEC. 113. There is hereby established in the Treasury a franchise fund pilot, as authorized by section 403 of Public Law 103–356, to be available as provided in such section for costs of capitalizing and operating administrative services as the Secretary determines may be performed more advantageously as central services: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made prior to the current year for the purpose of providing capital shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automatic data processing (ADP) software and systems (either acquired or donated) and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of Department financial management, ADP, and other support systems: Provided further, That no later than thirty days after the end of each fiscal year amounts in excess of this reserve limitation shall be transferred to the Treasury: Provided further, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103–356.

SEC. 114. Public Law 102–495 is amended by adding the following new section:

''SEC. 10. Washington State Removal Option.

''(a) Upon appropriation of $29,500,000 for the Federal Government to acquire the projects in the State of Washington pursuant to this Act, the State of Washington may, upon the submission to Congress of a binding agreement to remove the projects within a reasonable period of time, purchase the projects from the Federal Government for $2. Such a binding agreement shall provide for the full restoration of the Elwha River ecosystem and native anadromous fisheries, for protection of the existing quality and availability of water from the Elwha River for municipal and industrial uses from possible adverse impacts of dame removal, and for fulfillment by the State of each of the other obligations of the Secretary under this Act.

''(b) Upon receipt of the payment pursuant to subsection (a), the Federal Government shall relinquish ownership and title of the projects to the State of Washington.

''(c) Upon the purchase of the projects by the State of Washington, section 3 (a), (c), and (d), and sections 4, 7, and 9 of this Act are hereby repealed, and the remaining sections renumbered accordingly.''.

SEC. 115. Section 7 of Public Law 99–647 (16 U.S.C. 461 note) is amended to read as follows:

''SEC. 7. TERMINATION OF COMMISSION.

''The Commission shall terminate on November 10, 1997.''.

SEC. 116. The Congress of the United States hereby designates and ratifies the assignment to the University of Utah as successor to, and beneficiary of, all the existing assets, revenues, funds and rights granted to the State of Utah under the Miners Hospital Grant (February 20, 1929, 45 Stat. 1252) and the School of Mines Grant (July 26, 1894, 28 Stat. 110). Further, the Secretary of the Interior is authorized and directed to accept such relinquishment of all remaining and unconveyed entitlement for quantity grants owed the State of Utah for the Miners Hospital Grant (February 20, 1929, 45 Stat. 1252) and any unconveyed entitlement that may remain for the University of Utah School of Mines Grant (July 26, 1894, 28 Stat. 110).

SEC. 117. Section 402(b)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 458bb) is amended to read as follows: ''(1) In addition to those Indian tribes participating in self-governance under subsection (a) of this section, the Secretary, acting through the Director of the Office of Self-Governance, may select up to 50 new tribes per year from the applicant pool described in subsection (c) of this section to participate in self-governance.''.

SEC. 118. In fiscal year 1997 and thereafter, the Indian Arts and Crafts Board may charge admission fees at its museums; charge rent and/or franchise fees for shops located in its museums; publish and sell publications; sell or rent or license use of photographs or other images in hard copy or other forms; license the use of designs, in whole or in part, by others; charge for consulting services provided to others; and may accept the services of volunteers to carry out its mission: Provided, That all revenue derived from such activities is covered into the special fund established by section 4 of Public Law 74–355 (25 U.S.C. 305c).

SEC. 119. TRANSFER OF CERTAIN BUREAU OF LAND MANAGEMENT FACILITIES.—

(a) BATTLE MOUNTAIN, NEVADA.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall transfer to Lander County, Nevada, without consideration, title to the former Bureau of Land Management administrative site and associated buildings in Battle Mountain, Nevada.

(b) WINNEMUCCA, NEVADA.—

(1) TRANSFER.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the Bureau of Land Management, shall transfer to the State of Nevada, without consideration, title to the surplus Bureau of Land Management District Office building in Winnemucca, Nevada.

(2) USE.—The transfer under paragraph (1) is made with the intent that the building shall be available to meet the needs of the Department of Conservation and Natural Resources of the State of Nevada.

SEC. 120. ALASKA AVIATION HERITAGE.—

(a) FINDINGS.—The Congress finds that—

(1) the Department of the Interior's Grumman Goose G21–A aircraft number N789 is to be retired from several decades of active service in the State of Alaska in 1996; and

(2) the aircraft is of significant historic value to the people of the State of Alaska.

(b) DONATION OF AIRCRAFT.—The Secretary of the Interior shall transfer the Grumman Goose G21–A aircraft number N789 to the Alaska Aviation Heritage Museum in Anchorage, Alaska, at no cost to the museum, for permanent display.

SEC. 121. The Mesquite Lands Act of 1988 is amended by adding the following at the end of section 3:

''(d) FOURTH AREA.—(1) No later than ten years after the date of enactment of this Act, the City of Mesquite shall notify the Secretary as to which if any of the public lands identified in paragraph (2) of this subsection the city wishes to purchase.

''(2) For a period of twelve years after the date of enactment of this Act, the city shall have exclusive right to purchase the following parcels of public lands:

''Parcel A—East ½ Sec. 6, T. 13 S., R. 71 E., Mount Diablo Meridian; Sec. 5, T. 13 S., R. 71 E., Mount Diablo Meridian; West ½ Sec. 4, T. 13 S., R. 71 E., Mount Diablo Meridian; East ½, West ½ Sec. 4, T. 13 S., R. 71 E., Mount Diablo Meridian.

''Parcel B—North ½ Sec. 7, T. 13 S., R. 71 E., Mount Diablo Meridian; South East ¼ Sec. 12, T. 13 S., R. 70 E., Mount Diablo Meridian; East ½, North East ¼ Sec. 12, T. 13 S., R. 70 E., Mount Diablo Meridian; East ½, West ½ North East ¼ Sec. 12, T. 13 S., R. 70 E., Mount Diablo Meridian.

''Parcel C—West ½ Sec. 6, T. 13 S., R. 71 E., Mount Diablo Meridian; Sec. 1, T. 13 S., R. 70

E., Mount Diablo Meridian; West ½, West ½, North East ¼ Sec. 12, T. 13 S., R. 70 E., Mount Diablo Meridian; North West ¼ Sec. 13, S., R. 70 E., Mount Diablo Meridian; West ½ Sec. 12, T. 13 S., R. 70 E., Mount Diablo Meridian; East ½, South East ¼, Sec. 11, T. 13 S., R. 70 E., Mount Diablo Meridian; East ½ North East ¼, Sec. 14, T. 13 S., R. 70 E., Mount Diablo Meridian.

''Parcel D—South ½ Sec. 14, T. 13 S., R. 70 E., Mount Diablo Meridian; South West ¼, Sec. 13, T. 13 S., R. 70 E., Mount Diablo Meridian; Portion of section 23, North of Interstate 15, T. 13 S., R. 70 E., Mount Diablo Meridian; Portion of section 24, North of Interstate 15, T. 13 S., R. 70 E., Mount Diablo Meridian; Portion of section 26, North of Interstate 15, T. 13 S., R. 70 E., Mount Diablo Meridian.''

SEC. 122. FATHER AULL SITE TRANSFER.

(a) This section may be cited as the ''Father Aull Site Transfer Act of 1996''.

(b) FINDINGS.—Congress finds that—

(1) the buildings and grounds developed by Father Roger Aull located on public domain land near Silver City, New Mexico, are historically significant to the citizens of the community;

(2) vandalism at the site has become increasingly destructive and frequent in recent years;

(3) because of the isolated location and the distance from other significant resources and agency facilities, the Bureau of Land Management has been unable to devote sufficient resources to restore and protect the site from further damage; and

(4) St. Vincent DePaul Parish in Silver City, New Mexico, has indicated an interest in, and developed a sound proposal for the restoration of, the site, such that the site could be permanently occupied and used by the community.

(c) CONVEYANCE OF PROPERTY.—Subject to valid existing rights, all right, title and interest of the United States in and to the land (including improvements on the land), consisting of approximately 43.06 acres, located approximately 10 miles east of Silver City, New Mexico, and described as follows: T. 17 S., R. 12 W., Section 30: Lot 13, and Section 31: Lot 27 (as generally depicted on the map dated July 1995) is hereby conveyed by operation of law to St. Vincent DePaul Parish in Silver City, New Mexico, without consideration.

(d) RELEASE.—Upon the conveyance of any land or interest in land identified in this section of St. Vincent DePaul Parish, St. Vincent DePaul Parish shall assume any liability for any claim relating to the land or interest in the land arising after the date of the conveyance.

(e) MAP.—The map referred to in this section shall be on file and available for public inspection in—

(1) the State of New Mexico Office of the Bureau of Land Management, Santa Fe, New Mexico; and

(2) the Las Cruces District Office of the Bureau of Land Management, Las Cruces, New Mexico.

SEC. 123. The second proviso under the heading ''Bureau of Mines, Administrative Provisions'' of Public Law 104–134 is amended by inserting after the word ''authorized'' the word ''hereafter''.

SEC. 124. Watershed Restoration and Enhancement Agreements.—

(a) IN GENERAL.—For fiscal year 1997 and each fiscal year thereafter, appropriations made for the Bureau of Land Management may be used by the Secretary of the Interior for the purpose of entering into cooperative agreements with willing private landowners for restoration and enhancement of fish, wildlife, and other biotic resources on public or private land or both that benefit these resources on public lands within the watershed.

(b) DIRECT AND INDIRECT WATERSHED AGREEMENTS.—The Secretary of the Interior may enter into a watershed restoration and enhancement agreement—

(1) directly with a willing private landowner; or

(2) indirectly through an agreement with a state, local, or tribal government or other public entity, educational institution, or private nonprofit organization.

(c) TERMS AND CONDITIONS.—In order for the Secretary to enter into a watershed restoration and enhancement agreement—

(1) the agreement shall—

(A) include such terms and conditions mutually agreed to by the Secretary and the landowner;

(B) improve the viability of and otherwise benefit the fish, wildlife, and other biotic resources on public land in the watershed;

(C) authorize the provision of technical assistance by the Secretary in the planning of management activities that will further the purposes of the agreement;

(D) provide for the sharing of costs of implementing the agreement among the Federal government, the landowner, and other entities, as mutually agreed on by the affected interests; and

(E) ensure that any expenditure by the Secretary pursuant to the agreement is determined by the Secretary to be in the public interest; and

(2) the Secretary may require such other terms and conditions as are necessary to protect the public investment on private lands, provided such terms and conditions are mutually agreed to by the Secretary and the landowner.

SEC. 125. Visitor Center Designation at Channel Islands National Park.

(a) The visitor center at Channel Islands National Park, California, is hereby designated as the ''Robert J. Lagomarsino Visitor Center''.

(b) Any reference in law, regulation, paper, record, map, or any other document in the United States to the visitor center referred to in subsection (a) shall be deemed to be a reference to the ''Robert J. Lagomarsino Visitor Center''.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $179,786,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical and financial assistance to States, Territories, possessions, and others and for forest pest management activities, cooperative forestry and education and land conservation activities, $155,461,000, to remain available until expended, as authorized by law: Provided, That of funds available under this heading for Pacific Northwest Assistance in this or prior appropriations Acts. $750,000 shall be provided to the World Forestry Center for purposes of continuing scientific research and other authorized efforts regarding the land exchange efforts in the Umpqua River Basin region.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, for ecosystem planning, inventory, and monitoring, and for administrative expenses associated with the management of funds provided under the heads ''Forest and Rangeland Research,'' ''State and Private Forestry,'' ''National Forest System,'' ''Wildland Fire Management,'' ''Reconstruction and Construction,'' and ''Land Acquisition,'' $1,274,781,000, to remain available until expended, and including 50 per centum of all monies received during the prior fiscal year as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601–6a(i)): Provided, That up to $5,000,000 of the funds provided herein for road maintenance shall be available for the planned obliteration of roads which are no longer needed.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned over National Forest System lands, $530,016,000 to remain available until expended: Provided, That unexpended balances of amounts previously appropriated under any other headings for Forest Service fire activities are transferred to and merged with this appropriation and subject to the same terms and conditions: Provided further, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

RECONSTRUCTION AND CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, $174,974,000, to remain available until expended for construction, reconstruction and acquisition of buildings and other facilities, and for construction, reconstruction and repair of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That not to exceed $50,000,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers: Provided further, That funds appropriated under this head for the construction of the Wayne National Forest Supervisor's Office may be granted to the Ohio State Highway Patrol as the federal share of the cost of construction of a new facility to be occupied jointly by the Forest Service and the Ohio State Highway Patrol: Provided further, That an agreed upon lease of space in the new facility shall be provided to the Forest Service without charge for the life of the building.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4–11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $40,575,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 per centum shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to

be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 159 passenger motor vehicles of which 14 will be used primarily for law enforcement purposes and of which 149 shall be for replacement; acquisition of 10 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of 20 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (d) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (e) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (f) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, or to implement any reorganization, ''reinvention'' or other type of organizational restructuring of the Forest Service, other than the relocation of the Regional Office for Region 5 of the Forest Service from San Francisco to excess military property at Mare Island, Vallejo, California, without the consent of the House and Senate Committees on Appropriations.

Any funds available to the Forest Service may be used for retrofitting Mare Island facilities to accommodate the relocation: Provided, That funds for the move must come from funds otherwise available to Region 5: Provided further, That any funds to be provided for such purposes shall only be available upon approval of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be advanced to the Wildland Fire Management appropriation and may be used for forest firefighting and the emergency rehabilitation of burned-over lands under its jurisdiction.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 103–551.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report 103–551.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Notwithstanding any other provision of the law, any appropriations or funds available to the Forest Service may be used to disseminate program information to private and public individuals and organizations through the use of nonmonetary items of nominal value and to provide nonmonetary awards of nominal value and to incur necessary expenses for the nonmonetary recognition of private individuals and organizations that make contributions to Forest Service programs.

Notwithstanding any other provision of law, money collected, in advance or otherwise, by the Forest Service under authority of section 101 of Public Law 93–153 (30 U.S.C. 185(1)) as reimbursement of administrative and other costs incurred in processing pipeline right-of-way or permit applications and for costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities, may be used to reimburse the applicable appropriation to which such costs were originally charged.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

None of the funds available in this Act shall be used for timber sale preparation using clearcutting in hardwood stands in excess of 25 percent of the fiscal year 1989 harvested volume in the Wayne National Forest, Ohio: Provided, That this limitation shall not apply to hardwood stands damaged by natural disaster: Provided further, That landscape architects shall be used to maintain a visually pleasing forest.

Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System lands shall be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 (note), 2101–2110, 1606, and 2111.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Notwithstanding any other provision of law, the Forest Service is authorized to employ or otherwise contract with persons at regular rates of pay, as determined by the Service, to perform work occasioned by emergencies such as fires, storms, floods, earthquakes or any other unavoidable cause without regard to Sundays, Federal holidays, and the regular workweek.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, funds up to $1,000,000 for matching funds shall be available for the National Forest Foundation on a one-for-one basis to match private contributions for projects on or benefitting National Forest System lands or related to Forest Service programs.

Pursuant to section 2(b)(2) of Public Law 98–244, up to $1,000,000 of the funds available to the Forest Service shall be available for matching funds, as authorized in 16 U.S.C. 3701–3709, on a one-for-one basis to match private contributions for projects on or benefitting National Forest System lands or related to Forest Service programs.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the National Forest System and Construction accounts and planned to be allocated to activities under the ''Jobs in the Woods'' program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture shall by March 31, 1997 report to the Committees on Appropriations of the House of Representatives and the Senate on the status and disposition of all salvage timber sales started under the authority of Section 2001 of Public Law 104–19 and subsequently withdrawn or delayed and completed under different authorities as a consequence of the July 2, 1996 directive on the implementation of Section 2001 issued by the Secretary.

The Pacific Northwest Research Station Silviculture Laboratory in Bend, Oregon is hereby named the ''Robert W. Chandler Building''.

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104–134, the direct grants provided in subsection (c) shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(RESCISSION)

Of the funds made available under this heading for obligation in fiscal year 1997 or prior years, $123,000,000 are rescinded: Provided, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $364,704,000, to remain available until expended: Provided, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

Monies received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1996, shall be deposited in this account and immediately transferred to the General Fund of the

Treasury. Monies received as revenue sharing from the operation of the Great Plains Gasification Plant shall be immediately transferred to the General Fund of the Treasury. Funds are hereby rescinded in the amount of $2,500,000 from unobligated balances under this head.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $143,786,000, to remain available until expended: Provided, That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 1997.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $569,762,000, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1997 determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): Provided, That $149,845,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507) and shall not be available until excess amounts are determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): Provided further, That notwithstanding section 3003(d)(2) of Public Law 99–509 such sums shall be allocated to the eligible programs as follows: $120,845,000 for weatherization assistance grants and $29,000,000 for State energy conservation grants.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearing and Appeals, $2,725,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $220,000,000, to remain available until expended, of which $220,000,000 shall be repaid from the ''SPR Operating Fund'' from amounts made available from the sale of oil from the Reserve: Provided, That notwithstanding section 161 of the Energy Policy and Conservation Act, the Secretary shall draw down and sell in fiscal year 1997 $220,000,000 worth of oil from the Strategic Petroleum Reserve: Provided further, That the proceeds from the sale shall be deposited into a special account in the Treasury, to be established and known as the ''SPR Operating Fund'', and shall, upon receipt, be transferred to the Strategic Petroleum Reserve account for operations of the Strategic Petroleum Reserve.

SPR PETROLEUM ACCOUNT

Notwithstanding 42 U.S.C. 6240(d) the United States share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Reserve: Provided, That outlays in fiscal year 1997 resulting from the use of funds in this account shall not exceed $5,000,000.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $66,120,000 to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: Provided, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: Provided further, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: Provided further, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $1,806,269,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: Provided, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: Provided further, That $356,325,000 for contract medical care shall remain available for obligation until September 30, 1998: Provided further, That of the funds provided, not less than $11,706,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: Provided further, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): Provided further, That of the funds provided, $7,500,000 shall remain available until expended, for the Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, compacts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 1998: Provided further, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $247,731,000, to remain available until expended: Provided, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: Provided, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–53) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: Provided further, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: Provided further, That

funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: Provided further, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: Provided further, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: Provided further, That funds received from any source, including tribal contractors and compactors for previously transferred functions which tribal contractors and compactors no longer wish to retain, for services, goods, or training and technical assistance, shall be retained by the Indian Health Service and shall remain available until expended by the Indian Health Service: Provided further, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: Provided further, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, and section 215 of the Department of Education Organization Act, $61,000,000.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $19,345,000, to remain available until expended: Provided, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: Provided further, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: Provided further, That no relocatee will be provided with more than one new or replacement home: Provided further, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56, part A), $5,500,000.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed thirty years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $317,557,000 of which not to exceed $30,665,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $3,850,000, to remain available until expended.

REPAIR AND RESTORATION OF BUILDINGS

For necessary expenses of repair and restoration of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $39,000,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $10,000,000, to remain available until expended.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $53,899,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $5,942,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $10,875,000.

CONSTRUCTION

For necessary expenses of capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $9,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $5,840,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $82,734,000, shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $16,760,000, to remain available until expended, to the National Endowment for the Arts: Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $96,100,000 shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $13,900,000, to remain available until expended, of which $8,000,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, $22,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $867,000.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $6,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $2,500,000: Provided, That none of these funds shall be available for the compensation of Executive Level V or higher position.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $5,390,000: Provided, That all appointed members will be compensated at a rate not to exceed the rate for Executive Schedule Level IV.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92–332 (86 Stat. 401), $500,000 to remain available until expended.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $30,707,000, of which $1,575,000 for the Museum's repair and rehabilitation program and $1,264,000 for the Museum's exhibitions program shall remain available until expended.

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: Provided, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such Committees.

SEC. 307. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the ''Buy American Act'').

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 308. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 1995.

SEC. 309. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 310. Where the actual costs of construction projects under self-determination contracts, compacts, or grants, pursuant to Public Laws 93–638, 103–413, or 100–297, are less than the estimated costs thereof, use of the resulting excess funds shall be determined by the appropriate Secretary after consultation with the tribes.

SEC. 311. Notwithstanding Public Law 103–413, quarterly payments of funds to tribes and tribal organizations under annual funding agreements pursuant to section 108 of Public Law 93–638, as amended, may be made on the first business day following the first day of a fiscal quarter.

SEC. 312. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: Provided, That if no funds are provided for the AmeriCorps program by the VA–HUD and Independent Agencies fiscal year 1997 appropriations bill, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 313. None of the funds made available in this Act may be used (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 314. (a) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994, and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) PROCESSING SCHEDULE.—For those applications for patents pursuant to subsection (b) which were filed with the Secretary of the Interior, prior to September 30, 1994, the Secretary of the Interior shall—

(1) Within three months of the enactment of this Act, file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a plan which details how the Department of the Interior will make a final determination as to whether or not an applicant is entitled to a patent under the general mining laws on at least 90 percent of such applications within five years of the enactment of this Act and file reports annually thereafter with the same committees detailing actions taken by the Department of the Interior to carry out such plan; and

(2) Take such actions as may be necessary to carry out such plan.

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of

Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 315. None of the funds appropriated or otherwise made available by this Act may be used for the purposes of acquiring lands in the counties of Gallia, Lawrence, Monroe, or Washington, Ohio, for the Wayne National Forest.

SEC. 316. Of the funds provided to the National Endowment for the Arts:

(a) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(b) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(c) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 317. None of the funds available to the Department of the Interior or the Department of Agriculture by this or any other Act may be used to prepare, promulgate, implement, or enforce any interim or final rule or regulation pursuant to Title VII of the Alaska National Interest Lands Conservation Act to assert jurisdiction, management, or control over any waters (other than non-navigable waters on Federal lands), non-Federal lands, or lands selected by, but not conveyed to, the State of Alaska pursuant to the Submerged Lands Act of 1953 or the Alaska Statehood Act, or an Alaska Native Corporation pursuant to the Alaska Native Claims Settlement Act.

SEC. 318. No funds appropriated under this or any other Act shall be used to review or modify sourcing areas previously approved under section 490(c)(3) of the Forest Resources Conservation and Shortage Relief Act of 1990 (Public Law 101–382) or to enforce or implement Federal regulations 36 CFR part 223 promulgated on September 8, 1995. The regulations and interim rules in effect prior to September 8, 1995 (36 CFR 223.48, 36 CFR 223.87,, 36 CFR 261.6) shall remain in effect. The Secretary of Agriculture or the Secretary of the Interior shall not adopt any policies concerning Public Law 101–382 or existing regulations that would restrain domestic transportation or processing of timber from private lands or impose additional accountability requirements on any timber. The Secretary of Commerce shall extend until September 30, 1997, the order issued under section 491(b)(2)(A) of Public Law 101–382 and shall issue an order under section 491(b)(2)(B) of such law that will be effective October 1, 1997.

SEC. 319. Section 101(c) of Public Law 104–134 is amended as follows: Under the heading ''Title III—General Provisions'' amend section 315(b) by striking ''50, areas,'' and inserting in lieu thereof ''100, areas,'' and amend section 315(f) by striking ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999'' and by striking ''September 30, 2001'' and inserting in lieu thereof ''September 30, 2002''.

SEC. 320. None of the amounts made available by this Act may be used for design, planning, implementation, engineering, construction, or any other activity in connection with a scenic shoreline drive in Pictured Rocks National Lakeshore.

SEC. 321. LAND TRANSFER, BEND SILVICULTURE LAB, DESCHUTES NATIONAL FOREST, OREGON.—

(a) TRANSFER OF REAL PROPERTY AND ALL IMPROVEMENTS LOCATED THEREON.—Notwithstanding any other provisions of law, there is hereby transferred, without consideration and subject to existing valid rights, all right, title and interest of the United States in and to approximately 5.73 acres of land as described by plat dated July 7, 1977, (which is on file and available for public inspection in the Office of the Chief, USDA Forest Service, Washington, D.C.), as well as all improvements, including the Bend Silviculture Lab located thereon, to the Central Oregon Community College, Bend, Oregon; this being a portion of the same tract acquired by donation from the City of Bend on August 10, 1960, through a Bargain and Sale deed to the USDA Forest Service for use as a research lab, and recorded in volume 125, page 508 of the Deschutes County, Oregon, Deed Records.

(b) CONDITIONS OF TRANSFER.—The transfer effected by subsection (a) is made subject to no special terms or conditions.

SEC. 322. No part of any appropriation contained in this Act or any other Act shall be expended or obligated to fund the activities of the Office of Forestry and Economic Assistance, or any successor office after December 31, 1996.

SEC. 323. (a) The Secretary of the Interior is authorized to accept title to approximately 84 acres of land located in Prince Georges County, Maryland, adjacent to Oxon Cove Park, and bordered generally by the Potomac River, Interstate 295 and the Woodrow Wilson Bridge, or any interest therein, and in exchange therefor may convey to the Corrections Corporation of America approximately 50 acres of land located in Oxon Cove Park in the District of Columbia and bordered generally by Oxon Cove, Interstate 295 and the District of Columbia Impound Lot, or any interest therein.

(b) Before proceeding with an exchange, the Secretary shall determine if the federal property is suitable for exchange under the criteria normally used by the National Park Service. The exchange shall comply with applicable regulations and National Park Service policies for land exchanges.

(c)(1) The Secretary shall not acquire any lands under this section if the Secretary determines that the lands or any portion thereof have become contaminated with hazardous substances (as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 960l)).

(2) Notwithstanding any other provision of law, the United States shall have no responsibility or liability with respect to any hazardous wastes or other substances placed on any of the lands covered by this section after their transfer to the ownership of any party, but nothing in this section shall be construed as either diminishing or increasing any responsibility or liability of the United States based on the condition of such lands on the date of their transfer to the ownership of another party: Provided, That the Corrections Corporation of America shall indemnify the United States for liabilities arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 960l) and the Resource Conservation Recovery Act (42 U.S.C. 690l, et seq.).

(d) The properties so exchanged either shall be approximately equal in fair market value or if they are not approximately equal, shall be equalized by the payment of cash to the Corporation or to the Secretary as required or in the event the value of the Corporation's lands is greater, the acreage may be reduced so that the fair market value is approximately equal: Provided, That the Secretary shall order appraisals made of the fair market value for improvements thereon: Provided further, That any such cash payment received by the Secretary shall be deposited to ''Miscellaneous Trust Funds, National Park Service'' and shall be available without further appropriation until expended for the acquisition of land within the National Park System.

(e) Costs of conducting necessary land surveys, preparing the legal descriptions of the lands to be conveyed, performing the appraisals, and administrative costs incurred in completing the exchange shall be borne by the Corporation.

(f) Following any exchange authorized by this provision, the boundaries of Oxon Cove Park shall be expanded to include the land acquired by the United States.

SEC. 324. SECTION 1. LAND EXCHANGE.—

(a) EXCHANGE.—Subject to subsection (c), the Secretary of Agriculture (referred to in this section as the ''Secretary'') shall convey all right, title, and interest of the United States in and to the National Forest System lands described in subsection (b)(1) to Public Utility District No. 1 of Chelan County, Washington (referred to in this section as the ''Public Utility District''), in exchange for the conveyance to the Department of Agriculture by the Public Utility District of all right, title, and interest of the Public Utility District in and to the lands described in subsection (b)(2).

(b) DESCRIPTION OF LANDS.—

(1) NATIONAL FOREST SYSTEM LANDS.—The National Forest System lands referred to in subsection (a) are 122 acres, more or less, that are partially occupied by a wastewater treatment facility referred to in subsection (c)(4)(A) with the following legal description:

(A) The NE¼ of SW¼ of section 27 of township 27 north, range 17 east, Willamette Meridian, Chelan County, Washington.

(B) The N½ of SE¼ of SW¼ of such section 27.

(C) The W½ of NW¼ of SE¼ of such section 27.

(D) The NW¼ of SW¼ of SE¼ of such section 27.

(E) The E½ of NW¼ of the SE¼ of such section 27.

(F) That portion of the S½ of SE¼ of SW¼ lying north of the northerly edge of Highway 209 right-of-way of such section 27.

(2) PUBLIC UTILITY DISTRICT LANDS.—The lands owned by the Public Utility District are 109.15 acres, more or less, with the following legal description:

(A) S½ of SW¼ of section 35 of township 26 north, range 17 east, Willamette Meridian, Chelan County, Washington.

(B) The area specified by Public Utility District No. 1 as Government Lot 5 in such section 35.

(c) REQUIREMENTS FOR EXCHANGE.—

(1) TITLE ACCEPTANCE AND CONVEYANCE.—Upon offer by the Public Utility District of all right, title and interest in and to the lands described in subsection (b)(2), if the title is found acceptable by the Secretary, the Secretary shall accept title to such lands and interests therein and shall convey to the Public Utility District all right, title, and interest of the United States in and to the lands described in subsection (b)(1).

(2) APPRAISALS REQUIRED.—Before making an exchange pursuant to subsection (a), the Secretary shall conduct appraisals of the lands that are subject to the exchange to determine the fair market value of the lands. Such appraisals shall not include the value of the wastewater treatment facility referred to in paragraph (4)(A).

(3) ADDITIONAL CONSIDERATION.—If, on the basis of the appraisals made under paragraph (1), the Secretary determines that the fair market value of the lands to be conveyed by one party under subsection (a) is less than the fair market value of the lands to be conveyed by the other party under subsection (a), then, as a condition of making the exchange under subsection (a), the party conveying the lands with the lesser value shall pay the other party the amount by which the fair market value of the lands of greater value exceeds the fair market value of the lands of lesser value.

(4) CONVEYANCE OF WASTEWATER TREATMENT FACILITY.—(A) As part of an exchange made under subsection (a), the Secretary shall convey

to the Public Utility District of Chelan County, Washington, all right, title and interest of the United States in and to the wastewater treatment facility (including the wastewater treatment plant and associated lagoons) located on the lands described in subsection (b)(1) that is in existence on the date of the exchange.

(B) As a condition for the exchange under subsection (a), the Public Utility District shall provide for a credit equal to the fair market value of the wastewater treatment facility conveyed pursuant to subparagraph (A) (determined as of November 4, 1991), that shall be applied to the United States' share of any new wastewater treatment facility constructed by the Public Utility District after such date.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the exchange under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 325. ''Snoqualmie National Forest Boundary Adjustment Act of 1996.''

(a) IN GENERAL.—The Secretary of Agriculture is hereby directed to modify the boundary of the Snoqualmie National Forest to include and encompass 10,589.47 acres, more or less, as generally depicted on a map entitled ''Snoqualmie National Forest Proposed 1996 Boundary Modification'' dated July, 1996. Such map, together with a legal description of all lands included in the boundary adjustment, shall be on file and available for public inspection in the Office of the Chief of the Forest Service in Washington, District of Columbia.

(b) RULE FOR LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundary of the Snoqualmie National Forest, as modified pursuant to subsection (a), shall be considered to be the boundary of that National Forest as of January 1, 1965.

SEC. 326. Sugarbush Land Exchange Act of 1996.

(a) EXCHANGE OR SALE OF LAND.—

(1) If Sugarbush Resort Holdings, Inc. conveys to the United States land acceptable to the Secretary of Agriculture that is at least equal in value to the value of the land described in subsection (a)(2), makes a payment of cash at least equal to that value, or conveys land and makes a payment of cash that in combination are at least equal to that value, the Secretary, subject to valid existing rights, shall, under such terms and conditions as the Secretary may prescribe, convey all right, title, and interest of the United States in and to the land described in subsection (a)(2).

(2) FEDERAL LAND TO BE EXCHANGED.—The Federal land to be exchanged is approximately 57 acres of federally owned land in the Green Mountain National Forest depicted on the map entitled ''Green Mountain National Forest, Sugarbush Exchange,'' dated December 1995.

(3) Lands acquired from Sugarbush Resort Holdings, Inc.—Any land conveyed to the United States in an exchange under subsection (a)(1) shall be subject to such valid existing rights of record as may be acceptable to the Secretary, and the title to the parcel shall conform with the title approval standards applicable to federal land acquisitions.

(b) ADMINISTRATION OF LAND.—

(1) ADDITION TO GREEN MOUNTAIN NATIONAL FOREST.—On approval and acceptance of title by the Secretary, the land acquired by the United States through an exchange or with proceeds from a sale under subsection (a) shall become part of the Green Mountain National Forest, and the boundaries of the National Forest shall be adjusted to include the land.

(2) ADMINISTRATION.—Land acquired under this Act shall be administered by the Secretary in accordance with the laws (including regulations) pertaining to the National Forest System.

(3) AUTHORITY OF THE SECRETARY.—This section does not limit the authority of the Secretary to adjust the boundaries of the Green Mountain National Forest pursuant to section 11 of the Act of March 1, 1911 (36 Stat. 963, chapter 186; 16 U.S.C. 521) (commonly known as the ''Weeks Law'').

(4) For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Green Mountain National Forest, as adjusted under this Act, shall be considered to be the boundaries of the Green Mountain National Forest as of January 1, 1965.

SEC. 327. Snowbird Wilderness Study Area.

(a) IN GENERAL.—Section 6(a)(4) of the North Carolina Wilderness Act of 1984 (Public Law 98–324) is amended—

(1) by striking ''eight thousand four hundred and ninety acres'' and inserting ''8,390 acres''; and

(b) by striking ''July 1983'' and inserting ''July 1996''.

(B) MANAGEMENT.—The Secretary of Agriculture shall manage the area removed from wilderness study status by the amendments made by subsection (a) in accordance with the provision of law applicable to adjacent areas outside the wilderness study area.

SEC. 328. Renaming of Wilderness Area.

(a) The Columbia Wilderness, created by the Oregon Wilderness Act of 1984, Public Law 98–328, located in the Mt. Hood National Forest, Oregon, shall be known and designated as the ''Mark O. Hatfield Wilderness''.

(b) Any references in a law, map, regulation, document, paper, or other record of the United States to the Columbia Wilderness shall be deemed to be a reference to the ''Mark O. Hatfield Wilderness''.

SEC. 329. Notwithstanding any other provision of law, for fiscal year 1997 the Secretaries of Agriculture and Interior are authorized to limit competition for watershed restoration project contracts as part of the ''Jobs in the Woods'' component of the President's Forest Plan for the Pacific Northwest to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, and northern California that have been affected by reduced timber harvesting on Federal lands.

SEC. 330. Section 9 of the Rhode Island Indian Claims Settlement Act (25 U.S.C. 1708) is amended—

(1) by striking ''Sec. 9. Except as''; and inserting the following:

''(a) IN GENERAL.—Except as'';

(2) by striking the section heading and inserting the following:

''SEC. 9. APPLICABILITY OF STATE LAW; TREATMENT OF SETTLEMENT LANDS UNDER THE INDIAN GAMING REGULATORY ACT.'';

and

(3) by adding at the end the following new subsection:

''(b) TREATMENT OF SETTLEMENT LANDS UNDER THE INDIAN GAMING REGULATORY ACT.—For purposes of the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), settlement lands shall not be treated as Indian lands.''.

TITLE IV—EMERGENCY APPROPRIATIONS

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for management of lands and resources, $3,500,000, to remain available until expended, to restore public lands damaged by fire: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

WILDLAND FIRE MANAGEMENT

For an additional amount for wildland fire management, $100,000,000, to remain available until expended, for emergency rehabilitation and wildfire suppression activities of the Department of the Interior: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

OREGON AND CALIFORNIA GRANT LANDS

For an additional amount for Oregon and California grant lands, $2,500,000, to remain available until expended, to restore public lands damaged by fire: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For an additional amount for resource management, $2,100,000, to remain available until expended, of which $600,000 is to restore public lands damaged by fire and $1,500,000 is to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CONSTRUCTION

For an additional amount for construction, $15,891,000, to remain available until expended, to repair damage caused by hurricanes, floods and other acts of nature: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For an additional amount for operation of the National park system, $2,300,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for

a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CONSTRUCTION

For an additional amount for construction, $9,300,000, to remain available until expended, of which $3,000,000 is to repair damage caused by hurricanes and $6,300,000 is to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for surveys, investigations, and research, $1,138,000, to remain available until expended, to address damage caused by hurricanes and floods: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For an additional amount for operation of Indian programs, $6,600,000, to remain available until expended, to repair damage caused by floods and to restore Indian lands damaged by fire: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CONSTRUCTION

For an additional amount for construction, $6,000,000, to remain available until expended, to repair damage caused by floods: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

NATIONAL FOREST SYSTEM

For an additional amount for the National Forest System, $3,395,000 to remain available until expended, to repair damage caused by hurricanes: Provided, That Congress hereby designates this amount as an emergency requirement pursuant to section 251(d)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control act of 1985, as amended; Provided further, That this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

WILDLAND FIRE MANAGEMENT

For an additional amount for wildland fire management, $550,000,000, to remain available until expended, for presuppression due to emergencies for emergency fire suppression on or adjacent to National Forest System lands or other lands under fire protection agreement and for emergency rehabilitation of burned over National Forest System lands: Provided, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

RECONSTRUCTION AND CONSTRUCTION

For an additional amount for reconstruction and construction, $5,210,000, to remain available until expended, top repair damage caused by hurricanes: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the president to the Congress.

OTHER RELATED AGENCIES

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For an additional amount for salaries and expenses, $935,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For an additional amount for operations and maintenance, $1,600,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CONSTRUCTION

For an additional amount for construction, $3,400,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For an additional amount for salaries and expenses, $382,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For an additional amount for the Holocaust Memorial Council, $1,000,000, to remain available until expended, to address anti-terrorism requirements: Provided, That Congress hereby designates this amount 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 this amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

This Act may be cited as the ''Department of the Interior and Related Agencies Appropriations Act, 1997''.

(e) For programs, projects or activities in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

AN ACT Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1997, and for other purposes

TITLE I-DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For expenses necessary to carry into effect the Job Training Partnership Act, as amended, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Job Training Partnership Act; the Women in Apprenticeship and Nontraditional Occupations Act; the National Skill Standards Act of 1994; and the School-to-Work Opportunities Act; $4,719,703,000 plus reimbursements, of which $3,559,408,000 is available for obligation for the period July 1, 1997 through June 30, 1998; of which $88,685,000 is available for the period July 1, 1997 through June 30, 2000 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers; and of which $200,000,000 shall be available from

July 1, 1997 through September 30, 1998, for carrying out activities of the School-to-Work Opportunities Act: Provided, That $52,502,000 shall be for carrying out section 401 of the Job Training Partnership Act, $69,285,000 shall be for carrying out section 402 of such Act, $7,300,000 shall be for carrying out section 441 of such Act, $8,000,000 shall be for all activities conducted by and through the National Occupational Information Coordinating Committee under such Act, $895,000,000 shall be for carrying out title II, part A of such Act, and $126,672,000 shall be for carrying out title II, part C of such Act: Provided further, That no funds from any other appropriation shall be used to provide mean services at or for Job Corps centers: Provided further, That funds provided to carry out title III of the Job Training Partnership Act shall not be subject to the limitation contained in subsection (b) of section 315 of such Act; that the waiver allowing a reduction in the cost limitation relating to retraining services described in subsection (a)(2) of such section 315 may be granted with respect to funds from this Act if a substate grantee demonstrates to the Governor that such waiver is appropriate due to the availability of low-cost retraining services, is necessary to facilitate the provision of needs-related payments to accompany long-term training, or is necessary to facilitate the provision of appropriate basic readjustment services; and that funds provided to carry out the Secretary's discretionary grants under part B of such title III may be used to provide needs-related payments to participants who, in lieu of meeting the requirements relating to enrollment in training under section 314(e) of such Act, are enrolled in training by the end of the sixth week after grant funds have been awarded: Provided further, That service delivery areas may transfer funding provided herein under authority of titles II–B and II–C of the Job Training Partnership Act between the programs authorized by those titles of that Act, if such transfer is approved by the Governor: Provided further, That service delivery areas and substate areas may transfer up to 20 percent of the funding provided herein under authority of title II–A and title III of the Job Training Partnership Act between the programs authorized by those titles of the Act, if such transfer is approved by the Governor: Provided further, That, notwithstanding any other provision of law, any proceeds from the sale of Job Corps center facilities shall be retained by the Secretary of Labor to carry out the Job Corps program: Provided further, That notwithstanding any other provision of law, the Secretary of Labor may waive any of the statutory or regulatory requirements of titles I-III of the Job Training Partnership Act (except for requirements relating to wage and labor standards, worker rights, participation and protection, grievance procedures and judicial review, nondiscrimination, allocation of funds to local areas, eligibility, review and approval of plans, the establishment and functions of service delivery areas and private industry councils, and the basic purposes of the Act), and any of the statutory or regulatory requirements of sections 8–10 of the Wagner-Peyser Act (except for requirements relating to the provision of services to unemployment insurance claimants and veterans, and to universal access to basic labor exchange services without cost to job seekers), only for funds available for expenditure in program year 1997, pursuant to a request submitted by a State which identifies the statutory or regulatory requirements that are requested to be waived and the goals which the State or local service delivery areas intend to achieve, describes the actions that the State or local service delivery areas have undertaken to remove State or local statutory or regulatory barriers, describes the goals of the waiver and the expected programmatic outcomes if the request is granted, describes the individuals impacted by the waiver, and describes the process used to monitor the progress in implementing a waiver, and for which notice and an opportunity to comment on such request has been provided to the organizations identified in section 105(a)(1) of the Job Training Partnership Act, if and only to the extent that the Secretary determines that such requirements impede the ability of the State to implement a plan to improve the workforce development system and the State has executed a Memorandum of Understanding with the Secretary requiring such State to meet agreed upon outcomes and implement other appropriate measures to ensure accountability: Provided further, That the Secretary of Labor shall establish a workforce flexibility (work-flex) partnership demonstration program under which the Secretary shall authorize not more than six States, of which at least three States shall each have populations not in excess of 3,500,000, with a preference given to those States that have been designated Ed-Flex Partnership States under section 311(e) of Public Law 103–227, to waive any statutory or regulatory requirement applicable to service delivery areas or substate areas within the State under titles I-III of the Job Training Partnership Act (except for requirements relating to wage and labor standards, grievance procedures and judicial review, nondiscrimination, allotment of funds, and eligibility), and any of the statutory or regulatory requirements of sections 8–10 of the Wagner-Peyser Act (except for requirements relating to the provision of services to unemployment insurance claimants and veterans, and to universal access to basic labor exchange services without cost to job seekers), for a duration not to exceed the waiver period authorized under section 311(e) of Public Law 103–227, pursuant to a plan submitted by such States and approved by the Secretary for the provision of workforce employment and training activities in the States, which includes a description of the process by which service delivery areas and substate areas may apply for and have waivers approved by the State, the requirements of the Wagner-Peyser Act to be waived, the outcomes to be achieved and other measures to be taken to ensure appropriate accountability for federal funds.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

(TRANSFER OF FUNDS)

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $361,140,000, including $21,840,000 which shall be available for the period ending June 30, 1997.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $101,860,000, including $6,160,000 which shall be available for the period ending June 30, 1997.

The funds appropriated under this heading shall be transferred to the Department of Health and Human Services, ''Aging Services Programs'' following the enactment of legislation authorizing the administration of the program by that Department.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I, and for training, for allowances for job search and relocation, and for related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, $324,500,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $173,452,000, together with not to exceed $3,146,826,000 (including not to exceed $1,653,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980, and including not to exceed $2,000,000 which may be obligated in contracts with non-State entities for activities such as occupational and test research activities which benefit the Federal-State Employment Service System), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 1201 of the Small Business Job Protection Act of 1996, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 1997, except that funds used for automation acquisitions shall be available for obligation by States through September 30, 1999; and of which $23,452,000, together with not to exceed $738,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 1997 through June 30, 1998, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose, and of which $216,333,000 shall be available only to the extent necessary for additional State allocations to administer unemployment compensation laws to finance increases in the number of unemployment insurance claims filed and claims paid or changes in a State law: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 1997 is projected by the Department of Labor to exceed 2,828,000 an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center network may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, section 104(d) of Public Law 102–164, and section 5 of Public Law 103–6, and to the ''Federal unemployment benefits and allowances'' account, to remain available until September 30, 1998, $373,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 1997, for costs incurred by the Black Lung Disability

Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs and for carrying out section 908 of the Social Security Act, $81,393,000, together with not to exceed $39,977,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for Pension and Welfare Benefits Administration, $77,083,000, of which $6,000,000 shall remain available through September 30, 1998 for expenses of revising the processing of employee benefit plan returns.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96–364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 1997, for such Corporation: Provided, That not to exceed $10,345,000 shall be available for administrative expenses of the Corporation: Provided further, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $290,422,000, together with $983,000 which may be expended from the Special Fund in accordance with section 39(c) and 44 (j) of the Longshore and Harbor Workers' Compensation Act: Provided, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 2119d) and 214) and for processing applications and issuing registrations under Title I of the Migrant and Seasonal Agricultural Worker Protection Act, 29 U.S.C. 1801 et seq.

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the head ''Civilian War Benefits'' in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the addition compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $213,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That such sums as are necessary may be used under section 8104 of title 5, United States Code, by the Secretary to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 1996, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary of Labor determines to be the cost of administration for employees of such fair share entities through September 30, 1997: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration, $11,390,000 shall be made available to the Secretary of Labor for expenditures relating to capital improvements in support of Federal Employees' Compensation Act administration, and the balance of such funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under Subchapter 5, U.S.C., chapter 81, or under subchapter 33, U.S.C. 901, et seq. (the Longshore and Harbor Workers' Compensation Act, as amended), provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $1,007,644,000, of which $961,665,000 shall be available until September 30, 1998, for payment of all benefits as authorized by section 9501(d) (1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which $26,071,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, $19,621,000 for transfer to Departmental Management, Salaries and Expenses, and $287,000 for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5)(A) of that Act: Provided, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year: Provided further, That in addition such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $325,734,000, including not to exceed $77,354,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 1997, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act: Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $197,810,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and

safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shall dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $309,647,000, of which $16,145,000 shall be for expenses of revising the Consumer Price Index and shall remain available until September 30, 1998, together with not to exceed $52,053,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Department Management, including the hire of three sedans, and including up to $4,358,000 for the President's Committee on Employment of People With Disabilities, $144,211,000; together with not to exceed $297,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995): Provided further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than one year shall be considered affirmed by the Benefits Review Board on that date, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided further, That these provisions shall not be applicable to the review of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.).

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $181,949,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A and 4321–4327, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 1997.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $42,938,000, together with not to exceed $3,543,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of $125,000.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least fifteen days in advance of any transfer.

SEC. 103. Funds shall be available for carrying out title IV–B of the Job Training Partnership Act, notwithstanding section 427(c) of that Act, if a Job Corps center fails to meet national performance standards established by the Secretary.

SEC. 104. Effective January 1, 1997, no funds appropriated or otherwise made available to the Department of Labor in this title shall be disbursed without the approval of the Department's Chief Financial Officer or his delegatee.

SEC. 105. Notwithstanding any other provision of law, the Secretary of Labor may waive any of the requirements contained in sections 4, 104, 105, 107, 108, 121, 164, 204, 253, 254, 264, 301, 311, 313, 314, and 315 of the Job Training Partnership Act in order to assist States in improving State workforce development systems, pursuant to a request submitted by a State that has prior to the date of enactment of this Act executed a Memorandum of Understanding with the United States requiring such State to meet agreed upon outcomes.

This title may be cited as the ''Department of Labor Appropriations Act, 1997''.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XVI, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, and the Native Hawaiian Health Care Act of 1988, as amended, $3,405,019,000, of which $297,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act: Provided, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: Provided further, That of the funds made available under this heading, $828,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That no more than $5,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That of the funds made available under this heading, $198,452,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $167,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act and shall be distributed to States as authorized by section 2618(b)(2) of such Act: Provided further, That notwithstanding any other provision of law, funds made available under this heading may be used to continue operating the Council on Graduate Medical Education established by section 301 of Public law 102–408: Provided further, That, of the funds made available under this heading, not more than $8,000,000 shall be made available and shall remain available until expended for loan guarantees for loans made by non-Federal lenders for the construction, renovation, and modernization of medical facilities that are owned and operated by health centers funded under part A of title XVI of the Public Health Service Act as amended, and, subject to authorization, for loans made to health centers for the costs of developing and operating managed care networks or plans, and that such funds be available to subsidize guarantees of total loan principal in an amount not to exceed $80,000,000: Provided further, That notwithstanding section 502(a)(1) of the Social Security Act, not to exceed $103,609,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $7,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

For the cost of guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended: 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 total loan principal any part of which is to be guaranteed at not to exceed $140,000,000. In addition, for administrative expenses to carry out the guaranteed loan program, $2,688,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $3,000,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

VACCINE INJURY COMPENSATION

For payment of claims resolved by the United States Court of Federal Claims related to the administration of vaccines before October 1, 1988, $110,000,000 to remain available until expended.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, and XIX of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21 and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of

1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $2,262,698,000, of which $30,553,000 shall remain available until expended for equipment and construction and renovation of facilities, and of which $32,000,000 shall remain available until September 30, 1998 for mine safety and health activities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, up to $48,400,000 shall be available from amounts available under section 241 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress is to be notified promptly of any such transfer: Provided further, That the functions described in clause (1) of the first proviso under the subheading ''mines and minerals'' under the heading ''Bureau of Mines'' in the text of title I of the Department of the Interior and Related Agencies Appropriations Act, 1996, as enacted by section 101 (c) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134), are hereby transferred to, and vested in, the Secretary of Health and human Services, subject to section 1531 of title 31, United States Code: Provided further, That of the amount provided, $23,000,000 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.

In addition, $41,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40151 and 40261 of Public Law 103–322.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $2,382,532,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $1,433,001,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $195,997,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $815,982,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $726,746,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $1,257,234,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $998,470,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $631,703,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $332,735,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $309,819,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $486,047,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $257,111,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $188,422,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $59,743,000.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $212,004,000.

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $489,375,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $701,585,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $415,145,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $20,000,000 shall be for extramural facilities construction grants.

NATIONAL CENTER FOR HUMAN GENOME RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $189,657,000.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $26,586,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $151,103,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 1997, the Library may enter into personal services contract for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $287,206,000, of which $35,589,000 shall be for the Office of AIDS Research: Provided, That funding shall be available for the purchase of not to exceed five passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be increased or decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That NIH is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the NIH Management Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That up to $200,000 shall be available to carry out section 499 of the Public Health Service Act.

BUILDINGS AND FACILITIES

For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $200,000,000, to remain available until expended, of which $90,000,000 shall be for the clinical research center: Provided, That, notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the clinical research center may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232–18.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1896, section 30401 of Public Law 103–322 and section 301 of the Public Health Service Act with respect to program management, $2,134,743,000, of which $5,000,000 shall be for grants to rural and Native American projects and $12,800,000 shall be for activities authorized by section 30401 of Public Law 103–322.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, $96,175,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed $47,412,000.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $75,056,618,000, to remain available until expended.

For making, after May 31, 1997, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 1997 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year 1998, $27,988,993,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $60,079,000,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, title XIII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $1,735,125,000 to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act, the latter funds to remain available until expended, together with such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act are to be credited to and available for carrying out the purposes of this appropriation.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GRANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 1997, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FAMILY SUPPORT PAYMENTS TO STATES

For making payments of such sums as necessary to each State for carrying out the program of Aid to Families with Dependent Children under title IV-A of the Social Security Act in fiscal year 1997 before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV-A in fiscal year 1997 under this appropriation and under such title IV-A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making payments to States for carrying out title IV-A (other than section 402(g)(6)) of the Social Security Act in calendar quarters prior to October 1, 1996, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), $2,158,000,000 to remain available until expended.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act, for the last three months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9) for the first quarter of fiscal year 1998, $607,000,000, to remain available until expended.

JOB OPPORTUNITIES AND BASIC SKILLS

For carrying out aid to families with dependent children work programs, as authorized by part F of title IV of the Social Security Act, $1,000,000,000.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,000,000,000.

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,000,000,000, to be available for obligation in the period October 1, 1997 through September 30, 1998.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–422), $412,076,000: Provided, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act under Public Law 103–333 for fiscal year 1995 shall be available for the costs of assistance provided and other activities conducted in such year and in fiscal years 1996 and 1997.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

(INCLUDING TRANSFER OF FUNDS)

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), $958,120,000, of which $937,000,000 shall become available on October 1, 1997 and shall remain available through September 30, 1998: Provided, That $19,120,000 shall become available for obligation on October 1, 1996 for child care activities, of which $6,120,000 shall be derived from an amount that shall be transferred from the amount appropriated under section 452(j) of the Social Security Act (42 U.S.C. 652(j)) for fiscal year 1996 and remaining available for expenditure.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $2,500,000,000: Provided, That notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 1997 shall be $2,500,000,000.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, the Temporary Child Care for Children with Disabilities and Crisis Nurseries Act of 1986, section 429A, part B of title IV of the Social Security Act, section 413 of the Social Security Act, the Family Violence Prevention and Services Act, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Abandoned Infants Assistance Act of 1988, and part B(1) of title IV of the Social Security Act; for making payments under the Community Services Block Grant Act; and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, and section 126 and titles IV and V of Public Law 100–485, 5,363,569,000, of which $536,432,000 shall be for making payments under the Community Services Block Grant Act: Provided, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That of the amount appropriated for fiscal year 1997 under section 672(a) of the Community Services Block Grant Act, the Secretary shall use up to one percent of the funds available to correct allocation errors that occurred in fiscal year 1995 and fiscal year 1996 to ensure that the minimum allotment to each State for each of fiscal years 1995 and 1996 would be $2,222,460: Provided further, That no more than one-half of one percent of the funds available under section 672(a) shall be used for the purposes of section 674(a) of the Community Services Block Grant Act.

In addition, $20,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40155, 40211 and 40241 of Public Law 103–322.

Funds appropriated for fiscal year 1996 and fiscal year 1997 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by $6,000,000 in each such year.

Funds appropriated for fiscal year 1997 under section 413(h)(1) of the Social Security Act shall be reduced by $15,000,000.

FAMILY PRESERVATION AND SUPPORT

For carrying out section 430 of the Social Security Act, $240,000,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities, under title IV–E of the Social Security Act, $4,445,031,000.

For making payments to States or other non-Federal entities, under title IV–E of the Social Security Act, for the first quarter of fiscal year 1998, $1,111,000,000.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Acts of 1965, as amended, $830,168,000: Provided, That notwithstanding section 308(b)(1) of such Act, the amounts available to each State for administration of the State plan under title III of such Act shall be reduced not more than 5 percent below the amount that was available to such State for such purpose for fiscal year 1995: Provided further, That in considering grant applications for nutrition services for elder Indian recipients, the Assistant Secretary shall provide maximum flexibility to applicants who seek to take into account subsistence, local customs and other characteristics that are appropriate to the unique cultural, regional and geographic needs of the American Indian, Alaskan and Hawaiian native communities to be served.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, $174,523,000, together with $5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That of the funds made available under this heading for carrying out title XVII of the Public Health Service Act, $11,5000,000 shall be available until expended for extramural construction: Provided further, That notwithstanding section 2010 (b) and (c) under title XX of the Public Health Service Act, as amended, of the funds made available under this heading, $10,879,000 shall be for activities specified under section 2003(b)(2) of title XX of the Public Health Service Act, as amended, and of which $9,011,000 shall be for prevention grants under section 510(b)(2) of title V of the Social Security Act, as amended: Provided further, That of the amount provided, $5,775,000 is

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

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $32,999,000, together with any funds, to remain available until expended, that represent the equitable share from the forfeiture of property in investigations in which the Office of Inspector General participated, and which are transferred to the Office of Inspector General by the Department of Justice, the Department of the Treasury, or the United States Postal Service.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $16,216,000, together with not to exceed $3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act and section 301(l) of Public Law 104–191, $18,500,000: Provided, That $9,500,000, to remain available until September 30, 1998, shall be for carrying out section 301(1) of Public Law 104–191.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds made available by this Act may be used to withhold payment to any State under the Child Abuse Prevention and Treatment Act by reason of a determination that the State is not in compliance with section 1340,.2(d)(2)(ii) of title 45 of the Code of Federal Regulations. This provision expires upon the date of enactment of the reauthorization of the Child Abuse Prevention and Treatment Act.

SEC. 205. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of $125,000 per year.

SEC. 206. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

(TRANSFER OF FUNDS)

SEC. 207. Of the funds appropriated or otherwise made available for the Department of Health and Human Services, General Departmental Management, for fiscal year 1997, the Secretary of Health and Human Services shall transfer to the Office of the Inspector General such sums as may be necessary for any expenses with respect to the provision of security protection for the Secretary of Health And Human Services.

SEC. 208. None of the funds appropriated in this Act may be obligated or expended for the Federal Council on Aging under the Older Americans Act or the Advisory Board on Child Abuse and Neglect under the Child Abuse Prevention and Treatment Act.

(TRANSFER OF FUNDS)

SEC. 209. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Service in this Act may be transferred between appropriations, but not such appropriation shall be increased by more than 3 percent by such such transfer: Provided, That the Appropriations Committees of both House of Congress are notified at least fifteen days in advance of any transfer.

(TRANSFER OF FUNDS)

SEC. 210. The Director of the National Institutes of Health jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

(TRANSFER OF FUNDS)

SEC. 211. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of HIH and the Director of the Office of AIDS Research, shall be made available to the ''Office of AIDS Resarch'' account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 212. Not later than January 1, 1997, the Administrator of the Health Care Financing Administration, with the advice and technical assistance of the Agency for Health care Policy and Research, shall transmit to the appropriate committees of the Congress a report including—

(1) a review of all available studies and research data on the treatment of end-stage emphysema and chronic obstructive pulmonary disease by both unilateral and bilateral lung volume reduction surgery, involving both invasive and noninvasive surgery and supplemental surgical methods, including laser applications; and

(2) a recommendation, based on such review, as to the appropriateness of Medicare coverage of such procedures and the conditions, if necessary, that facilities and physicians should be required to meet, to ensure he efficacy of such procedures, as more detailed clinical studies are conducted.

SEC. 213. Section 304(a)(1) of the Family Violence Prevention and Services Act (42 U.S.C. 10403(a)(1)) amended by striking ''$200,000'' and inserting ''$400,000''.

SEC. 214. The new clinical research center at the National Institutes of Health is hereby named the Mark O. Hatfield Clinical Research Center.

SEC. 215. Section 345 of Public Law 104–193 is amended by replacing ''section 457(a)'' wherever it appears with ''a plan approved under this part''. Amounts available under such section shall be calculated as though such section were effective October 1, 1995.

This title may be cited as the ''Department of Health and Human Services Appropriations Act, 1997''.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

For carrying out activities authorized by titles III and IV of the Goals 2000: Educate America Act and the School-to-Work Opportunities Act, $691,000,000, of which $476,000,000 for the Goals 2000: Educate America Act and $200,000,000 for the School-to-Work Opportunities Act shall become available on July 1, 1997, and remain available through September 30, 1998: Provided, that none of the funds appropriated under this heading shall be obligated or expended to carry out section 304(a)(2)(A) of the Goals 2000: Educate America Act.

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act, $7,698,469,000, of which $6,380,114,000 shall become available on July 1, 1997, and shall remain available through September 30, 1998, and of which $1,298,386,00 shall become available on October 1, 1997 and shall remain available through September 30, 1998, for academic year 1997–1998: Provided, that $6,194,850,000 shall be available for basic grants under section 1124: Provided further, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 1996, to obtain updated local-educational-agency-level census poverty date from the Bureau of the Census: Provided further, That $999,249,000 shall be available for concentration grants under section 1124(A) and $7,000,000 shall be available for evaluations under section 1501.

IMPACT AID

For carrying out programs of financial assistance to federally schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $730,000,000, of which $615,500,000 shall be for basic support payments under section 8003(b), $40,000,000 shall be for payments for children with disabilities under section 8003(d), $52,000,000, to remain available until expended, shall be for payments under section 8003(f), $5,000,000 shall be for construction under section 8007, and $17,500,000 shall be for Federal property payments under section 8002.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV-A-1, V-A and B, VI, IX, X and XIII of the Elementary and Secondary Education Act of 1965; the Stewart B. McKinney Homeless Assistance Act; and the Civil Rights Act of 1964; $1,425,631,000, of which $1,202,478,000 shall become available on July 1, 1997, and remain available through September 30, 1998: Provided, That of the amount appropriated, $310,000,000 shall be for Eisenhower professional development State grants under title II-B and $310,000,000 shall be for innovative education program strategies State grants under title VI-A.

BILINGUAL AND IMMIGRANT EDUCATION

For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act, without regard to section 7103(b), $261,700,000, of which $100,000,000 shall be for immigrant education programs authorized by part C: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies: Provided further, That the Department of Education should only support instructional programs which ensure that students completely master English in a timely fashion (a period of three to five years) while meeting rigorous achievement standards in the academic content areas.

SPECIAL EDUCATION

For carrying out parts B, C, D, E, F, G, and H and section 610(j)(2)(C) of the Individuals with Disabilities Education Act, $4,036,000,000, of which $3,783,685,000 shall become available for obligation on July 1, 1997, and shall remain available through September 30, 1998: Provided, That the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall continue to be eligible to receive funds under the Individuals with Disabilities Education Act consistent with the provisions of Public Law 104–134: Provided further,

That the entities that received competitive awards for direct services to children under section 611 of the Individuals with Disabilities Education Act in accordance with the competition required in Public Law 104–134 shall continue to be funded, without competition, in the same amounts as under Public Law 104–134.

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Technology-Related Assistance for Individuals with Disabilities Act, and the Helen Keller National Center Act, as amended, $2,509,447,000.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $6,680,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $43,041,000: Provided, That from the amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $79,182,000: Provided, That from the amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, and the National Literacy Act of 1991, $1,486,531,000, of which $4,500,000 shall be for the National Institute for Literacy; and of which $1,483,612,000 shall become available on July 1, 1997 and shall remain available through September 30, 1998: Provided, That, of the amounts made available for title II of the Carl D. Perkins Vocational and Applied Technology Education Act, $4,500,000 shall be used by the Secretary for national programs under title IV, without regard to section 451: Provided further, That, in addition, the Secretary may reserve up to $9,000,000 under section 101(a)(1)(A) of the Carl D. Perkins Vocational and Applied Technology Education Act, without regard to section 451: Provided further, That the Secretary may reserve up to $5,000,000 under section 313(d) of the Adult Education Act for activities carried out under section 383 of that Act: Provided further, That no funds shall be awarded to a State Council under section 112(f) of the Carl D. Perkins Vocational and Applied Technology Education Act, and no State shall be required to operate such a Council.

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3, and 4, of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $7,560,407,000, which shall remain available through September 30, 1998.

The maximum Pell Grants for which a student shall be eligible during award year 1997–1998 shall be $2,700: Provided, That notwithstanding section 401(g) of the Act, if the Secretary determines, prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 1996 appropriation for Pell Grants awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act, as amended, $46,572,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, parts A and B of title III, without regard to section 360(a)(1)(B)(ii), titles IV, V, VI, VII, and IX, part A and subpart 1 of part B of title X, and title XI of the Higher Education Act of 1965, as amended, Public Law 102–423 and the Mutual Educational and Cultural Exchange Act of 1961; $879,054,000, of which $15,673,000 for interest subsidies under title VII of the Higher Education Act, as amended, shall remain available until expended: Provided, That funds available for part D of title IX of the Higher Education Act shall be available to fund noncompeting continuation awards for academic year 1997–1998 for fellowships awarded originally under part B of title IX of said Act, under the terms and conditions of part B: Provided further, That $5,931,000 of the funds available for part D of title IX of the Higher Education Act shall be available to fund new and noncompeting continuation awards for academic year 1997–1998 for fellowships awarded under part C of title IX of said Act, under the terms and conditions of part C: Provided further, That notwithstanding sections 419D, 419E, and 419H of the Higher Education Act, as amended, scholarships made under title IV, part A, subpart 6 shall be prorated to maintain the same number of new scholarships in fiscal year 1997 as in fiscal year 1996: Provided further, That $3,000,000, to remain available until expended, shall be for the George H.W. Bush fellowship program, if authorized by April 1, 1997: Provided further, That $3,000,000, to remain available until expended, shall be for the Edmund S. Muskie Foundation to establish an endowment fund to provide income to support such foundation on a continuing basis, if authorized by April 1, 1997: Provided further, That $3,000,000, to remain available until expended, shall be for the Claiborne Pell Institute for International Relations and Public Policy at Salve Regina University in Newport, Rhode Island, if authorized by April 1, 1997: Provided further, That $1,000,000, to remain available until expended, shall be for the Calvin Coolidge Memorial Foundation, if authorized by April 1, 1997: Provided further, That, of the amounts made available under title X, part A of the Higher Education Act, $2,000,000 shall be awarded to the Pennsylvania Educational Telecommunications Exchange Network.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $196,000,000: Provided, That from the amount available, the University may at its discretion use funds for the endowment program as authorized under the Howard University Endowment Act (Public Law 98–480).

HIGHER EDUCATION FACILITIES LOANS

The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program for the current fiscal year.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For administrative expenses to carry out the existing direct loan program of college housing and academic facilities loans entered into pursuant to title VII, part C, of the Higher Education Act, as amended, $698,000.

COLLEGE HOUSING LOANS

Pursuant to title VII, part C of the Higher Education Act, as amended, for necessary expenses of the college housing loans program, the Secretary shall make expenditures and enter into contracts without regard to fiscal year limitation using loan repayments and other resources available to this account. Any unobligated balances becoming available from fixed fees paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of this account.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING, PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 724 of title VII, part B of the Higher Education Act shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title VII, part B of the Higher Education Act, as amended, $104,000.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994; section 2102, sections 3132, 3136 and 3141, parts B, C, and D of title III and parts A, B, I, and K and section 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $598,350,000: Provided, That $200,000,000 shall be for section 3132, $56,965,000 shall be for section 3136 and $10,000,000 shall be for section 3141 of the Elementary and Secondary Education Act: provided further, That notwithstanding any other provision of law, one-half of one percent of the amount available for section 3132 of the elementary and Secondary Education Act of 1965, as amended, shall be set aside for the outlying areas to be distributed among the outlying areas on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program; Provided further, That, notwithstanding section 3131(b) of said Act, if any State educational agency does not apply for a grant under section 3132, that State's allotment under section 3131 shall be reserved by the Secretary for grants to local educational agencies in the State that apply directly to the Secretary according to the terms and conditions announced by the Secretary in the Federal Register: Provided further, That, of the amount available for title III, part B of the Elementary and Secondary Education Act of 1965, as amended, funds shall be awarded to continue the Iowa Communication Network statewide fiber optic demonstration and $2,000,000 shall be awarded to the Southeastern Pennsylvania Consortium for Higher Education for the establishment of local and wide area computer networks to provide instructional resources to students and faculty: Provided further, That none of the funds appropriated in this paragraph may be obligated or expended for the Goals 2000 Community Partnerships Program.

LIBRARIES

Notwithstanding title VII of this Act, for carrying out titles I, II, III, and IV of the Library Services and Construction Act, and title II–B of the Higher Education Act, $136,369,000, of which $16,369,000 shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended; and $2,500,000 shall be for section 222 and $5,000,000 shall be for section 223 of the Higher Education Act: Provided, That $1,000,000 shall be competitively awarded to a nonprofit regional social tolerance resource center, operating tolerance tools and prejudice reduction programs and multimedia tolerance and genocide

exhibits: Provided further, That $1,500,000 shall be for the continuation of a demonstration project making information available for public use by connecting Internet to a multistate consortium and a historical society: Provided further, That $1,000,000 shall be for continuation of catalog conversion of research and doctoral institutions and networking of local libraries under the fiber optics demonstration initiated in Public Law 102–394 under section 223 of the Higher Education Act: Provided further, That each State or local recipient of funds under titles I, II, III, and IV of the Library Services and Construction Act may sue any such funds to plan for any library program or activity authorized under title VII of this Act and conduct any other activity reasonably necessary to provide for an orderly and effective transition to the operation of library programs or activities under title VII of this Act.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, $327,000,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $55,000,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $30,000,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

SEC. 304. Notwithstanding any other provision of law, funds available under section 458 of the Higher Education Act shall not exceed $491,000,000 for fiscal year 1997. The Department of Education shall use $80,000,000 of the amounts provided for payment of administrative cost allowances to guaranty agencies for fiscal; year 1996. For fiscal year 1997, the Department of Education shall pay administrative costs to guaranty agencies, calculated on the basis of 0.85 percent of the total principal amount of loans upon which insurance was issued on or after October 1, 1996: Provided, That such administrative costs shall be paid only on the first $8,200,000,000 of the principal amount of loans upon which insurance was issued on or after October 1, 1996 by such guaranty agencies, and shall not exceed a total of $70,000,000. Such payments are to be paid quarterly, and receipt of such funds and uses of such funds shall be in accordance with section 428(f) of the Higher Education Act.

Notwithstanding section 458 of the Higher Education Act, the Secretary may not use funds available under that section or any other section for subsequent fiscal years for administrative expenses of the William D. Ford Direct Loan Program. The Secretary may not require the return of guaranty agency reserve funds during fiscal year 1997, except after consultation with both the Chairmen and ranking members of the House Economic and Educational Opportunities Committee and the Senate Labor and Human Resources Committee. Any reserve funds recovered by the Secretary shall be returned to the Treasury of the United States for purposes of reducing the Federal deficit.

No funds available to the Secretary may be used for (1) the hiring of advertising agencies or other third parties to provide advertising services for student loan programs prior to January 1, 1997, or (2) payment of administrative fees relating to the William D. Ford Direct Loan Program to institutions of higher education.

SEC. 305. None of the funds appropriated in this Act may be obligated or expended to carry out section 621(b) of Public Law 101–589.

(TRANSFER OF FUNDS)

SEC. 306. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the current fiscal year for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least fifteen days in advance of any transfer.

SEC. 307. (a) Section 8003(f)(3)(A)(i) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(f)(3)(A)(i)) is amended—

(1) in the matter preceding subclause (I), by striking ''The Secretary'' and all that follows through ''greater of—'' and inserting the following: ''The Secretary, in conjunction with the local educational agency, shall first determine each of the following:'';

(2) in each of subclauses (I) through (III), by striking ''the average'' each place it appears the first time in each such subclause and inserting ''The average'';

(3) in subclause (I), by striking the semicolon and inserting a period;

(4) in subclause (II), by striking '': or'' and inserting a period; and

(5) by adding at the end the following:

''The local educational agency shall select one of the amounts determined under subclause (I), (II), or (III) for purposes of the remaining computations under this subparagraph.''.

(b) The amendments made by subsection (a) shall apply with respect to fiscal years beginning with fiscal year 1995.

SEC. 308. Section 485(e)(9) of the Higher Education Act of 1965 is amended by striking out ''June 30'' in the second sentence of such section and inserting ''August 30''.

This title may be cited as the ''Department of Education Appropriations Act, 1997''.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $56,204,000, of which $432,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: Provided, That this appropriation shall not be available for the payment of hospitalization of members of the Soldiers' and Airmen's Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $213,969,000.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 1999, $250,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171–180, 182–183), including hire of passenger motor vehicles; and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95–454 (5 U.S.C. chapter 71), $32,579,000 including $1,500,000, to remain available through September 30, 1998, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees that arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $6,060,000.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91–345, as amended by Public Law 102–95), $897,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $1,793,000.

NATIONAL EDUCATION GOALS PANEL

For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, $1,500,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141–167), and other laws, $175,000,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes: Provided further, That none of the funds made available by this Act shall be used in any way to promulgate a final rule (altering 29 CFR part 103) regarding single location bargaining units in representative cases.

NATIONAL MEDICATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including emergency boards appointed by the President, $8,300,000: Provided, That unobligated balances at the end of fiscal year 1997 not needed for emergency boards shall remain available for other statutory purposes through September 30, 1998.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $7,753,000.

PHYSICIAN PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1845(a) of the Social Security Act, $3,263,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1886(e) of the Social Security Act, $3,263,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $20,923,000.

In addition, to reimburse these trust funds for administrative expenses to carry out sections 9704 and 9706 of the Internal Revenue Code of 1986, $10,000,000, to remain available until expended.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, $460,070,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act 1977 for the first quarter of fiscal year 1998, $160,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security Trust Funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $19,372,010,000, to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

From funds provided under the previous paragraph, not less than $100,000,000 shall be available for payment to the Social Security Trust Funds for administrative expenses for conducting continuing disability reviews.

In addition, $175,000,000, to remain available until September 30, 1998, for payment to the Social Security Trust Funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104–121 and Supplemental Security Income administrative work as authorized by Public Law 104–193. The term ''continuing disability reviews'' means reviews and redetermination as defined under section 201(g)(1)(A) of the Social Security Act as amended, and reviews and redeterminations authorized under section 211 of Public Law 104–193.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For carrying out title XVI of the Social Security Act for the first quarter of fiscal year 1998, $9,690,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $10,000 for official reception and representation expenses, not more than $5,873,382,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act or as necessary to carry out sections 9704 and 9706 of the Internal Revenue Code of 1986 from any one or all of the trust funds referred to therein: Provided, That reimbursement to the trust funds under this heading for administrative expenses to carry out sections 9704 and 9706 of the Internal Revenue Code of 1986 shall be made, with interest, not later than September 30, 1988: Provided further, That not less than $1,268,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances at the end of fiscal year 1997 not needed for fiscal year 1997 shall remain available until expended for a state-of-the-art computing network, including related equipment and administrative expenses associated solely with this network.

From funds provided under the previous paragraph, not less than $200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, $310,000,000, to remain available until September 30, 1998, for continuing disability reviews as authorized by section 103 of Public Law 104–121 and Supplemental Security Income administrative work as authorized by Public Law 104–193. The term ''continuing disability reviews'' means reviews and redetermination as defined under section 201(g)(1)(A) of the Social Security Act as amended, and reviews and redeterminations authorized under section 211 of Public Law 104–193.

In addition to funding already available under this heading, and subject to the same terms and conditions, $234,895,000, which shall remain available until expended, to invest in a state-of-the-art computing network, including related equipment and administrative expenses associated solely with this network, for the Social Security Administration and the State Disability Determination Services, may be expended from any or all of the trust funds as authorized by section 201(g)(1) of the Social Security Act.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $6,335,000, together with not to exceed $31,089,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $223,000,000, which shall include amounts becoming available in fiscal year 1997 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $223,000,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $300,000, to remain available through September 30, 1998, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $87,898,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $5,404,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in this Act may be transferred to the Office from the Department of Health and Human Services, or used to carry out any such transfer: Provided further, That none of the funds made available in this paragraph may be used for any audit, investigation, or review of the Medicare program.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $11,160,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: Provided, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio,

television, or video presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself or any State legislature, except in presentation to the Congress or any State legislative body itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are each authorized to make available not to exceed $15,000 from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for ''Salaries and expenses, Federal Mediation and Conciliation Service''; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for ''Salaries and expenses, National Mediation Board''.

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles for the hypodermic injection of any illegal drug unless the Secretary of Health and Human Services determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs.

SEC. 506. (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 contact with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, code of Federal Regulations.

SEC. 507. When issuing statements, press releases, request for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

SEC. 508. None of the funds appropriated under this Act shall be expended for any abortion except when it is made known to the Federal entity or official to which funds are appropriated under this Act that such procedure is necessary to save the life of the mother or that the pregnancy is the result of an act of rape or incest.

SEC. 509. Notwithstanding any other provision of law—

(1) no amount may be transferred from an appropriation account for the Departments of Labor, Health and Human Services, and Education except as authorized in this or any subsequent appropriation Act, or in the Act establishing the program or activity for which funds are contained in this Act;

(2) no department, agency, or other entity, other than the one responsible for administering the program or activity for which an appropriation the program or activity for which an appropriation is made in this Act, may exercise authority for the timing of the obligation and expenditure of such appropriation, or for the purpose for which it is obligated and expended, except to the extent and in the manner otherwise provided in sections 1512 and 1513 of title 31, United States Code; and

(3) no funds provided under this Act shall be available for the salary (or any part thereof) of an employee who is reassigned on a temporary detail basis to another position in the employing agency or department or in any other agency or department, unless the detail is independently approved by the head of the employing department of agency.

SEC. 510. None of the funds made available in this Act may be used for the expenses of an electronic benefit transfer (EBT) task force.

SEC. 511. None of the funds made available in this Act may be used to enforce the requirements of section 428(b)(1)(U)(iii) of the Higher Education Act of 1965 with respect to any lender when it is made known to the Federal official having authority to obligate or expend such funds that the lender has a loan portfolio under part B of title IV of such Act that is equal to or less than $5,000,000.

SEC. 512. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term ''human embryo or embryos'' include any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes.

SEC. 513. (a) LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES.—None of the funds made available in this Act may be used for any activity when it is made known to the Federal official having authority to obligate or expend such funds that the activity promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that Federally-sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 514. (a) DENIAL OF FUNDS FOR PREVENTING ROTC ACCESS TO CAMPUS.—None of the funds made available in this or any other Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act for any fiscal year may be provided by contract or by grant (including a grant of funds to be available for student aid) to a covered educational entity if the Secretary of Defense determines that the covered educational entity has a policy or practice (regardless of when implemented) that either 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 covered educational entity; or

(2) a student at the covered educational entity from enrolling in a unit of the Senior Reserve Officer Training Corps at another institution of higher education.

(b) DENIAL OF FUNDS FOR PREVENTING FEDERAL MILITARY RECRUITING ON CAMPUS.—None of the funds made available in this or any other Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act for any fiscal year may be provided by contract or by grant (including a grant of funds to be available for student aid) to a covered educational entity if the Secretary of Defense determines that the covered educational entity has a policy or practice (regardless of when implemented) that either 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 by military recruiters for purposes of Federal military recruiting to the following information pertaining to students (who are 17 years of age or older) enrolled at the covered educational entity:

(A) student names, addresses, and telephone listings; and

(B) if known, student ages, levels of education, and majors.

(c) EXCEPTIONS.—The limitation established in subsection (a) or (b) shall not apply to a covered educational entity if the Secretary of Defense determines that—

(1) the covered educational entity has ceased the policy or practice described in such subsection;

(2) the institution of higher education involved has a longstanding policy of pacifism based on historical religious affiliation; or

(3) the institution of higher education involved is prohibited by the law of any State, or by the order of any State court, from allowing Senior Reserve Officer Training Corps activities or Federal military recruiting on campus, except that this paragraph shall apply only during the one-year period beginning on the effective date of this section.

(d) NOTICE OF DETERMINATIONS.—Whenever the Secretary of Defense makes a determination under subsection (a), (b), or (c), the Secretary—

(1) shall transmit a notice of the determination to the Secretary of Education and to the Congress; and

(2) shall publish in the Federal Register a notice of the determination and the effect of the determination on the eligibility of the covered educational entity for contracts and grants.

(e) SEMIANNUAL NOTICE IN FEDERAL REGISTER.—The Secretary of Defense shall publish in the Federal Register once every 6 months a list of each covered educational entity that is currently ineligible for contracts and grants by reason of a determination of the Secretary under subsection (a) or (b).

(f) COVERED EDUCATIONAL ENTITY.—For purposes of this section, the term ''covered educational entity'' means an institution of higher education, or a subelement of an institution of higher education.

(g) EFFECTIVE DATE.—This section shall take effect upon the expiration of the 180-day period beginning on the date of the enactment of this Act, by which date the Secretary of Defense shall have published final regulations in consultation with the Secretary of Education to carry out this section.

SEC. 515. (a) TECHNICAL AMENDMENT TO OTHER ROTC AND MILITARY RECRUITING PROVISIONS.—Sections 508 and 509 of the Energy and Water Development Appropriations Act, 1997, are amended by striking ''when it is made

known to the Federal official having authority to obligate or expend such funds'' each place it appears and inserting ''if the Secretary of Defense determines''.

(b) EFFECTIVE DATE.—Sections 508 and 509 of the Energy and Water Development Appropriations Act, 1997, shall not take effect until the expiration of the 180-day period beginning on the date of the enactment of this Act, by which date the Secretary of Defense shall have published final regulations to carry out such sections (as amended by subsection (a)).

SEC. 516. 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.

SEC. 517. (a) Notwithstanding any provision of the Carl D. Perkins Vocational and Applied Technology Act (as such Act was in effect on September 24, 1990), a State shall be deemed to have met the requirements of section 503 of such Act with respect to decisions appealed by applications filed on April 30, 1993 and October 29, 1993 under section 452(b) of the General Education Provisions Act.

(b) Subsection (a) shall take effect on October 1, 1996.

SEC. 518. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless it is made known to the Federal official having authority to obligate or expend such funds that the applicant for the award certifies to the Secretary that it encourages family participation in the decision of the minor to seek family planning services.

SEC. 519. Of the budgetary resources available to agencies in this Act for salaries and expenses during fiscal year 1997, $30,500,000, to be allocated by the Office of Management and Budget, are permanently canceled: Provided, That the foregoing provision shall not apply to the Food and Drug Administration and the Indian Health Service: Provided further, That amounts available in this Act for congressional and legislative affairs, public affairs, and intergovernmental affairs activities are hereby reduced by $2,000,000.

SEC. 520. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF CERTAIN FEDERAL AGENCIES.—DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means the Railroad Retirement Board and the Office of Inspector General of the Railroad Retirement Board;

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by an agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty-four-month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve-month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The three-member Railroad Retirement Board, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before September 30, 1997;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

SEC. 521. CORRECTION OF EFFECTIVE DATE.—Effective on the day after the date of enactment of the Health Centers Consolidation Act of 1996, section 5 of that Act is amended by striking ''October 1, 1997'' and inserting ''October 1, 1996''.

TITLE VI—REORGANIZATION AND PRIVATIZATION OF SALLIE MAE AND CONNIE LEE

SEC. 601. SHORT TITLE.

This title may be cited as the ''Student Loan Marketing Association Reorganization Act of 1996''.

SEC. 602. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

(a) AMENDMENT.—Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by inserting after section 439 (20 U.S.C. 1087–2) the following new section:

''SEC. 440. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

''(a) ACTIONS BY THE ASSOCIATION'S BOARD OF DIRECTORS.—The Board of Directors of the Association shall take or cause to be taken all such action as the Board of Directors deems necessary or appropriate to effect, upon the shareholder approval described in subsection (b), a restructuring of the common stock ownership of the Association, as set forth in a plan of reorganization adopted by the Board of Directors (the terms of which shall be consistent with this section) so that all of the outstanding common shares of the Association shall be directly owned by a Holding Company. Such actions may include, in the Board of Director's discretion, a merger of a wholly owned subsidiary of the Holding Company with and into the Association, which would have the effect provided in the plan of reorganization and the law of the jurisdiction in which such subsidiary is incorporated. As part of the restructuring, the Board of Directors may cause—

''(1) the common shares of the Association to be converted, on the reorganization effective date, to common shares of the Holding Company on a one for one basis, consistent with applicable State or District of Columbia law; and

''(2) Holding Company common shares to be registered with the Securities and Exchange Commission.

''(b) SHAREHOLDER APPROVAL.—The plan of reorganization adopted by the Board of Directors pursuant to subsection (a) shall be submitted to common shareholders of the Association for their approval. The reorganization shall occur on the reorganization effective date, provided that the plan of reorganization has been approved by the affirmative votes, cast in person or by proxy, of the holders of a majority of the issued and outstanding shares of the Association common stock.

''(c) TRANSITION.—In the event the shareholders of the Association approve the plan of reorganization under subsection (b), the following provisions shall apply beginning on the reorganization effective date:

''(1) IN GENERAL.—Except as specifically provided in this section, until the dissolution date the Association shall continue to have all of the rights, privileges and obligations set forth in, and shall be subject to all of the limitations and restrictions of, section 439, and the Association shall continue to carry out the purposes of such section. The Holding Company and any subsidiary of the Holding Company (other than the Association) shall not be entitled to any of the rights, privileges, and obligations, and shall not be subject to the limitations and restrictions, applicable to the Association under section 439, except as specifically provided in this section. The Holding Company and any subsidiary of the Holding Company (other than the Association or a subsidiary of the Association) shall not purchase loans insured under this Act until such time as the Association ceases acquiring such loans, except that the Holding Company may purchase such loans if the Association is merely continuing to acquire loans as a lender of last resort pursuant to section 439(q) or under an agreement with the Secretary described in paragraph (6).

''(2) TRANSFER OF CERTAIN PROPERTY.—

''(A) IN GENERAL.—Except as provided in this section, on the reorganization effective date or as soon as practicable thereafter, the Association shall use the Association's best efforts to transfer to the Holding Company or any subsidiary of the Holding Company (or both), as directed by the Holding Company, all real and personal property of the Association (both tangible and intangible) other than the remaining property. Subject to the preceding sentence, such transferred property shall include all right, title, and interest in—

''(i) direct or indirect subsidiaries of the Association (excluding special purpose funding companies in existence on the date of enactment of this section and any interest in any government-sponsored enterprise);

''(ii) contracts, leases, and other agreements of the Association;

''(iii) licenses and other intellectual property of the Association; and

''(iv) any other property of the Association.

''(B) CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit the Association from transferring remaining property from time to time to the Holding Company or any subsidiary of the Holding Company, subject to the provisions of paragraph (4).

''(3) TRANSFER OF PERSONNEL.—On the reorganization effective date, employees of the Association shall become employees of the Holding Company (or any subsidiary of the Holding Company), and the Holding Company (or any subsidiary of the Holding Company) shall provide all necessary and appropriate management and operational support (including loan servicing) to the Association, as requested by the Association. The Association, however, may obtain such management and operational support from persons or entities not associated with the Holding Company.

''(4) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards and requirements set forth in section 439(r). If, at any time after the reorganization effective date, the Association fails to comply with such capital standards, the Holding Company shall transfer with due diligence to the Association additional capital in such amounts as are necessary to ensure that the Association again complies with the capital standards.

''(5) CERTIFICATION PRIOR TO DIVIDEND.—Prior to the payment of any dividend under paragraph (4), the Association shall certify to the Secretary of the Treasury that the payment of the dividend will be made in compliance with paragraph (4) and shall provide copies of all calculations needed to make such certification.

''(6) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY ASSOCIATION.—

''(A) IN GENERAL.—After the reorganization effective date, the Association shall not engage in any new business activities or acquire any additional program assets described in section 439(d) other than in connection with—

''(i) student loan purchases through September 30, 2007;

''(ii) contractual commitments for future warehousing advances, or pursuant to letters of credit or standby bond purchase agreements, which are outstanding as of the reorganization effective date;

''(iii) the Association serving as a lender-of-last-resort pursuant to section 439(q); and

''(iv) the Association's purchase of loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of the Association's secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

''(B) AGREEMENT.—The Secretary is authorized to enter into an agreement described in clause (iv) of subparagraph (A) with the Association covering such secondary market activities. Any agreement entered into under such clause shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under section 439(h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

''(7) ISSUANCE OF DEBT OBLIGATIONS DURING THE TRANSITION PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—After the reorganization effective date, the Association shall not issue debt obligations which mature later than September 30, 2008, except in connection with serving as a lender-of-last-resort pursuant to section 439(q) or with purchasing loans under an agreement with the Secretary as described in paragraph (6). Nothing in this section shall modify the attributes accorded the debt obligations of the Association by section 439, regardless of whether such debt obligations are incurred prior to, or at any time following, the reorganization effective date or are transferred to a trust in accordance with subsection (d).

''(8) MONITORING OF SAFETY AND SOUNDNESS.—

''(A) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning—

''(i) the financial risk to the Association resulting from the activities of any associated person, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including the Association's capital ratio, the Association's liquidity, or the Association's ability to conduct and finance the Association's operations; and

''(ii) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk.

''(B) SUMMARY REPORTS.—The Secretary of the Treasury may require summary reports of the information described in subparagraph (A) to be filed no more frequently than quarterly. If, as a result of adverse market conditions or based on reports provided pursuant to this subparagraph or other available information, the Secretary of the Treasury has concerns regarding the financial or operational condition of the Association, the Secretary of the Treasury may, notwithstanding the preceding sentence and subparagraph (A), require the Association to make reports concerning the activities of any associated person whose business activities are reasonably likely to have a material impact on the financial or operational condition of the Association.

''(C) SEPARATE OPERATION OF CORPORATIONS.—

''(i) IN GENERAL.—The funds and assets of the Association shall at all times be maintained separately from the funds and assets of the Holding Company or any subsidiary of the Holding Company and may be used by the Association solely to carry out the Association's purposes and to fulfill the Association's obligations.

''(ii) BOOKS AND RECORDS.—The Association shall maintain books and records that clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company or any subsidiary of the Holding Company.

''(iii) CORPORATE OFFICE.—The Association shall maintain a corporate office that is physically separate from any office of the Holding Company or any subsidiary of the Holding Company.

''(iv) DIRECTOR.—No director of the Association who is appointed by the President pursuant to section 439(c)(1)(A) may serve as a director of the Holding Company.

''(v) ONE OFFICER REQUIREMENT.—At least one officer of the Association shall be an officer solely of the Association.

''(vi) TRANSACTIONS.—Transactions between the Association and the Holding Company or any subsidiary of the Holding Company, including any loan servicing arrangements, shall be on terms no less favorable to the Association than the Association could obtain from an unrelated third party offering comparable services.

''(vii) CREDIT PROHIBITION.—The Association shall not extend credit to the Holding Company or any subsidiary of the Holding Company nor guarantee or provide any credit enhancement to any debt obligations of the Holding Company or any subsidiary of the Holding Company.

''(viii) AMOUNTS COLLECTED.—Any amounts collected on behalf of the Association by the Holding Company or any subsidiary of the Holding Company with respect to the assets of the Association, pursuant to a servicing contract or other arrangement between the Association and the Holding Company or any subsidiary of the Holding Company, shall be collected solely for the benefit of the Association and shall be immediately deposited by the Holding Company or such subsidiary to an account under the sole control of the Association.

''(D) ENCUMBRANCE OF ASSETS.—Notwithstanding any Federal or State law, rule, or regulation, or legal or equitable principle, doctrine, or theory to the contrary, under no circumstances shall the assets of the Association be available or used to pay claims or debts of or incurred by the Holding Company. Nothing in this subparagraph shall be construed to limit the right of the Association to pay dividends not otherwise prohibited under this subparagraph or to limit any liability of the Holding Company explicitly provided for in this section.

''(E) HOLDING COMPANY ACTIVITIES.—After the reorganization effective date and prior to the dissolution date, all business activities of the Holding Company shall be conducted through subsidiaries of the Holding Company.

''(F) CONFIDENTIALITY.—Any information provided by the Association pursuant to this section shall be subject to the same confidentiality obligations contained in section 439(r)(12).

''(G) DEFINITION.—For purposes of this paragraph, the term 'associated person' means any person, other than a natural person, who is directly or indirectly controlling, controlled by, or under common control with, the Association.

''(9) ISSUANCE OF STOCK WARRANTS.—

''(A) IN GENERAL.—On the reorganization effective date, the Holding Company shall issue to the District of Columbia Financial Responsibility and Management Assistance Authority a number of stock warrants that is equal to one percent of the outstanding shares of the Association, determined as of the last day of the fiscal quarter preceding the date of enactment of this section, with each stock warrant entitling the holder of the stock warrant to purchase from the Holding Company one share of the registered common stock of the Holding Company or the Holding Company's successors or assigns, at any time on or before September 30, 2008. The exercise price for such warrants shall be an amount equal to the average closing price of the common stock of the Association for the 20 business days prior to the date of enactment of this section on the exchange or market which is then the primary exchange or market for the common stock of the Association. The number of shares of Holding Company common stock subject to each stock warrant and the exercise price of each stock warrant shall be adjusted as necessary to reflect—

''(i) the conversion of Association common stock into Holding Company common stock as part of the plan of reorganization approved by the Association's shareholders; and

''(ii) any issuance or sale of stock (including issuance or sale of treasury stock), stock split, recapitalization, reorganization, or other corporate event, if agreed to by the Secretary of the Treasury and the Association.

''(B) AUTHORITY TO SELL OR EXERCISE STOCK WARRANTS; DEPOSIT OF PROCEEDS.—The District of Columbia Financial Responsibility and Management Assistance Authority is authorized to sell or exercise the stock warrants described in subparagraph (A). The District of Columbia Financial Responsibility and Management Assistance Authority shall deposit into the account established under section 3(e) of the Student Loan Marketing Association Reorganization Act of 1996 amounts collected from the sale and proceeds resulting from the exercise of the stock warrants pursuant to this subparagraph.

''(10) RESTRICTIONS ON TRANSFER OF ASSOCIATION SHARES AND BANKRUPTCY OF ASSOCIATION.—After the reorganization effective date, the Holding Company shall not sell, pledge, or otherwise transfer the outstanding shares of the Association, or agree to or cause the liquidation of the Association or cause the Association to file a petition for bankruptcy under title 11, United States Code, without prior approval of the Secretary of the Treasury and the Secretary of Education.

''(d) TERMINATION OF THE ASSOCIATION.—In the event the shareholders of the Association approve a plan of reorganization under subsection (b), the Association shall dissolve, and the Association's separate existence shall terminate on September 30, 2008, after discharge of all outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of the Association's intention to dissolve, unless within 60 days after receipt of such notice the Secretary of Education notifies the Association that the Association continues to be needed to serve as a lender of last resort pursuant to section 439(q) or continues to be needed to purchase loans under an agreement with the Secretary described in subsection (c)(6). On the dissolution date, the Association shall take the following actions:

''(1) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement that is in form and substance satisfactory to the Secretary of the Treasury, the Association and the appointed trustee, irrevocably transfer all remaining obligations of the Association to the trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest, to pay the principal of, and interest on, the remaining obligations in accordance with their terms. To the extent the Association cannot provide money or qualifying obligations in the amount required, the Holding Company shall be required to transfer money or qualifying obligations to the trust in the amount necessary to prevent any deficiency.

''(2) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust.

''(3) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association not transferred to the trust, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association outstanding. Any obligations of the Association which cannot be fully satisfied shall become liabilities of the Holding Company as of the date of dissolution.

''(4) TRANSFER OF REMAINING ASSETS.—After compliance with paragraphs (1) and (3), any remaining assets of the trust shall be transferred to the Holding Company or any subsidiary of the Holding Company, as directed by the Holding Company.

''(e) OPERATION OF THE HOLDING COMPANY.—In the event the shareholders of the Association approve the plan of reorganization under subsection (b), the following provisions shall apply beginning on the reorganization effective date:

''(1) HOLDING COMPANY BOARD OF DIRECTORS.—The number of members and composition of the Board of Directors of the Holding Company shall be determined as set forth in the Holding Company's charter or like instrument (as amended from time to time) or bylaws (as amended from time to time) and as permitted under the laws of the jurisdiction of the Holding Company's incorporation.

''(2) HOLDING COMPANY NAME.—The names of the Holding Company and any subsidiary of the Holding Company (other than the Association)—

''(A) may not contain the name 'Student Loan Marketing Association'; and

''(B) may contain, to the extent permitted by applicable State or District of Columbia law, 'Sallie Mae' or variations thereof, or such other names as the Board of Directors of the Association or the Holding Company deems appropriate.

''(3) USE OF SALLIE MAE NAME.—Subject to paragraph (2), the Association may assign to the Holding Company, or any subsidiary of the Holding Company, the 'Sallie Mae' name as a trademark or service mark, except that neither the Holding Company nor any subsidiary of the Holding Company (other than the Association or any subsidiary of the Association) may use the 'Sallie Mae' name on, or to identify the issuer of, any debt obligation or other security offered or sold by the Holding Company or any subsidiary of the Holding Company (other than a debt obligation or other security issued to and held by the Holding Company or any subsidiary of the Holding Company). The Association shall remit to the account established under section 3(e) of the Student Loan Marketing Association Reorganization Act of 1996, $5,000,000, within 60 days of the reorganization effective date as compensation for the right to assign the 'Sallie Mae' name as a trademark or service mark.

''(4) DISCLOSURE REQUIRED.—Until 3 years after the dissolution date, the Holding Company, and any subsidiary of the Holding Company (other than the Association), shall prominently display—

''(A) in any document offering the Holding Company's securities, a statement that the obligations of the Holding Company and any subsidiary of the Holding Company are not guaranteed by the full faith and credit of the United States; and

''(B) in any advertisement or promotional materials which use the 'Sallie Mae' name or mark, a statement that neither the Holding Company nor any subsidiary of the Holding Company is a government-sponsored enterprise or instrumentality of the United States.

''(f) STRICT CONSTRUCTION.—Except as specifically set forth in this section, nothing in this section shall be construed to limit the authority of the Association as a federally chartered corporation, or of the Holding Company as a State or District of Columbia chartered corporation.

''(g) RIGHT TO ENFORCE.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request that the Attorney General bring an action in the United States District Court for the District of Columbia for the enforcement of any provision of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this section.

''(h) DEADLINE FOR REORGANIZATION EFFECTIVE DATE.—This section shall be of no further force and effect in the event that the reorganization effective date does not occur on or before 18 months after the date of enactment of this section.

''(i) DEFINITIONS.—For purposes of this section:

''(1) ASSOCIATION.—The term 'Association' means the Student Loan Marketing Association.

''(2) DISSOLUTION DATE.—The term 'dissolution date' means September 30, 2008, or such earlier date as the Secretary of Education permits the transfer of remaining obligations in accordance with subsection (d).

''(3) HOLDING COMPANY.—The term 'Holding Company' means the new business corporation established pursuant to this section by the Association under the laws of any State of the United States or the District of Columbia for the purposes of the reorganization and restructuring described in subsection (a).

''(4) REMAINING OBLIGATIONS.—The term 'remaining obligations' means the debt obligations of the Association outstanding as of the dissolution date.

''(5) REMAINING PROPERTY.—The term 'remaining property' means the following assets and liabilities of the Association which are outstanding as of the reorganization effective date:

''(A) Debt obligations issued by the Association.

''(B) Contracts relating to interest rate, currency, or commodity positions or protections.

''(C) Investment securities owned by the Association.

''(D) Any instruments, assets, or agreements described in section 439(d) (including, without limitation, all student loans and agreements relating to the purchase and sale of student loans, forward purchase and lending commitments, warehousing advances, academic facilities obligations, letters of credit, standby bond purchase agreements, liquidity agreements, and student loan revenue bonds or other loans).

''(E) Except as specifically prohibited by this section or section 439, any other nonmaterial assets or liabilities of the Association which the Association's Board of Directors determines to be necessary or appropriate to the Association's operations.

''(6) REORGANIZATION.—The term 'reorganization' means the restructuring event or events (including any merger event) giving effect to the Holding Company structure described in subsection (a).

''(7) REORGANIZATION EFFECTIVE DATE.—The term 'reorganization effective date' means the effective date of the reorganization as determined by the Board of Directors of the Association, which shall not be earlier than the date that shareholder approval is obtained pursuant to subsection (b) and shall not be later than the date that is 18 months after the date of enactment of this section.

''(8) SUBSIDIARY.—The term 'subsidiary' means one or more direct or indirect subsidiaries.''.

(b) TECHNICAL AMENDMENTS.—

(1) ELIGIBLE LENDER.—

(A) AMENDMENTS TO THE HIGHER EDUCATION ACT.—

(i) DEFINITION OF ELIGIBLE LENDER.—Section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F)) is amended by inserting after ''Student Loan Marketing Association'' the following: ''or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440,''.

(ii) DEFINITION OF ELIGIBLE LENDER AND FEDERAL CONSOLIDATION LOANS.—Sections 435(d)(1)(G) and 428C(a)(1)(A) of such Act (20 U.S.C. 1085(d)(1)(G) and 1078–3(a)(1)(A)) are each amended by inserting after ''Student Loan Marketing Association'' the following: ''or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440''.

(B) EFFECTIVE DATE.—The amendments made by this paragraph shall take effect on the reorganization effective date as defined in section 440(h) of the Higher Education Act of 1965 (as added by subsection (a)).

(2) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is amended—

(A) in the first sentence of paragraph (12), by inserting ''or the Association's associated persons'' after ''by the Association'';

(B) by redesignating paragraph (13) as paragraph (15); and

(C) by inserting after paragraph (12) the following new paragraph:

''(13) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request that the Attorney General bring an action in the United States District Court for the District of Columbia for the enforcement of any provision of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this section.''.

(3) FINANCIAL SAFETY AND SOUNDNESS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is further amended—

(A) in paragraph (1)—

(i) by striking ''and'' at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(iii) by adding at the end the following new subparagraph:

''(C)(i) financial statements of the Association within 45 days of the end of each fiscal quarter; and

''(ii) reports setting forth the calculation of the capital ratio of the Association within 45 days of the end of each fiscal quarter.'';

(B) in paragraph (2)—

(i) by striking clauses (i) and (ii) of subparagraph (A) and inserting the following:

''(i) appoint auditors or examiners to conduct audits of the Association from time to time to determine the condition of the Association for the purpose of assessing the Association's financial safety and soundness and to determine whether the requirements of this section and section 440 are being met; and

''(ii) obtain the services of such experts as the Secretary of the Treasury determines necessary and appropriate, as authorized by section 3109 of title 5, United States Code, to assist in determining the condition of the Association for the purpose of assessing the Association's financial safety and soundness, and to determine whether the requirements of this section and section 440 are being met.''; and

(ii) by adding at the end the following new subparagraph:

''(D) ANNUAL ASSESSMENT.—

''(i) IN GENERAL.—For each fiscal year beginning on or after October 1, 1996, the Secretary of the Treasury may establish and collect from the Association an assessment (or assessments) in amounts sufficient to provide for reasonable costs and expenses of carrying out the duties of the Secretary of the Treasury under this section and section 440 during such fiscal year. In no event may the total amount so assessed exceed, for any fiscal year, $800,000, adjusted for each fiscal year ending after September 30, 1997, by the ratio of the Consumer Price Index for All Urban Consumers (issued by the Bureau of Labor Statistics) for the final month of the fiscal year preceding the fiscal year for which the assessment is made to the Consumer Price Index for All Urban Consumers for September 1997.

''(ii) DEPOSIT.—Amounts collected from assessments under this subparagraph shall be deposited in an account within the Treasury of the United States as designated by the Secretary of the Treasury for that purpose. The Secretary of the Treasury is authorized and directed to pay out of any funds available in such account the reasonable costs and expenses of carrying out the duties of the Secretary of the Treasury under this section and section 440. None of the funds deposited into such account shall be available for any purpose other than making payments for such costs and expenses.''; and

(C) by inserting after paragraph (13) (as added by paragraph (2)(C)) the following new paragraph:

''(14) ACTIONS BY SECRETARY.—

''(A) IN GENERAL.—For any fiscal quarter ending after January 1, 2000, the Association shall have a capital ratio of at least 2.25 percent. The Secretary of the Treasury may, whenever such capital ratio is not met, take any one or more of the actions described in paragraph (7), except that—

''(i) the capital ratio to be restored pursuant to paragraph (7)(D) shall be 2.25 percent; and

''(ii) if the relevant capital ratio is in excess of or equal to 2 percent for such quarter, the Secretary of the Treasury shall defer taking any of the actions set forth in paragraph (7) until the next succeeding quarter and may then proceed with any such action only if the capital ratio of the Association remains below 2.25 percent.

''(B) APPLICABILITY.—The provisions of paragraphs (4), (5), (6), (8), (9), (10), and (11) shall be of no further application to the Association for any period after January 1, 2000.''.

(4) INFORMATION REQUIRED; DIVIDENDS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is further amended—

(A) by adding at the end of paragraph (2) (as amended in paragraph (3)(B)(ii)) the following new subparagraph:

''(E) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—

''(i) IN GENERAL.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning—

''(I) the financial risk to the Association resulting from the activities of any associated person, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including the Association's capital ratio, the Association's liquidity, or the Association's ability to conduct and finance the Association's operations; and

''(II) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk.

''(ii) SUMMARY REPORTS.—The Secretary of the Treasury may require summary reports of such information to be filed no more frequently than quarterly. If, as a result of adverse market conditions or based on reports provided pursuant to this subparagraph or other available information, the Secretary of the Treasury has concerns regarding the financial or operational condition of the Association, the Secretary of the Treasury may, notwithstanding the preceding sentence and clause (i), require the Association to make reports concerning the activities of any associated person, whose business activities are reasonably likely to have a material impact on the financial or operational condition of the Association.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'associated person' means any person, other than a natural person, directly or indirectly controlling, controlled by, or under common control with the Association.''; and

(B) by adding at the end the following new paragraphs:

''(16) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards set forth in this section.

''(17) CERTIFICATION PRIOR TO PAYMENT OF DIVIDEND.—Prior to the payment of any dividend under paragraph (16), the Association shall certify to the Secretary of the Treasury that the payment of the dividend will be made in compliance with paragraph (16) and shall provide copies of all calculations needed to make such certification.''.

(c) SUNSET OF THE ASSOCIATION'S CHARTER IF NO REORGANIZATION PLAN OCCURS.—Section 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2) is amended by adding at the end the following new subsection:

''(s) CHARTER SUNSET.—

''(1) APPLICATION OF PROVISIONS.—This subsection applies beginning 18 months and one day after the date of enactment of this subsection if no reorganization of the Association occurs in accordance with the provisions of section 440.

''(2) SUNSET PLAN.—

''(A) PLAN SUBMISSION BY THE ASSOCIATION.—Not later than July 1, 2007, the Association shall submit to the Secretary of the Treasury and to the Chairman and Ranking Member of the Committee on Labor and Human Resources of the Senate and the Chairman and Ranking Member of the Committee on Economic and Educational Opportunities of the House of Representatives, a detailed plan for the orderly winding up, by July 1, 2013, of business activities conducted pursuant to the charter set forth in this section. Such plan shall—

''(i) ensure that the Association will have adequate assets to transfer to a trust, as provided in this subsection, to ensure full payment of remaining obligations of the Association in accordance with the terms of such obligations;

''(ii) provide that all assets not used to pay liabilities shall be distributed to shareholders as provided in this subsection; and

''(iii) provide that the operations of the Association shall remain separate and distinct from that of any entity to which the assets of the Association are transferred.

''(B) AMENDMENT OF THE PLAN BY THE ASSOCIATION.—The Association shall from time to time amend such plan to reflect changed circumstances, and submit such amendments to the Secretary of the Treasury and to the Chairman and Ranking Minority Member of the Committee on Labor and Human Resources of the Senate and Chairman and Ranking Minority Member of the Committee on Economic and Educational Opportunities of the House of Representatives. In no case may any amendment extend the date for full implementation of the plan beyond the dissolution date provided in paragraph (3).

''(C) PLAN MONITORING.—The Secretary of the Treasury shall monitor the Association's compliance with the plan and shall continue to review the plan (including any amendments thereto).

''(D) AMENDMENT OF THE PLAN BY THE SECRETARY OF THE TREASURY.—The Secretary of the Treasury may require the Association to amend the plan (including any amendments to the plan), if the Secretary of the Treasury deems such amendments necessary to ensure full payment of all obligations of the Association.

''(E) IMPLEMENTATION BY THE ASSOCIATION.—The Association shall promptly implement the plan (including any amendments to the plan, whether such amendments are made by the Association or are required to be made by the Secretary of the Treasury).

''(3) DISSOLUTION OF THE ASSOCIATION.—The Association shall dissolve and the Association's separate existence shall terminate on July 1, 2013, after discharge of all outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of the Association's intention to dissolve, unless within 60 days of receipt of such notice the Secretary of Education notifies the Association that the Association continues to be needed to serve as a lender of last resort pursuant to subsection (q) or continues to be needed to purchase loans under an agreement with the Secretary described in paragraph (4)(A). On the dissolution date, the Association shall take the following actions:

''(A) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement in form and substance satisfactory to the Secretary of the Treasury, the Association, and the appointed trustee, irrevocably transfer all remaining obligations of the Association to a trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest, to pay the principal of, and interest on, the remaining obligations in accordance with their terms.

''(B) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust. Upon the fulfillment of the trustee's duties under the trust, any remaining assets of the trust shall be transferred to the persons who, at the time of the dissolution, were the shareholders of the Association, or to the legal successors or assigns of such persons.

''(C) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association outstanding.

''(D) TRANSFER OF REMAINING ASSETS.—After compliance with subparagraphs (A) and (C), the Association shall transfer to the shareholders of the Association any remaining assets of the Association.

''(4) RESTRICTIONS RELATING TO WINDING UP.—

''(A) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY THE ASSOCIATION.—

''(i) IN GENERAL.—Beginning on July 1, 2009, the Association shall not engage in any new business activities or acquire any additional program assets (including acquiring assets pursuant to contractual commitments) described in subsection (d) other than in connection with the Association—

''(I) serving as a lender of last resort pursuant to subsection (q); and

''(II) purchasing loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of the Association's secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

''(ii) AGREEMENT.—The Secretary is authorized to enter into an agreement described in subclause (II) of clause (i) with the Association covering such secondary market activities. Any agreement entered into under such subclause shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under subsection (h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

''(B) ISSUANCE OF DEBT OBLIGATIONS DURING THE WIND UP PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—The Association shall not issue debt obligations which mature later than July 1, 2013, except in connection with serving as a lender of last resort pursuant to subsection (q) or with purchasing loans under an agreement with the Secretary as described in subparagraph (A). Nothing in this subsection shall modify the attributes accorded the debt obligations of the Association by this section, regardless of whether such debt obligations are transferred to a trust in accordance with paragraph (3).

''(C) USE OF ASSOCIATION NAME.—The Association may not transfer or permit the use of the name 'Student Loan Marketing Association', 'Sallie Mae', or any variation thereof, to or by any entity other than a subsidiary of the Association.''.

(d) REPEALS.—

(1) IN GENERAL.—Sections 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2) and 440 of such Act (as added by subsection (a) of this section) are repealed.

(2) EFFECTIVE DATE.—The repeals made by paragraph (1) shall be effective one year after—

(A) the date on which all of the obligations of the trust established under section 440(d)(1) of the Higher Education Act of 1965 (as added by subsection (a)) have been extinguished, if a reorganization occurs in accordance with section 440 of such Act; or

(B) the date on which all of the obligations of the trust established under subsection 439(s)(3)(A) of such Act (as added by subsection (c)) have been extinguished, if a reorganization does not occur in accordance with section 440 of such Act.

(e) ASSOCIATION NAMES.—Upon dissolution in accordance with section 439(s) of the Higher Education Act of 1965 (20 U.S.C. 1087–2), the names ''Student Loan Marketing Association'', ''Sallie Mae'', and any variations thereof may not be used by any entity engaged in any business similar to the business conducted pursuant to section 439 of such Act (as such section was in effect on the date of enactment of this Act) without the approval of the Secretary of the Treasury.

(f) RIGHT TO ENFORCE.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request that the Attorney General bring an action in the United States District Court for the District of Columbia for the enforcement of any provision of subsection (e), or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with subsection (e).

SEC. 603. CONNIE LEE PRIVATIZATION.

(a) STATUS OF THE CORPORATION AND CORPORATE POWERS; OBLIGATIONS NOT FEDERALLY GUARANTEED.—

(1) STATUS OF THE CORPORATION.—The Corporation shall not be an agency, instrumentality, or establishment of the United States Government, nor a Government corporation, nor a Government controlled corporation, as such terms are defined in section 103 of title 5, United States Code. No action under section 1491 of title 28, United States Code (commonly known as the Tucker Act) shall be allowable against the United States based on the actions of the Corporation.

(2) CORPORATE POWERS.—The Corporation shall be subject to the provisions of this section, and, to the extent not inconsistent with this section, to the District of Columbia Business Corporation Act (or the comparable law of another State, if applicable). The Corporation shall have the powers conferred upon a corporation by the District of Columbia Business Corporation Act (or such other applicable State law) as from time to time in effect in order to conduct the Corporation's affairs as a private, for-profit corporation and to carry out the Corporation's purposes and activities incidental thereto. The Corporation shall have the power to enter into contracts, to execute instruments, to incur liabilities, to provide products and services, and to do all things as are necessary or incidental to the proper management of the Corporation's affairs and the efficient operation of a private, for-profit business.

(3) LIMITATION ON OWNERSHIP OF STOCK.—

(A) STUDENT LOAN MARKETING ASSOCIATION.—The Student Loan Marketing Association shall not increase its share of the ownership of the Corporation in excess of 42 percent of the shares of stock of the Corporation outstanding on the date of enactment of this Act. The Student Loan Marketing Association shall not control the operation of the Corporation, except that the Student Loan Marketing Association may participate in the election of directors as a shareholder, and may continue to exercise the Student Loan Marketing Association's right to appoint directors under section 754 of the Higher Education Act of 1965 (20 U.S.C. 1132f–3) as long as that section is in effect.

(B) PROHIBITION.—Until such time as the Secretary of the Treasury sells the stock of the Corporation owned by the Secretary of Education pursuant to subsection (c), the Student Loan Marketing Association shall not provide financial support or guarantees to the Corporation.

(C) FINANCIAL SUPPORT OR GUARANTEES.—After the Secretary of the Treasury sells the stock of the Corporation owned by the Secretary of Education pursuant to subsection (c), the Student Loan Marketing Association may provide financial support or guarantees to the Corporation, if such support or guarantees are subject to terms and conditions that are no more advantageous to the Corporation than the terms and conditions the Student Loan Marketing Association provides to other entities, including, where applicable, other monoline financial guaranty corporations in which the Student Loan Marketing Association has no ownership interest.

(4) NO FEDERAL GUARANTEE.—

(A) OBLIGATIONS INSURED BY THE CORPORATION.—

(i) FULL FAITH AND CREDIT OF THE UNITED STATES.—No obligation that is insured, guaranteed, or otherwise backed by the Corporation shall be deemed to be an obligation that is guaranteed by the full faith and credit of the United States.

(ii) STUDENT LOAN MARKETING ASSOCIATION.—No obligation that is insured, guaranteed, or otherwise backed by the Corporation shall be deemed to be an obligation that is guaranteed by the Student Loan Marketing Association.

(iii) SPECIAL RULE.—This paragraph shall not affect the determination of whether such obligation is guaranteed for purposes of Federal income taxes.

(B) SECURITIES OFFERED BY THE CORPORATION.—No debt or equity securities of the Corporation shall be deemed to be guaranteed by the full faith and credit of the United States.

(5) DEFINITION.—The term ''Corporation'' as used in this section means the College Construction Loan Insurance Association as in existence on the day before the date of enactment of this Act, and any successor corporation.

(b) RELATED PRIVATIZATION REQUIREMENTS.—

(1) NOTICE REQUIREMENTS.—

(A) IN GENERAL.—During the six-year period following the date of enactment of this Act, the Corporation shall include, in each of the Corporation's contracts for the insurance, guarantee, or reinsurance of obligations, and in each document offering debt or equity securities of the Corporation, a prominent statement providing notice that—

(i) such obligations or such securities, as the case may be, are not obligations of the United States, nor are such obligations or such securities, as the case may be, guaranteed in any way by the full faith and credit of the United States; and

(ii) the Corporation is not an instrumentality of the United States.

(B) ADDITIONAL NOTICE.—During the five-year period following the sale of stock pursuant to subsection (c)(1), in addition to the notice requirements in subparagraph (A), the Corporation shall include, in each of the contracts and documents referred to in such subparagraph, a prominent statement providing notice that the United States is not an investor in the Corporation.

(2) CORPORATE CHARTER.—The Corporation's charter shall be amended as necessary and without delay to conform to the requirements of this section.

(3) CORPORATE NAME.—The name of the Corporation, or of any direct or indirect subsidiary thereof, may not contain the term ''College Construction Loan Insurance Association'', or any substantially similar variation thereof.

(4) ARTICLES OF INCORPORATION.—The Corporation shall amend the Corporation's articles of incorporation without delay to reflect that one of the purposes of the Corporation shall be to guarantee, insure, and reinsure bonds, leases, and other evidences of debt of educational institutions, including Historically Black Colleges and Universities and other academic institutions which are ranked in the lower investment grade category using a nationally recognized credit rating system.

(5) REQUIREMENTS UNTIL STOCK SALE.—Notwithstanding subsection (d), the requirements of sections 754 and 760 of the Higher Education Act of 1965 (20 U.S.C. 1132f–3 and 1132f–9), as such sections were in effect on the day before the date of enactment of this Act, shall continue to be effective until the day immediately following the date of closing of the purchase of the Secretary of Education's stock (or the date of closing of the final purchase, in the case of multiple transactions) pursuant to subsection (c)(1) of this Act.

(c) SALE OF FEDERALLY OWNED STOCK.—

(1) PURCHASE BY THE CORPORATION.—The Secretary of the Treasury shall sell and the Corporation shall purchase, within 90 days after the date of enactment of this Act, the stock of the Corporation held by the Secretary of Education at a price determined by the binding, independent appraisal of a nationally recognized financial firm, except that the 90-day period may be extended by mutual agreement of the Secretary of the Treasury and the Corporation to not more than 150 days after the date of enactment of this Act. The appraiser shall be jointly selected by the Secretary of the Treasury and the Corporation. In the event that the Secretary of the Treasury and the Corporation cannot agree on the appraiser, then the Secretary of the Treasury and the Corporation shall name an independent third party to select the appraiser.

(2) REIMBURSEMENT OF COSTS AND EXPENSES OF SALE.—The Secretary of the Treasury shall be reimbursed from the proceeds of the sale of the stock under this subsection for all reasonable costs and expenses related to such sale, except that one-half of all reasonable costs and expenses relating to the independent appraisal under paragraph (1) shall be borne by the Corporation.

(3) DEPOSIT INTO ACCOUNT.—Amounts collected from the sale of stock pursuant to this subsection that are not used to reimburse the Secretary of the Treasury pursuant to paragraph (2) shall be deposited into the account established under subsection (e).

(4) ASSISTANCE BY THE CORPORATION.—The Corporation shall provide such assistance as the Secretary of the Treasury and the Secretary of Education may require to facilitate the sale of the stock under this subsection.

(5) REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the Secretary of the Treasury shall report to the appropriate committees of Congress on the completion and terms of the sale of stock of the Corporation pursuant to this subsection.

(d) REPEAL OF STATUTORY RESTRICTIONS AND RELATED PROVISIONS.—Part D of title VII of the Higher Education Act of 1965 (20 U.S.C. 1132f et seq.) is repealed.

(e) ESTABLISHMENT OF ACCOUNT.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the District of Columbia Financial Responsibility and Management Assistance Authority shall establish an account to receive—

(A) amounts collected from the sale and proceeds resulting from the exercise of stock warrants pursuant to section 440(c)(9) of the Higher Education Act of 1965;

(B) amounts and proceeds remitted as compensation for the right to assign the ''Sallie Mae'' name as a trademark or service mark pursuant to section 440(e)(3) of the Higher Education Act of 1965; and

(C) amounts and proceeds collected from the sale of the stock of the Corporation and deposited pursuant to subsection (c)(3).

(2) AMOUNTS AND PROCEEDS.—

(A) AMOUNTS AND PROCEEDS RELATING TO SALLIE MAE.—The amounts and proceeds described in subparagraphs (A) and (B) of paragraph (1) shall be used to finance public elementary and secondary school facility construction and repair within the District of Columbia or to carry out the District of Columbia School Reform Act of 1995.

(B) AMOUNTS AND PROCEEDS RELATING TO CONNIE LEE.—The amounts and proceeds described in subparagraph (C) of paragraph (1) shall be used to finance public elementary and secondary school facility construction and repair within the District of Columbia.

SEC. 604. DISCRIMINATION IN SECONDARY MARKETS PROHIBITED.

Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by adding after section 440 (as added by section 602) the following new section:

''SEC. 440A. DISCRIMINATION IN SECONDARY MARKETS PROHIBITED.

''The Student Loan Marketing Association (and, if the Association is privatized under section 440, any successor entity functioning as a secondary market for loans under this part, including the Holding Company described in such section) shall not engage directly or indirectly in any pattern or practice that results in a denial of a borrower's access to loans under this part because of the borrower's race, sex, color, religion, national origin, age, disability status, income, attendance at a particular eligible institution, length of the borrower's educational program, or the borrower's academic year at an eligible institution.''.

TITLE VII—MUSEUM AND LIBRARY SERVICES ACT OF 1996

SECTION 701. SHORT TITLE.

This title may be cited as the ''Museum and Library Services Act of 1996''.

SEC. 702. MUSEUM AND LIBRARY SERVICES.

The Museum Services Act (20 U.S.C. 961 et seq.) is amended to read as follows:

''TITLE II—MUSEUM AND LIBRARY SERVICES

''Subtitle A—General Provisions

''SEC. 201. SHORT TITLE.

''This title may be cited as the 'Museum and Library Services Act'.

''SEC. 202. GENERAL DEFINITIONS.

''As used in this title:

''(1) COMMISSION.—The term 'Commission' means the National Commission on Libraries and Information Science established under section 3 of the National Commission on Libraries and Information Sciences Act (20 U.S.C. 1502).

''(2) DIRECTOR.—The term 'Director' means the Director of the Institute appointed under section 204.

''(3) INSTITUTE.—The term 'Institute' means the Institute of Museum and Library Services established under section 203.

''(4) MUSEUM BOARD.—The term 'Museum Board' means the National Museum Services Board established under section 275.

''SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.

''(a) ESTABLISHMENT.—There is established, within the National Foundation on the Arts and the Humanities, an Institute of Museum and Library Services.

''(b) OFFICES.—The Institute shall consist of an Office of Museum Services and an Office of Library Services. There shall be a National Museum Services Board in the Office of Museum Services.

''SEC. 204. DIRECTOR OF THE INSTITUTE.

''(a) APPOINTMENT.—

''(1) IN GENERAL.—The Institute shall be headed by a Director, appointed by the President, by and with the advice and consent of the Senate.

''(2) TERM.—The Director shall serve for a term of 4 years.

''(3) QUALIFICATIONS.—Beginning with the first individual appointed to the position of Director after the date of enactment of the Museum and Library Services Act of 1996, every second individual so appointed shall be appointed from among individuals who have special competence with regard to library and information services. Beginning with the second individual appointed to the position of Director after the date of enactment of the Museum and Library Services Act of 1996, every second individual so appointed shall be appointed from among individuals who have special competence with regard to museum services.

''(b) COMPENSATION.—The Director may be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

''(c) DUTIES AND POWERS.—The Director shall perform such duties and exercise such powers as may be prescribed by law, including awarding financial assistance for activities described in this title.

''(d) NONDELEGATION.—The Director shall not delegate any of the functions of the Director to any person who is not an officer or employee of the Institute.

''(e) COORDINATION.—The Director shall ensure coordination of the policies and activities of the Institute with the policies and activities of other agencies and offices of the

Federal Government having interest in and responsibilities for the improvement of museums and libraries and information services.

"SEC. 205. DEPUTY DIRECTORS.

''The Office of Library Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have a graduate degree in library science and expertise in library and information services. The Office of Museum Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have expertise in museum services.

"SEC. 206. PERSONNEL.

''(a) IN GENERAL.—The Director may, in accordance with applicable provisions of title 5, United States Code, appoint and determine the compensation of such employees as the Director determines to be necessary to carry out the duties of the Institute.

''(b) VOLUNTARY SERVICES.—The Director may accept and utilize the voluntary services of individuals and reimburse the individuals for travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 207. CONTRIBUTIONS.

''The Institute is authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such property of services in furtherance of the functions of the Institute. Any proceeds from such gifts, bequests, or devises, after acceptance by the Institute, shall be paid by the donor or the representative of the donor to the Director. The Director shall enter the proceeds in a special-interest bearing account to the credit of the Institute for the purposes specified in each case.

''Subtitle B—Library Services and Technology

"SEC. 211. SHORT TITLE.

''This subtitle may be cited as the 'Library Services and Technology Act'.

"SEC. 212. PURPOSE.

''It is the purpose of this subtitle—

''(1) to consolidate Federal library service programs;

''(2) to stimulate excellence and promote access to learning and information resources in all types of libraries for individuals of all ages;

''(3) to promote library services that provide all users access to information through State, regional, national and international electronic networks;

''(4) to provide linkages among and between libraries; and

''(5) to promote targeted library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills.

SEC. 213. DEFINITIONS.

''As used in this subtitle:

''(1) INDIAN TRIBE.—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation, as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized by the Secretary of the Interior as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

''(2) LIBRARY.—The term 'library' includes—

''(A) a public library;

''(B) a public elementary school or secondary school library;

''(C) an academic library;

''(D) a research library, which for the purposes of this subtitle means a library that—

''(i) makes publicly available library services and materials suitable for scholarly research and not otherwise available to the public; and

''(ii) is not an integral part of an institution of higher education; and

''(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this subtitle.

''(3) LIBRARY CONSORTIUM.—The term 'library consortium' means any local, statewide, regional, interstate, or international cooperative association of library entities which provides for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers, for improved services for the clientele of such library entities.

''(4) STATE.—The term 'State', unless otherwise specified, includes each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

''(5) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term 'State library administrative agency' means the official agency of a State charged by the law of the State with the extension and development of public library services throughout the State.

''(6) STATE PLAN.—The term 'State plan' means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this subtitle, provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under this subtitle, submits copies for approval as required by regulations promulgated by the Director, identifies a State's library needs, and sets forth the activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this subtitle.

"SEC. 214. AUTHORIZATION OF APPROPRIATIONS.

''(a) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated $150,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this subtitle.

''(2) TRANSFER.—The Secretary of Education shall—

''(A) transfer promptly to the Director any funds appropriated under the authority of paragraph (1), to enable the Director to carry out this subtitle; and

''(B) not exercise any authority concerning the administration of this title other than the transfer described in subparagraph (A).

''(b) FORWARD FUNDING.—

''(1) IN GENERAL.—To the end of affording the responsible Federal, State, and local officers adequate notice of available Federal financial assistance for carrying out ongoing library activities and projects, appropriations for grants contracts, or other payments under any program under this subtitle are authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year during which such activities and projects shall be carried out.

''(2) ADDITIONAL AUTHORIZATION OF APPROPRIATIONS.—In order to effect a transition to the timing of appropriation action authorized by subsection (a), the application of this section may result in the enactment, in a fiscal year, of separate appropriations for a program under this subtitle (whether in the same appropriations Act or otherwise) for two consecutive fiscal years.

''(c) ADMINISTRATION.—Not more than 3 percent of the funds appropriated under this section for a fiscal year may be used to pay for the Federal administrative costs of carrying out this subtitle.

"CHAPTER 1—BASIC PROGRAM REQUIREMENTS

"SEC. 221. RESERVATIONS AND ALLOTMENTS.

''(a) RESERVATIONS.—

''(1) IN GENERAL.—From the amount appropriated under the authority of section 214 for any fiscal year, the Director—

''(A) shall reserve 1½ percent to award grants in accordance with section 261; and

''(B) shall reserve 4 percent to award national leadership grants or contracts in accordance with section 262.

''(2) SPECIAL RULE.—If the funds reserved pursuant to paragraph (1)(B) for a fiscal year have not been obligated by the end of such fiscal year, then such funds shall be allotted in accordance with subsection (b) for the fiscal year succeeding the fiscal year for which the funds were so reserved.

''(b) ALLOTMENTS.—

''(1) IN GENERAL.—From the sums appropriated under the authority of section 214 and not reserved under subsection (a) for any fiscal year, the Director shall award grants from minimum allotments, as determined under paragraph (3), to each State. Any sums remaining after minimum allotments are made for such year shall be allotted in the manner set forth in paragraph (2).

''(2) REMAINDER.—From the remainder of any sums appropriated under the authority of section 214 that are not reserved under subsection (a) and not allotted under paragraph (1) for any fiscal year, the Director shall award grants to each State in an amount that bears the same relation to such remainder as the population of the State bears to the population of all States.

''(3) MINIMUM ALLOTMENT.—

''(A) IN GENERAL.—For the purposes of this subsection, the minimum allotment for each State shall be $340,000, except that the minimum allotment shall be $40,000 in the case of the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

''(B) RATABLE REDUCTIONS.—If the sum appropriated under the authority of section 214 and not reserved under subsection (a) for any fiscal year is insufficient to fully satisfy the aggregate of the minimum allotments for all States for that purpose for such year, each of such minimum allotments shall be reduced ratably.

''(C) SPECIAL RULE.—

''(i) IN GENERAL.—Notwithstanding any other provision of this subsection and using funds allotted for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under this subsection, the Director shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this subtitle in accordance with the provisions of this subtitle that the Director determines are not inconsistent with this subparagraph.

''(ii) AWARD BASIS.—The Director shall award grants pursuant to clause (i) on a competitive basis and pursuant to recommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

''(iii) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this subtitle for any fiscal year that begins after September 30, 2001.

''(iv) ADMINISTRATIVE COSTS.—The Director may provide not more than 5 percent of the funds made available for grants under this subparagraph to pay the administrative costs of the

Pacific Region Educational Laboratory regarding activities assisted under this subparagraph.

''(4) DATA.—The population of each State and of all the States shall be determined by the Director on the basis of the most recent data available from the Bureau of the Census.

"SEC. 222. ADMINISTRATION.

''(a) IN GENERAL.—Not more than 4 percent of the total amount of funds received under this subtitle for any fiscal year by a State may be used for administrative costs.

''(b) CONSTRUCTION.—Nothing in this section shall be construed to limit spending for evaluation costs under section 224(c) from sources other than this subtitle.

"SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.

''(a) PAYMENTS.—Subject to appropriations provided pursuant to section 214, the Director shall pay to each State library administrative agency having a State plan approved under section 224 the Federal share of the cost of the activities described in the State plan.

''(b) FEDERAL SHARE.—

''(1) IN GENERAL.—The Federal share shall be 66 percent.

''(2) NON-FEDERAL SHARE.—The non-Federal share of payments shall be provided from non-Federal, State, or local sources.

''(c) MAINTENANCE OF EFFORT.—

''(1) STATE EXPENDITURES.—

''(A) REQUIREMENT.—

''(i) IN GENERAL.—The amount otherwise payable to a State for a fiscal year pursuant to an allotment under this chapter shall be reduced if the level of State expenditures, as described in paragraph (2), for the previous fiscal year is less than the average of the total of such expenditures for the 3 fiscal years preceding that previous fiscal year. The amount of the reduction in allotment for any fiscal year shall be equal to the amount by which the level of such State expenditures for the fiscal year for which the determination is made is less than the average of the total of such expenditures for the 3 fiscal years preceding the fiscal year for which the determination is made.

''(ii) CALCULATION.—Any decrease in State expenditures resulting from the application of subparagraph (B) shall be excluded from the calculation of the average level of State expenditures for any 3-year period described in clause (i).

''(B) DECREASE IN FEDERAL SUPPORT.—If the amount made available under this subtitle for a fiscal year is less than the amount made available under this subtitle for the preceding fiscal year, then the expenditures required by subparagraph (A) for such preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

''(2) LEVEL OF STATE EXPENDITURES.—The level of State expenditures for the purposes of paragraph (1) shall include all State dollars expended by the State library administrative agency for library programs that are consistent with the purposes of this subtitle. All funds included in the maintenance of effort calculation under this subsection shall be expended during the fiscal year for which the determination is made, and shall not include capital expenditures, special one-time project costs, or similar windfalls.

''(3) WAIVER.—The Director may waive the requirements of paragraph (1) if the Director determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"SEC. 224. STATE PLANS.

''(a) STATE PLAN REQUIRED.—

''(1) IN GENERAL.—In order to be eligible to receive a grant under this subtitle, a State library administrative agency shall submit a State plan to the Director not later than April 1, 1997.

''(2) DURATION.—The State plan shall cover a period of 5 fiscal years.

''(3) REVISIONS.—If a State library administrative agency makes a substantive revision to its State plan, then the State library administrative agency shall submit to the Director an amendment to the State plan containing such revision not later than April 1 of the fiscal year preceding the fiscal year for which the amendment will be effective.

''(b) CONTENTS.—The State plan shall—

''(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

''(2) describe activities that are consistent with the goals and priorities established under paragraph (1), the purposes of this subtitle, and section 231, that the State library administrative agency will carry out during such year using such grant;

''(3) describe the procedures that such agency will use to carry out the activities described in paragraph (2);

''(4) describe the methodology that such agency will use to evaluate the success of the activities established under paragraph (2) in achieving the goals and meeting the priorities described in paragraph (1);

''(5) describe the procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

''(6) provide assurances satisfactory to the Director that such agency will make such reports, in such form and containing such information, as the Director may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out the purposes of this subtitle.

''(c) EVALUATION AND REPORT.—Each State library administrative agency receiving a grant under this subtitle shall independently evaluate, and report to the Director regarding, the activities assisted under this subtitle, prior to the end of the 5-year plan.

''(d) INFORMATION.—Each library receiving assistance under this subtitle shall submit to the State library administrative agency such information as such agency may require to meet the requirements of subsection (c).

''(e) APPROVAL.—

''(1) IN GENERAL.—The Director shall approve any State plan under this subtitle that meets the requirements of this subtitle and provides satisfactory assurances that the provisions of such plan will be carried out.

''(2) PUBLIC AVAILABILITY.—Each State library administrative agency receiving a grant under this subtitle shall make the State plan available to the public

''(3) ADMINISTRATION.—If the Director determines that the State plan does not meet the requirements of this section, the Director shall—

''(A) immediately notify the State library administrative agency of such determination and the reasons for such determination;

''(B) offer the State library administrative agency the opportunity to revise its State plan;

''(C) provide technical assistance in order to assist the State library administrative agency in meeting the requirements of this section; and

''(D) provide the State library administrative agency the opportunity for a hearing.

"CHAPTER 2—LIBRARY PROGRAMS

"SEC. 231. GRANTS TO STATES.

''(a) IN GENERAL.—Of the funds provided to a State library administrative agency under section 214, such agency shall expend, either directly or through subgrants of cooperative agreements, at least 96 percent of such funds for—

''(1)(A) establishing or enhancing electronic linkages among or between libraries;

''(B) electronically linking libraries with educational, social, or information services;

''(C) assisting libraries in accessing information through electronic networks;

''(D) encouraging libraries in different areas, and encouraging different types of libraries, to establish consortia and share resources; or

''(E) paying costs for libraries to acquire or share computer systems and telecommunications technologies; and

''(2) targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children (from birth through age 17) from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

''(b) SPECIAL RULE.—Each State library administrative agency receiving funds under this chapter may apportion the funds available for the purposes described in subsection (a) between the two purposes described in paragraphs (1) and (2) of such subsection, as appropriate, to meet the needs of the individual State.

"CHAPTER 3—ADMINISTRATIVE PROVISIONS

"Subchapter A—State Requirements

"SEC. 251. STATE ADVISORY COUNCILS.

''Each State desiring assistance under this subtitle may establish a State advisory council which is broadly representative of the library entities in the State, including public, school, academic, special, and institutional libraries, and libraries serving individuals with disabilities.

"Subchapter B—Federal Requirements

"SEC. 261. SERVICES FOR INDIAN TRIBES.

''From amounts reserved under section 221(a)(1)(A) for any fiscal year the Director shall award grants to organizations primarily serving and representing Indian tribes to enable such organizations to carry out the activities described in section 231.

"SEC. 262. NATIONAL LEADERSHIP GRANTS OR CONTRACTS.

''(a) IN GENERAL.—From the amounts reserved under section 221(a)(1)(B) for any fiscal year the Director shall establish and carry out a program awarding national leadership grants or contracts to enhance the quality of library services nationwide and to provide coordination between libraries and museums. Such grants or contracts shall be used for activities that may include—

''(1) education and training of persons in library and information science, particularly in areas of new technology and other critical needs, including graduate fellowships, traineeships, institutes, or other programs;

''(2) research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects;

''(3) preservation of digitization of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project; and

''(4) model programs demonstrating cooperative efforts between libraries and museums.

''(b) GRANTS OR CONTRACTS.—

''(1) IN GENERAL.—The Director may carry out the activities described in subsection (a) by awarding grants to, or entering into contracts with, libraries, agencies, institutions of higher education, or museums, where appropriate.

''(2) COMPETITIVE BASIS.—Grants and contracts under this section shall be awarded on a competitive basis.

''(c) SPECIAL RULE.—The Director shall make every effort to ensure that activities assisted under this section are administered by appropriate library and museum professionals or experts.

"SEC. 263. STATE AND LOCAL INITIATIVES.

''Nothing in this subtitle shall be construed to interfere with State and local initiatives and responsibility in the conduct of library services. The administration of libraries, the selection of personnel and library books and materials, and insofar as consistent with the purposes of this subtitle, the determination of the best uses of the funds provided under this subtitle, shall be reserved for the States and their local subdivisions.

"Subtitle C—Museum Services

"SEC. 271. PURPOSE.

''It is the purpose of this subtitle—

''(1) to encourage and assist museums in their educational role, in conjunction with formal systems of elementary, secondary, and post-secondary education and with programs of non-formal education for all age groups;

''(2) to assist museums in modernizing their methods and facilities so that the museums are better able to conserve the cultural, historic, and scientific heritage of the United States; and

''(3) to ease the financial burden borne by museums as a result of their increasing use by the public.

"SEC. 272. DEFINITIONS.

''As used in this subtitle:

''(1) MUSEUM.—The term 'museum' means a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis.

''(2) STATE.—The term 'State' means each of the 50 States of the United States, the District of Columbia, the Commomwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"SEC. 273. MUSEUM SERVICES ACTIVITIES.

''(a) GRANTS.—The Director, subject to the policy direction of the Museum Board, may make grants to museums to pay for the Federal share of the cost of increasing and improving museum services, through such activities as—

''(1) programs that enable museums to construct or install displays, interpretations, and exhibitions in order to improve museum services provided to the public;

''(2) assisting museums in developing and maintaining professionally trained or otherwise experienced staff to meet the needs of the museums;

''(3) assisting museums in meeting the administrative costs of preserving and maintaining the collections of the museums, exhibiting the collections to the public, and providing educational programs to the public through the use of the collections;

''(4) assisting museums in cooperating with each other in developing traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan;

''(5) assisting museums in the conservation of their collections;

''(6) developing and carrying out specialized programs for specific segments of the public, such as programs for urban neighborhoods, rural areas, Indian reservations, and penal and other State institutions; and

''(7) model programs demonstrating cooperative efforts between libraries and museums.

''(b) CONTRACTS AND COOPERATIVE AGREEMENTS.—

''(1) PROJECTS TO STRENGTHEN MUSEUM SERVICES.—The Director, subject to the policy direction of the Museum Board, is authorized to enter into contracts and cooperative agreements with appropriate entities, as determined by the Director, to pay for the Federal share of enabling the entities to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations Acts.

''(2) LIMITATION ON AMOUNT.—The aggregate amount of financial assistance made available under this subsection for a fiscal year shall not exceed 15 percent of the amount appropriated under this subtitle for such fiscal year.

''(3) OPERATIONAL EXPENSES.—No financial assistance may be provided under this subsection to pay for operational expenses.

''(c) FEDERAL SHARE.—

''(1) 50 PERCENT.—Except as provided in paragraph (2), the Federal share described in subsection (a) and (b) shall be not more than 50 percent.

''(2) GREATER THAN 50 PERCENT.—The Director may use not more than 20 percent of the funds made available under this subtitle for a fiscal year to make grants under subsection (a), or enter into contracts or agreements under subsection (b), for which the Federal share may be greater than 50 percent.

''(d) REVIEW AND EVALUATION.—The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or entered into under this subtitle. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this subtitle shall not be subject to any review outside of the Institute.

"SEC. 274. AWARD.

''The Director, with the advice of the Museum Board, may annually award a National Award for Museum Service to outstanding museums that have made significant contributions in service to their communities.

SEC. 275. NATIONAL MUSEUM SERVICES BOARD.

''(a) ESTABLISHMENT.—There is established in the Institute a National Museum Services Board.

''(b) COMPOSITION AND QUALIFICATIONS.—

''(1) COMPOSITION.—The Museum Board shall consist of the Director and 14 members appointed by the President, by and with the advice and consent of the Senate.

''(2) QUALIFICATIONS.—The appointive members of the Museum Board shall be selected from among citizens of the United States—

''(A) who are members of the general public;

''(B) who are or have been affiliated with—

''(i) resources that, collectively, are broadly representative of the curatorial, conservation, educational, and cultural resources of the United States; or

''(ii) museums that, collectively, are broadly representative of various types of museums, including museums relating to science, history, technology, art, zoos, and botanical gardens; and

''(C) who are recognized for their broad knowledge, expertise, or experience in museums or commitment to museums.

''(3) GEORGRAPHIC AND OTHER REPRESENTATION.—Members of the Museum Board shall be appointed to reflect persons from various geographic regions of the United States. The Museum Board may not include, at any time, more than 3 members from a single State. In making such appointments, the President shall give due regard to equitable representation of women, minorities, and persons with disabilities who are involved with museums.

''(c) TERMS.—

''(1) IN GENERAL.—Each appointive member of the Museum Board shall serve for a term of 5 years, except that—

''(A) of the members first appointed, 3 shall serve for terms of 5 years, 3 shall serve for terms of 4 years, 3 shall serve for terms of 3 years, 3 shall serve for terms of 2 years, and 2 shall serve for terms of 1 year, as designated by the President at the time of nomination for appointment; and

''(B) any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

''(2) REAPPOINTEMENT.—No member of the Museum Board who has been a member for more than 7 consecutive years shall be eligible for reappointment.

''(3) SERVICE UNTIL SUCCESSOR TAKES OFFICE.—Notwithstanding any other provision of this subsection, a member of the Museum Board shall serve after the expiration of the term of the member until the successor to the member takes office.

''(d) DUTIES AND POWERS.—The Museum Board shall have the responsibility to advise the Director on general policies with respect to the duties, powers, and authority of the Institute relating to museum services, including general policies with respect to—

''(1) financial assistance awarded under this subtitle for museum services; and

''(2) projects described in section 262(a)(4).

''(e) CHAIRPERSON.—The President shall designate 1 of the appointive members of the Museum Board as Chairperson of the Museum Board.

''(f) MEETINGS.—

''(1) IN GENERAL.—The Museum Board shall meet—

''(A) not less than 3 times each year, including—

''(i) not less than 2 times each year separately; and

''(ii) not less than 1 time each year in a joint meeting with the Commission, convened for purposes of making general policies with respect to financial assistance for projects described in section 262(a)(4); and

''(B) at the call of the Director.

''(2) VOTE.—All decisions by the Museum Board with respect to the exercise of the duties and powers of the Museum Board shall be made by a majority vote of the members of the Museum Board who are present. All decisions by the Commission and the Museum Board with respect to the policies described in paragraph (1)(A)(ii) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the Museum Board who are present.

''(g) QUORUM.—A majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official meetings of the Museum Board, but a lesser number of members may hold hearings. A majority of the members of the Commission and a majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official joint meeting of the Commission and the Museum Board.

''(h) COMPENSATION AND TRAVEL EXPENSES.—

''(1) COMPENSATION.—Each member of the Museum Board who is not an officer or employee of the Federal Government may be compensated at a rate to be fixed by the President, but not to exceed the daily equivalent of the maximum rate authorized for a position above grade GS–15 of the General Schedule under section 5108 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 Museum Board. All members of the Museum Board who are officers or employees of the Federal Government shall serve without compensation in addition to compensation received for their services as officers or employees of the Federal Government.

''(2) TRAVEL EXPENSES.—The members of the Museum Board may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

''(i) COORDINATION.—The Museum Board, with the advice of the Director, shall take steps to ensure that the policies and activities of the Institute are coordinated with other activities of the Federal Government.

"SEC. 276. AUTHORIZATION OF APPROPRIATIONS.

''(a) GRANTS.—For the purpose of carrying out this subtitle, there are authorized to be appropriated to the Director $28,700,000 for the fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 through 2002.

''(b) ADMINISTRATION.—Not more than 10 percent of the funds appropriated under this section for a fiscal year may be used to pay for the administrative costs of carrying out this subtitle.

''(c) SUMS REMAINING AVAILABLE.—Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation until expended.''.

SEC. 703. NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE.

(a) FUNCTIONS.—Section 5 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1504) is amended—

(1) by redesignating subsections (b) through (d) as subsections (d) through (f), respectively; and

(2) by inserting after subsection (a) the following:

''(b) The Commission shall have the responsibility to advise the Director of the Institute of Museum and Library Services on general policies with respect to the duties, powers, and authority of the Institute of Museum and Library Services relating to library services, including—

''(1) general policies with respect to—

''(A) financial assistance awarded under the Museum and Library Services Act for library services; and

''(B) projects described in section 262(a)(4) of such Act; and

''(2) measures to ensure that the policies and activities of the Institute of Museum and Library Services are coordinated with other activities of the Federal Government.

''(c)(1) The Commission shall meet not less than 1 time each year in a joint meeting with the National Museum Services Board, convened for purposes of providing advice on general policy with respect to financial assistance for projects described in section 262(a)(4) of such Act.

''(2) All decisions by the Commission and the National Museum Services Board with respect to the advice on general policy described in paragraph (1) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the National Museum Services Board who are present.

''(3) A majority of the members of the Commission and a majority of the members of the National Museum Services Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the National Museum Services Board.''.

(b) MEMBERSHIP.—Section 6 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1505) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking ''Librarian of Congress'' and inserting ''Librarian of Congress, the Director of the Institute of Museum and Library Services (who shall serve as an ex officio, nonvoting member),'';

(B) in the second sentence—

(i) by striking ''special competence or interest in'' and inserting ''special competence in or knowledge of; and

(ii) by inserting before the period the following: ''and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly'';

(C) in the third sentence, by inserting ''appointive'' before ''members''; and

(D) in the last sentence, by striking ''term and at least'' and all that follows and inserting ''term.''; and

(2) in subsection (b), by striking ''the rate specified'' and all that follows through ''and while'' and inserting ''the daily equivalent of the maximum rate authorized for a position above grade GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel-time) during which the members are engaged in the business of the Commission. While''.

SEC. 704. TRANSFER OF FUNCTIONS FROM INSTITUTE OF MUSEUM SERVICES.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term ''Federal agency'' has the meaning given to the term ''agency'' by section 551(1) of title 5, United States Code;

(2) the term ''function'' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term ''office'' includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS FROM THE INSTITUTE OF MUSEUM SERVICES AND THE LIBRARY PROGRAM OFFICE.—There are transferred to the Director of the Institute of Museum and Library Services established under section 203 of the Museum and Library Services established under section 203 of the Museum and Library Services Act—

(1) all functions that the Director of the Institute of Museum Services exercised before the date of enactment of this section (including all related functions of any officer or employee of the Institute of Museum Services); and

(2) all functions that the Director of Library Programs in the Office of Educational Research and Improvement in the Department of Education exercised before the date of enactment of this section and any related function of any officer or employee of the Department of Education.

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Director of the Institute of Museum and Library Services may delegate any of the functions transferred to the Director of the Institute of Museum and Library Services by this section and any function transferred or granted to such Director of the Institute of Museum and Library Services after the effective date of this section to such officers and employees of the Institute of Museum and Library Services as the Director of the Institute of Museum and Library Services may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate, except that any delegation of any such functions with respect to libraries shall be made to the Deputy Director of the Office of Library Services and with respect to museums shall be made to the Deputy Director of the Office of Museum Services. No delegation of functions by the Director of the Institute of Museum and Library Services under this section or under any other provision of this section shall relieve such Director of the Institute of Museum and Library Services of responsibility for the administration of such functions.

(e) REORGANIZATION.—The Director of the Institute of Museum and Library Services may allocate or reallocate any function transferred under subsection (b) among the officers of the Institute of Museum and Library Services, and may establish, consolidate, alter, or discontinue such organizational entities in the Institute of Museum and Library Services as may be necessary or appropriate.

(f) RULES.—The Director of the Institute of Museum and Library Services may prescribe, in accordance with chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Director of the Institute of Museum and Library Services determines to be necessary or appropriate to administer and manage the functions of the Institute of Museum and Library Services.

(g) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Institute of Museum and Library Services. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(h) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(i) EFFECT ON PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided by this section, the transfer pursuant to this section of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer of such employee under this section.

(2) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this section, any person who, on the day preceding the effective date of this section, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Institute of Museum and Library Services to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(j) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that were in effect before the effective date of this section, or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the Institute of Museum and Library Services or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—This section shall not affect any proceedings, including notices of proposed rulemaking, or any application

for any license, permit, certificate, or financial assistance pending before the Institute of Museum Services on the effective date of this section, with respect to functions transferred by this section. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals, shall be taken from the orders, and payments shall be made pursuant to the orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be construed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) SUITS NOT AFFECTED.—This section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Institute of Museum Services, or by or against any individual in the official capacity of such individual as an officer of the Institute of Museum Services, shall abate by reason of the enactment of this section.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Institute of Museum Services relating to a function transferred under this section may be continued by the Institute of Museum and Library Services with the same effect as if this section had not been enacted.

(k) TRANSITION.—The Director of the Institute of Museum and Library Services may utilize—

(1) the services of such officers, employees, and other personnel of the Institute of Museum Services with respect to functions transferred to the Institute of Museum and Library Services by this section; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(l) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Director of the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Director of the Institute of Museum and Library Services; and

(2) the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Institute of Museum and Library Services.

(m) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the director of the Office of Management and Budget, the Director of the Institute of Museum and Library Services shall prepare and submit to the appropriate committees of Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than 6 months after the effective date of this section, the Director of the Institute of Museum and Library Services shall submit to the appropriate committees of Congress the recommended legislation referred to under paragraph (1).

SEC. 705. SERVICE OF INDIVIDUALS SERVING ON DATE OF ENACTMENT.

Notwithstanding section 204 of the Museum of Library Services Act, the individual who was appointed to the position of Director of the Institute of Museum Services under section 205 of the Museum Services Act (as such section was in effect on the day before the date of enactment of this Act) and who is serving in such position on the day before the date of enactment of this Act shall serve as the first Director of the Institute of Museum and Library Services under section 204 of the Museum and Library Services Act (as added by section 2 of this Act), and shall serve at the pleasure of the President.

SEC. 706. CONSIDERATION.

Consistent with title 5, United States Code, in appointing employees of the Office of Library Services, the Director of the Institute of Museum and Library Services shall give strong consideration to individuals with experience in administering State-based and national library and information services programs.

SEC. 707. TRANSITION AND TRANSFER OF FUNDS.

(a) TRANSITION.—The Director of the Office of Management and Budget shall take appropriate measures to ensure an orderly transition from the activities previously administered by the Director of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services under this Act. Such measures may include the transfer of appropriated funds.

(b) TRANSFER.—From any amounts available to the Secretary of Education for salaries and expenses at the Department of Education, the Secretary of Education shall transfer to the Director the amount of funds necessary to ensure the orderly transition from activities previously administered by the Director of the Office of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services. In no event shall the amount of funds transferred pursuant to the preceding sentence be less than $200,000.

SEC. 708. REPEALS.

(a) LIBRARY SERVICES AND CONSTRUCTION ACT.—The Library Services and Construction Act (20 U.S.C. 351 et seq.) is repealed.

(b) TITLE II OF THE HIGHER EDUCATION ACT OF 1965.—Title II of the Higher Education Act of 1965 (20 U.S.C. 1021 et seq.), relating to academic libraries and information services, is repealed.

(c) PART D OF TITLE XIII OF THE HIGHER EDUCATION AMENDMENTS OF 1986.—Part D of title XIII of the Higher Education Amendments of 1986 (20 U.S.C. 1029 note), relating to library resources, is repealed.

(d) SECTION 519 OF THE EDUCATION AMENDMENTS OF 1974.—Section 519 of the Education Amendments of 1974 (20 U.S.C. 1221i) is repealed.

(e) PART F OF THE TECHNOLOGY FOR EDUCATION ACT OF 1994.—Part F of the Technology for Education Act of 1994 (20 U.S.C. 7001 et seq.), contained in title III of the Elementary and Secondary Education Act of 1965, is repealed.

SEC. 709. CONFORMING AMENDMENTS.

(a) REFERENCES TO LIBRARY SERVICES AND CONSTRUCTION ACT.—

(1) TECHNOLOGY FOR EDUCATION ACT OF 1994.—Section 3113(10) of the Technology for Education Act of 1994 (20 U.S.C. 6813(10)) is amended by striking ''section 3 of the Library Services and Construction Act;'' and inserting ''section 213 of the Library Services and Technology Act;''

(2) OMNIBUS EDUCATION RECONCILIATION ACT OF 1981.—Section 528 of the Omnibus Education Reconciliation Act of 1981 (20 U.S.C. 3489) is amended—

(A) by striking paragraph (12); and

(B) by redesignating paragraphs (13) through (15) as paragraphs (12) through (14), respectively.

(3) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 3113(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6813(10)) is amended by striking ''section 3 of the Library Services and Construction Act'' and inserting ''section 213 of the Library Services and Technology Act''.

(4) COMMUNITY IMPROVEMENT VOLUNTEER ACT OF 1994.—Section 7305 of the Community Improvement Volunteer Act of 1994 (40 U.S.C. 276d-3) is amended—

(A) by striking paragraph (1); and

(ε) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

(5) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) is amended by striking ''Library Services and Construction Act;''

(6) DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966.—Section 208(2) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3338(2)) is amended by striking ''title II of the Library Services and Construction Act;''.

(7) PUBLIC LAW 87–688.—Subsection (c) of the first section of the Act entitled ''An Act to extend the application of certain laws to American Samoa'', approved September 25, 1962 (48 U.S.C. 1666(c)) is amended by striking ''the Library Services Act (70 Stat. 293; 20 U.S.C. 351 et seq.),''.

(8) COMMUNICATIONS ACT OF 1934.—Paragraph (4) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)(4) is amended by striking ''library not eligible for participation in State-based plans for funds under title III of the Library Services and Construction Act (20 U.S.C. 335c et seq.)'' and inserting ''library or library consortium not eligible for assistance from a State library administrative agency under the Library Services and Technology Act''.

(b) REFERENCES TO INSTITUTE OF MUSEUM SERVICES.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5 United States Code, is amended by striking the following:

''Director of the Institute of Museum Services,'' and inserting the following:

''Director of the Institute of Museum and Library Services.''.

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Section 301 of the Department of Education Organization Act (20 U.S.C. 3441) is amended—

(A) in subsection (a)—

(i) by striking paragraph (5); and

(ii) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively; and

(B) in subsection (b)—

(i) by striking paragraph (4); and

(ii) by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(3) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) Sections 2101(b), 2205(c)(1)(D), 2208(d)(1)(H)(v), and 2209(b)(1)(C)(iv), and subsection (d)(6) and (e)(2) of section 10401 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6621(b), 6645(c)(1)(D), 6648(d)(1)(H)(v), 6649(b)(1)(C)(vi), and 8091 (d)(6) and (e)(2)) are amended by striking ''the Institute of Museum Services'' and inserting ''the Institute of Museum and Library Services''.

(B) Section 10412(b) of such Act (20 U.S.C. 8102(b) is amended—

(i) in paragraph (2), by striking ''the Director of the Institute Museum Services,'' and inserting ''the Director of the Institute of Museum and Library Services,''; and

(ii) in paragraph (7), by striking ''the Director of the Institute of Museum Services,'' and inserting ''the director of the Institute of Museum and Library Services,''.

(C) Section 10414(a)(2)(B) of such Act (20 U.S.C. 8104(a)(2)(B)) is amended by striking clause (iii) and inserting the following new clause:

''(iii) the Institute of Museum and Library Services.''.

(c) REFERENCES TO OFFICE OF LIBRARIES AND LEARNING RESOURCES.—Section 413(b)(1) of the Department of Education Organization Act (20 U.S.C. 3473(b)(1)) is amended—

(1) by striking subparagraph (H); and

(2) by redesignating subparagraphs (I) through (M) as subparagraphs (H) through (L), respectively.

(d) REFERENCE TO STATE POSTSECONDARY REVIEW ENTITY PROGRAMS.—Section 356(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 10696(b)) is amended by striking ''II,''.

This Act may be cited as the ''Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997''.

(f) For programs, projects or activities in the Treasury, Postal Service, and General Appropriations Act, 1997, provided as follows, to be effective as if it had been enacted into law as the regular appropriations Act:

AN ACT Making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1997, and for other purposes

TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,900,000 for official travel expenses; not to exceed $150,000 for official reception and representation expenses; not to exceed $258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; $111,760,000.

AUTOMATION ENHANCEMENT

INCLUDING TRANSFER OF FUNDS

For the development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, $27,100,000, of which $15,000,000 shall be available to the United States Customs Service for the Automated Commercial Environment project, and of which $5,600,000 shall be available to the United States Customs Service for the International Trade Data System: Provided, That these funds shall remain available until September 30, 1999: Provided further, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds shall be used to support or supplement Internal Revenue Service appropriations for Information Systems and Tax Systems Modernization: Provided further, That of the funds appropriated for the Automated Commercial Environment, $3,475,000 may not be obligated until the Commissioner of Customs consults with the Committees on Appropriations regarding deficiencies identified by the General Accounting Office.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed $2,000,000 for official travel expenses; including hire of passenger motor vehicles; and not to exceed $100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; $29,736,000.

OFFICE OF PROFESSIONAL RESPONSIBILITY

SALARIES AND EXPENSES

For necessary expenses of the Office of Professional Responsibility, including purchase and hire of passenger motor vehicles, $1,500,000.

TREASURY BUILDINGS AND ANNEX REPAIR AND RESTORATION

INCLUDING TRANSFER OF FUNDS

For the repair, alteration, and improvement of the Treasury Building and Annex, $28,213,000, to remain available until expended: Provided, That funds previously made available under this title for the Secret Service Headquarter's building shall be transferred to the Secret Service Acquisition, Construction, Improvement and Related Expenses appropriation.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed $14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement; $22,387,000: Provided, That notwithstanding any other provision of law, the Director of the Financial Crimes Enforcement Network may procure up to $500,000 in specialized, unique, or novel automatic data processing equipment, ancillary equipment, software, services, and related resources from commercial vendors without regard to otherwise applicable procurement laws and regulations and without full and open competition, utilizing procedures best suited under the circumstances of the procurement to efficiently fulfill the agency's requirements: Provided further, That funds appropriated in this account may be used to procure personal services contracts.

DEPARTMENT OF THE TREASURY FORFEITURE FUND

For necessary expenses of the Treasury Forfeiture Fund, as authorized by Public Law 102–393, not to exceed $10,000,000, to be derived from deposits in the fund: Provided, That notwithstanding any other provision of law, not to exceed $7,500,000 shall be made available for the development of a Federal wireless communication system: Provided further, That the Secretary of the Treasury is authorized to receive all unavailable collections transferred from the Special Forfeiture Fund established by section 6073 of the Anti-Drug Abuse Act of 1988 (21 (21 U.S.C. 1509) by the Director of the Office of Drug Control Policy as a deposit into the Treasury Forfeiture Fund (31 U.S.C. 9703(a)).

VIOLENT CRIME REDUCTION PROGRAMS

INCLUDING TRANSFER OF FUNDS

For activities authorized by Public Law 103–322, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as follows:

(a) As authorized by section 190001(e), $89,000,000, of which $36,595,000 shall be available to the Bureau of Alcohol, Tobacco and Firearms, of which $3,000,000 shall be available for administering the Gang Resistance Education and Training program, of which $3,662,000 shall be available for ballistics technologies, including the purchase, maintenance and upgrading of equipment and of which $29,133,000 shall be available to enhance training and purchase equipment and services, and of which $800,000 shall be available for project LEAD; of which $18,300,000 shall be available to the Secretary as authorized by section 732 of Public Law 104–132, as amended by Section 113 of the Fiscal Year 1997 Department of Commerce, Justice and State, and the Judiciary, and Related Agencies Appropriations Act; of which $1,000,000 shall be available to the Financial Crimes Enforcement Network; of which $20,000,000 shall be available to the United States Secret Service, of which no less than $1,400,000 shall be available for a grant for activities related to the investigations of missing and exploited children; and of which $13,105,000 shall be available to the Federal Drug Control Programs, High Intensity Drug Trafficking Areas program.

(b) As authorized by section 32401, $8,000,000, for disbursement through grants, cooperative agreements or contracts, to local governments for Gang Resistance Education and Training: Provided, That notwithstanding sections 32401 and 310001, such funds shall be allocated only to the affected State and local law enforcement and prevention organizations participating in such projects.

TREASURY FRANCHISE FUND

There is hereby established in the Treasury a franchise fund pilot, as authorized by section 403 of Public Law 103–356, to be available as provided in such section for expenses and equipment necessary for the maintenance and operation of such financial and administrative support services as the Secretary determines may be performed more advantageously as central services: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital, shall be used to capitalize such fund: Provided further, That such fund shall be reimbursed or credited with the payments, including advanced payments, from applicable appropriations and funds available to the Department and other Federal agencies for which such administrative and financial services are performed, at rates which will recover all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of Automatic Data Processing (ADP) software and systems, and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed 4 percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of Treasury financial management, ADP, and other support systems: Provided further, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury: Provided further, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103–356.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed $9,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109; $54,831,000, of which up to $13,034,000 for materials and support costs of Federal law enforcement basic training shall remain available until September

30, 1999: Provided, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: Provided further, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: Provided further, That funds appropriated in this account shall be available, at the discretion of the Director, for: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training at the Center: Provided further, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training at the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: Provided further, That the Federal Law Enforcement Training Center is authorized to provide short term medical services for students undergoing training at the Center.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, $18,884,000, to remain available until expended.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $196,069,000, of which not to exceed $14,277,000 shall remain available until expended for systems modernization initiatives. In addition, $90,000, to be derived from the Oil Spill Liability Trust Fund, to reimburse the Service for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101–380: Provided, That none of the funds made available for systems modernization initiatives may not be obligated until the Commissioner of the Financial Management Service has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 650 vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where an assignment to the National Response Team during the investigation of a bombing or arson incident requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed $12,500 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; provision of laboratory assistance to State and local agencies, with or without reimbursement; $393,971,000, of which $12,011,000, to remain available until expended, shall be available for arson investigations, with priority assigned to any arson, explosion or violence against religious institutions; which not to exceed $1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); and of which $1,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in drug-related joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms: Provided, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in the fiscal year ending on September 30, 1997: Provided further, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees: Provided further, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amendment or amendments to 27 CFR 178.118 or to change the definition of ''Curios or relics'' in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994: Provided further, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c): Provided further, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c): Provided further, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority who has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government: Provided further, That no funds available for separation incentive payments as authorized by section 663 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations: Provided further, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

LABORATORY FACILITIES

For necessary expenses for design of a new facility or facilities, to house the Bureau of Alcohol, Tobacco and Firearms National Laboratory Center and the Fire Investigation Research and Development Center, not to exceed 185,000 occupiable square feet, $6,978,000, to remain available until expended: Provided, That these funds shall not be available until a prospectus of authorization for the Laboratory Facilities is approved by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to 1,000 motor vehicles of which 960 are for replacement only, including 990 for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed $30,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; $1,487,250,000; of which $65,000,000 shall be available until expended for Operation Hardline; of which $28,000,000 shall remain available until expended for acquisition of aircraft and related operations and maintenance associated with Operation Gateway; and of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed $4,000,000 shall be available until expended for research and not to exceed $1,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081 and up to $6,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation: Provided, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That the United States Custom Service shall implement the General Aviation Telephonic Entry program within 30 days of enactment of this Act: Provided further, That no funds available for separation incentive payments as authorized by section 663 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations: Provided further, That the Spirit of St. Louis Airport in St. Louis County, Missouri, shall be designated a port of entry: Provided further, That no funds under this Act may be used to provide less than 30 days public notice for any change in apparel regulations: Provided further, That $750,000 shall be available for additional part-time and temporary positions in the Honolulu Customs District: Provided further, That of the funds appropriated $2,500,000 may be made available for the Western Hemisphere Trade Center authorized by Public Law 103–182.

OPERATION AND MAINTENANCE, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include: the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts; $83,363,000, which shall remain available until expended: Provided, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, Department, or office outside of the Department of the Treasury, during fiscal year 1997 without the prior approval of the House and Senate Committees on Appropriations.

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary for expenses for the provision of Customs services at certain small airports or other facilities when authorized by law and designated by the Secretary of the Treasury, including expenditures for the salary and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary pursuant to section 236 of Public Law 98–573 for each of these airports or other facilities when authorized by law and designated by the Secretary, and to remain available until expended.

HARBOR MAINTENANCE FEE COLLECTION

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103–182, $3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs ''Salaries and Expenses'' account for such purposes.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; $169,735,000: Provided, That the sum appropriated herein from the General Fund for fiscal year 1997 shall be reduced by not more than $4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at $165,335,000.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service, not otherwise provided for; including processing tax returns; revenue accounting; providing assistance to taxpayers, management services, and inspection; including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,779,840,000, of which up to $3,700,000 shall be for the Tax Counseling for the Elderly Program, and of which not to exceed $25,000 shall be for official reception and representation expenses.

TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; tax and enforcement litigation; technical rulings; examining employee plans and exempt organizations; investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; statistics of income and compliance research; the purchase (for police-type use, not to exceed 850), and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner $4,104,211,000, of which not to exceed $1,000,000 shall remain available until September 30, 1999, for research.

INFORMATION SYSTEMS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including tax systems modernization and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, $1,323,075,000, of which no less than $130,075,000 shall be available for Tax Systems Modernization (TSM) development and deployment which shall be available until September 30, 1999, and of which no less than $206,200,000 shall be available for TSM Operational Systems: Provided, That none of the funds made available for TSM Operational Systems shall be available after July 31, 1997, unless the Department of the Treasury has prepared a Request for Proposal which could be used as a base for a solicitation of a contract with an alternative or new Prime Contractor to manage, integrate, test and implement the TSM program: Provided further, That all activities associated with the development of a request for proposal, contract solicitation, and contract award for private sector assistance on TSM (both operational systems and development and deployment systems), beyond private sector assistance which is currently under contract, shall be conducted by the Department of the Treasury's Modernization Management Board: Provided further, That the Internal Revenue Service determines that it is unable to meet deadlines established herein, the Secretary of the Treasury shall notify the Committees on Appropriations of the House and the Senate of the delay: Provided further, That the Internal Revenue Service shall submit, by February 1, 1997, a timetable for implementing, by October 1, 1997, recommendations made by the General Accounting Office in its July 1995 report, entitled: ''Tax Systems Modernization: Management and Technical Weaknesses Must Be Corrected If Modernization Is To Succeed'': Provided further, That the Internal Revenue Service shall submit, by December 1, 1996, a schedule to transfer, not later than July 31, 1997, a majority of Tax Systems Modernization development, deployment, management, integration, and testing, from the Internal Revenue Service to the private sector.

INFORMATION SYSTEMS

(RESCISSION)

Of the funds made available under this heading for Information Systems in Public Law 104–52, $115,000,000 are rescinded, in Public Law 103–123, $17,447,000 are rescinded, in Public Law 102–393, $15,000,000 are rescinded, and in Public Law 102–141, $27,000,000 are rescinded.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SECTION 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to insure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The funds provided in this Act for the Internal Revenue Service shall be used to provide as a minimum, the fiscal year 1995 level of service, staffing, and funding for Taxpayer Services.

SEC. 104. No funds available in this Act to the Internal Revenue Service for separation incentive payments as authorized by section 663 of this Act may be obligated without the advance approval of the House and Senate Committees on Appropriations.

SEC. 105. The Internal Revenue Service (IRS) may proceed with its field support reorganization in fiscal year 1997 after it submits its report, no earlier than March 1, 1997, to the Committees on Appropriations of the House and Senate only if the IRS maintains, in fiscal year 1997, the current level of taxpayer service employees that work on cases generated through walk in visits and telephone calls to IRS offices.

SEC. 106. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line for taxpayers. The Commissioner shall make the improvement of the IRS 1–800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the IRS 1–800 help line service.

SEC. 107. No funds made available by this Act, or any other Act, to the Internal Revenue Service may be used to pay for the design and printing of more than two ink colors on the covers of income tax packages, and such ink colors must be the same colors as used to print the balance of the material in each package.

SEC. 108. Notwithstanding any other provision of law, no field support reorganization of the Internal Revenue Service shall be undertaken in Aberdeen, South Dakota until the Internal Revenue Service toll-free help phone line assistance program reaches at least an 80 percent service level. The Commissioner shall submit to Congress a report and the GAO shall certify to Congress that the 80 percent service level has been met.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed 702 vehicles for police-type use, of which 665 shall be for replacement only), and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: Provided, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed $20,000 for official reception and representation expenses; not to exceed $50,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year: Provided further, That 3 U.S.C. 203(a) is amended by deleting ''but not exceeding twelve hundred in number''; $528,262,000, of which $1,200,000 shall be available as a grant for activities related to the investigations of missing and exploited children and shall remain available until expended.

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 104–52, $7,600,000 are rescinded.

ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND RELATED EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of construction, repair, alteration, and improvement of facilities, $37,365,000, of which $8,200,000 shall be available for the Rowley Secret Service Training Center, to remain available until expended: Provided, That funds previously provided under the title, ''Treasury Buildings and Annex Repair and Restoration,'' for the Secret Service's Headquarters Building, shall be transferred to this account: Provided further, That funds for the Rowley Secret Service Training Center shall not be available until a prospectus authorizing such facilities is approved in accordance with the Public Buildings Act of 1959, as amended, except that funds may be expended for required expenses in connection with the development of a proposed prospectus.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SECTION 111. Any obligation or expenditure by the Secretary in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 1997, shall be made in compliance with the reprogramming guidelines contained in the House and Senate reports accompanying this Act.

SEC. 112. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 113. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1986 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection, including any private sector employees under contract to the Internal Revenue Service, complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 114. The Internal Revenue Service shall institute policies and procedures which will safeguard the confidentiality of taxpayer information.

SEC. 115. The funds provided to the Bureau of Alcohol Tobacco and Firearms for fiscal year 1997 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 116. Paragraph (3)(C) of section 9703(g) of title 31, United States Code, is amended—

(1) by striking in the third sentence ''and at the end of each fiscal year thereafter'';

(2) by inserting in lieu thereof ''1994, 1995, and 1996''; and

(3) by adding at the end the following new sentence: ''At the end of fiscal year 1997, and at the end of each fiscal year thereafter, the Secretary shall reserve any amounts that are required to be retained in the Fund to ensure the availability of amounts in the subsequent fiscal year for purposes authorized under subsection (a).''

SEC. 117. Of the funds available to the Internal Revenue Service, $13,000,000 shall be made available to continue the private sector debt collection program which was initiated in fiscal year 1996 and $13,000,000 shall be transferred to the Departmental Offices appropriation to initiate a new private sector debt collection program: Provided, That the transfer provided herein shall be in addition to any other transfer authority contained in this Act.

SEC. 118. Section 923(j) of title 18, United States Code, is amended by striking the period after the last sentence, and inserting the following: '', including the right of a licensee to conduct 'curios or relics' firearms transfers and business away from their business premises with another licensee without regard as to whether the location of where the business is conducted is located in the State specified on the license of either licensee.''.

This title may be cited as the ''Treasury Department Appropriations Act, 1997''.

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, $85,080,000: Provided, That mail for overseas voting and mail for the blind shall continue to be free: Provided further, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: Provided further, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: Provided further, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1997.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 United States Code 2004, $35,536,000.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102, $250,000: Provided, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: Provided further, That none of the funds made available for official expenses shall be considered as taxable to the President.

SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $40,193,000: Provided, That $420,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, $7,827,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109–110, 112–114.

SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; $3,280,000: Provided, That $150,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

OPERATING EXPENSES

For the care, operation, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed $90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $324,000: Provided, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities: Provided further, That $8,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted for approval to the Committees on Appropriations of the House and Senate a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), $3,439,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; $3,867,000: Provided, That $45,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, $6,648,000: Provided, That $3,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, $26,100,000, including services as

authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles: Provided, That $340,700 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, $55,573,000, of which not to exceed $5,000,000 shall be available to carry out the provisions of 44 U.S.C. chapter 35: Provided, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: Provided further, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): Provided further, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs or their subcommittees: Provided further, That this proviso shall not apply to printed hearings released by the House and Senate Committees on Appropriations or the House and Senate Committees on Veterans' Affairs.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100–690; not to exceed $8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; $35,838,000, of which $19,000,000 shall remain available until expended, consisting of $1,000,000 for policy research and evaluation and $18,000,000 for the Counter-Drug Technology Assessment Center for counternarcotics research and development projects of which $1,000,000 shall be obligated for state conferences on model state drug laws: Provided, That the $17,000,000 for the Counter-Drug Technology Assessment Center shall be available for transfer to other Federal departments or agencies: Provided further, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office: Provided further, That not before January 31, 1997, the Director of the Office of National Drug Control Policy shall transfer all balances in the Special Forfeiture Fund established by section 6073 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. §1509) to the Treasury Forfeiture Fund (31 U.S.C. 9703(a)).

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, $127,102,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas, of which $3,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area in Lake County, Indiana; of which $6,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area for the Gulf Coast States of Louisiana, Alabama, and Mississippi; of which $8,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area dedicated to combating methamphetamine use, production and trafficking in a five State area including Iowa, Missouri, Nebraska, South Dakota, and Kansas; of which $3,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area in the State of Colorado; of which $3,000,000 shall be used for a newly designated High Intensity Drug Trafficking Area in the Pacific Northwest; of the total amount appropriated, including transferred funds, no less than $71,000,000 shall be transferred to State and local entities for drug control activities, and up to $69,207,000 may be transferred to Federal agencies and departments at a rate to be determined by the Director: Provided, That the funds made available under this head shall be obligated within 90 days of the date of enactment of this Act.

This title may be cited as the ''Executive Office Appropriations Act, 1997''.

TITLE IV—INDEPENDENT AGENCIES

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by the Act of June 23, 1971, Public Law 92–28; $1,800,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, $28,165,000, of which no less than $2,500,000 shall be available for internal automated data processing systems, and of which not to exceed $5,000 shall be available for reception and representation expenses.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; $21,588,000: Provided, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: Provided further, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

(INCLUDING TRANSFER OF FUNDS)

For additional expenses necessary to carry out the purpose of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), $400,544,000, to be deposited into said Fund. The revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by installment purchase and purchase contract, in the aggregate amount of $5,555,544,000 of which (1) not to exceed $657,711,000 shall remain available until expended for construction of additional projects and at maximum construction improvement costs (including funds for sites and expenses and associated design and construction services) as follows:

New Construction:

California:

Fresno, Federal Building and U.S. Courthouse, $6,595,000

Colorado:

Denver, Rogers Federal Building-U.S. Courthouse, $9,545,000

District of Columbia:

U.S. Courthouse Annex, $5,703,000

Florida:

Miami, U.S. Courthouse, $24,990,000

Orlando, U.S. Courthouse, $9,514,000

Kentucky:

Covington, U.S. Courthouse, $17,134,000

London, U.S. Courthouse, $13,732,000

Montana:

Babb, Piegan Border Station, $333,000

Sweetgrass, Border Station, $1,059,000

Nevada:

Las Vegas, U.S. Courthouse, $83,719,000

New York:

Brooklyn, U.S. Courthouse, $169,000,000

Ohio:

Cleveland, U.S. Courthouse, $128,559,000

Youngstown, U.S. Courthouse, $15,813,000

Oregon:

Portland, Consolidated Law Federal Office Building, $4,750,000

Pennsylvania:

Erie, U.S. Courthouse Annex, $3,300,000

Philadelphia, DVA-Federal Complex, Phase II, $13,765,000

South Carolina:

Columbia, U.S. Courthouse Annex, $43,848,000

Texas:

Corpus Christi, U.S. Courthouse, $24,161,000

Utah:

Salt Lake City, Moss U.S. Courthouse Annex and Alteration, $11,474,000

Washington:

Blaine, U.S. Border Station, $13,978,000

Oroville, U.S. Border Station, $1,452,000

Seattle, U.S. Courthouse, $16,853,000

Sumas, U.S. Border Station (Claim), $1,177,000

Nationwide:

Non-prospectus construction projects, $10,000,000

Security Enhancements, $27,256,000:

Provided, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are affected in other such projects, but not to exceed 10 percent unless advance approval is obtained from the House and Senate Committees on Appropriations of a greater amount: Provided further, That the cost of future U.S. Courthouse annex projects shall reflect savings

through improving design efficiencies, curtailing planned interior finishes, requiring more efficient use of courtroom and library space, and by otherwise limiting space requirements: Provided further, That from funds available in the Federal Buildings Fund, $20,000,000 shall be available until expended for environmental clean up activities at the Southeast Federal Center in the District of Columbia and $81,000,000 shall be available until expended for design and construction activities at the Consolidated Law Federal Office Building in Portland, Oregon: Provided further, That from funds available for non-prospectus construction projects, $250,000 may be available until expended for the acquisition, lease, construction, and equipping of flexiplace work telecommuting centers in West Virginia: Provided further, That all funds for direct construction projects shall expire on September 30, 1999: (2) not to exceed $639,000,000 shall remain available until expended, for repairs and alterations which includes associated design and construction services: Provided further, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount:

Repairs and alterations:

District of Columbia:

Ariel Rios Building, $62,740,000

Justice Department, Phase 1 of 3, $50,000,000

Lafayette Building, $5,166,000

Hawaii:

Honolulu, Prince Jonah Kuhio Kalanianaole Federal Building and U.S. Courthouse, $4,140,000

Illinois:

Chicago, Everett M. Dirksen Federal Building, $18,844,000

Chicago, John C. Kluczynski, Jr. Federal Building (IRS), $13,414,000

Louisiana:

New Orleans, Customhouse, $3,500,000

Maryland:

Montgomery County, White Oak environmental clean up activities, $10,000,000

Massachusetts:

Andover, IRS Regional Service Center, $812,000

New Hampshire:

Concord, J.C. Cleveland Federal Building, $8,251,000

New Jersey:

Camden, U.S. Post Office-Courthouse $11,096,000

New York:

Albany, James T. Foley Post Office-Courthouse, $3,880,000

Brookhaven, IRS Service Center, $2,272,000

New York, Jacob K. Javits Federal Building, $13,651,000

Pennsylvania:

Scranton, Federal Building-U.S. Courthouse, $10,610,000

Rhode Island:

Providence, Federal Building-U.S. Courthouse, $8,209,000

Texas:

Fort Worth, Federal Center, $11,259,000

Nationwide:

Chlorofluorocarbons Program, $23,456,000

Elevator Program, $10,000,000

Energy Program, $20,000,000

Security Enhancements, various buildings, $2,700,000

Basic Repairs and Alterations, $345,000,000: Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: Provided further, That the amounts provided in this or any prior Act for Repairs and Alterations may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: Provided further, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the originally authorized amount, except each project may be increased by an amount not to exceed 10 percent when advance approval is obtained from the Committees on Appropriations of the House and Senate of a greater amount: Provided further, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading ''Repairs and Alterations'', may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: Provided further, That from funds made available for Basic Repairs and Alterations, $8,000,000 shall be made available for renovation of the Agricultural Research Service Laboratory in Ames, Iowa, which is currently occupied by the Animal and Plant Health Inspection Service: Provided further, That from funds made available for Basic Repairs and Alterations, $1,450,000 may be available for the renovation of the Pioneer Courthouse located at 520 SW Morrison, in Portland, Oregon: Provided further, That from funds made available for Basic Repairs and Alterations, $6,000,000 shall be used for necessary expenses associated with ongoing construction of the U.S. Courthouse in Montgomery, Alabama: Provided further, That from funds made available for Basic Repairs and Alterations, $100,000 shall be transferred to the National Park Service ''Construction'' appropriation for restoration and maintenance of the multi-purpose field at Wallenberg Place in Washington, DC: Provided further, That all funds for repairs and alterations prospectus projects shall expire on September 30, 1999, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: Provided further, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading ''Repairs and Alterations'' or used to fund authorized increases in prospectus projects: Provided further, That $5,700,000 of the funds provided under this heading in Public Law 103–329, for the IRS Service Center, Holtsville, New York, shall be available until September 30, 1998; (3) not to exceed $173,075,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended: Provided further, That up to $1,500,000 shall be available for a design prospectus of the Federal Building and U.S. Courthouse located at 811 Grand Avenue in Kansas City, Missouri; (4) not to exceed $2,343,795,000 for rental of space which shall remain available until expended; and (5) not to exceed $1,552,651,000 for building operations which shall remain available until expended and of which $8,000,000 shall be transferred to the ''Policy and Operations'' appropriation: Provided further, That funds available to the General Services Administration shall not be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: Provided further, That the Administrator of General Services shall, at the earliest practicable date, initiate discussions with the Smithsonian Institution on the feasibility of transferring Federal Building 10B located at 600 Independence Avenue SW., Washington, DC to the Smithsonian Institution at such price and under such terms and conditions as determined appropriate by the Administrator and subject to the prior approval of the appropriate authorizing and appropriations committees of the Congress: Provided further, That funds provided in this Act under the heading ''Security Enhancements, various buildings'' may be used, by project in accordance with an approved prospectus: Provided further, That the Administrator is authorized in fiscal year 1997 and thereafter, to enter into and perform such leases, contracts, or other transactions with any agency or instrumentality of the United States, the several States, or the District of Columbia, or with any person, firm, association, or corporation, as may be necessary to implement the trade center plan at the Federal Triangle Project and is hereby granted all the rights and authorities of the former Pennsylvania Avenue Development Corporation (PADC) with regard to property transferred from the PADC to the General Services Administration in fiscal year 1996: Provided further, That notwithstanding any other provision of law, the Administrator of General Services is hereby authorized to use all funds transferred from the PADC or income earned on PADC properties for activities associated with carrying out the responsibilities of the PADC transferred to the Administrator of General Services and that any such income earned on or after April 1, 1996, shall be deposited to the Pennsylvania Avenue Activities account and shall remain available until expended: Provided further, That any funds or income as may be deemed by the Administrator as excess to the amount needed to fulfill the PADC responsibilities transferred to the Administrator of General Services, shall be applied to any outstanding debt, with the exception of debt associated with the Ronald Reagan Building and International Trade Center, incurred by the PADC in the course of acquiring real estate: Provided further, That with respect to real property transferred from the PADC to the General Services Administration pursuant to section 313 of Public Law 104–134, Title III, General Provisions, the Administrator of General Services is hereafter authorized and directed to make payments required by section 10(b) of the PADC Act of 1972, Public Law 92–578 in the same manner as previously paid by the PADC: Provided further, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), buildings occupied pursuant to installment purchase contracts, and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: Provided further, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: Provided further, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: Provided further, That revenues and collections and any other sums accruing to this Fund during fiscal year 1997, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $5,555,544,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation management activities; procurement and supply management activities; Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed $5,000 for official reception and representation expenses; $110,173,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, $33,863,000: Provided, That not to exceed $5,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: Provided further, That not to exceed $2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95–138, $2,180,000: Provided, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

EXPENSES, PRESIDENTIAL TRANSITION

For expenses necessary to carry out the Presidential Transition Act of 1963, as amended (3 U.S.C. 102 note), $5,600,000.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 1997 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: Provided, That any proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 1998 request for United States Courthouse construction that does not meet the design guide standards for construction as established by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget and does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: Provided, That the request must be accompanied by a standardized courtroom utilization study of each facility to be replaced or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency which does not pay the requested rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92–313).

SEC. 406. The Administrator of the General Services is directed to ensure that the materials used for the facade on the United States Courthouse Annex, Savannah, Georgia project are compatible with the existing Savannah Federal Building-U.S. Courthouse facade, in order to ensure compatibility of this new facility with the Savannah historic district and to ensure that the Annex will not endanger the National Landmark status of the Savannah historic district.

SEC. 407. (a) Section 210 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490) is amended by adding at the end the following new subsection:

''(l)(1) The Administrator may establish, acquire space for, and equip flexiplace work telecommuting centers (in this subsection referred to as 'telecommuting centers') for use by employees of Federal agencies, State and local governments, and the private sector in accordance with this subsection.

''(2) The Administrator may make any telecommuting center available for use by individuals who are not Federal employees to the extent the center is not being fully utilized by Federal employees. The Administrator shall give Federal employees priority in using the telecommuting centers.

''(3)(A) The Administrator shall charge user fees for the use of any telecommuting center. The amount of the user fee shall approximate commercial charges for comparable space and services except that in no instance shall such fee be less than that necessary to pay the cost of establishing and operating the center, including the reasonable cost of renovation and replacement of furniture, fixtures, and equipment.

''(B) Amounts received by the Administrator after September 30, 1993, as user fees for use of any telecommuting center may be deposited into the Fund established under subsection (f) of this section and may be used by the Administrator to pay costs incurred in the establishment and operation of the center.

''(4) The Administrator may provide guidance, assistance, and oversight to any person regarding establishment and operation of alternative workplace arrangements, such as telecommuting, hoteling, virtual offices, and other distributive work arrangements.

''(5) In considering whether to acquire any space, quarters, buildings, or other facilities for use by employees of any executive agency, the head of that agency shall consider whether the need for the facilities can be met using alternative workplace arrangements referred to in paragraph (4).''.

(b) Section 13 of the Public Building Act of 1959, as amended, (107 Stat. 438; 40 U.S.C. 612) is amended—

(1) by striking ''(xi)'' and inserting in lieu thereof ''(xii)''; and

(2) by striking ''and (x)'' and inserting in lieu thereof ''(x) telecommuting centers and (xi)''.

SEC. 408. Notwithstanding any other provision of law, the Administrator of General Services is authorized and directed to acquire the land bounded by S.W. First Avenue, S.W. Second Avenue, S.W. Main Street, and S.W. Madison Street, Portland, Oregon, for the purposes of constructing the proposed Law Enforcement Center on the site.

SEC. 409. Section 2815 of Public Law 103–160, relating to the conveyance of real property at the Iowa Army Ammunition Plant, is amended—

(1) in subsection (a), by striking ''may convey to'' and inserting ''shall convey, without reimbursement and if requested by,''; and

(2) by striking subsection (b) and inserting the following new subsection:

''(b) USE OF WATER AND SEWER LINES.—As part of the conveyance under subsection (a), the Secretary shall permit the City to use existing water and sewer lines and sewage system at the Iowa Army Ammunition Plant for a three-year period beginning on the date of the conveyance.''.

SEC. 410. (a) CONVEYANCE OF LAND.—

(1) ADMINISTRATOR OF GENERAL SERVICES.—Subject to subsections (b) and (c), the Administrator of General Services (hereinafter in this section referred to as the ''Administrator'') shall convey, without compensation, to a nonprofit organization known as the ''Beaver County Corporation for Economic Development'' all right, title, and interest of the United States in and to those pieces or parcels of land in Hopewell Township, Pennsylvania, described in subsection (b), together with all improvements thereon and appurtenances thereto. The purpose of the conveyance is to provide a site for economic development in Hopewell Township.

(2) PROPERTY DESCRIPTION.—The land referred to in paragraph (1) is the parcel of land in the township of Hopewell, county of Beaver, Pennsylvania, bounded and described as follows:

(A) Beginning at the southwest corner at a point common to Lot No. 1, same plan, lands now or formerly of Frank and Catherine Wutter, and the easterly right-of-way line of Pennsylvania Legislative Route No. 60 (Beaver Valley Expressway); thence proceeding by the easterly right-of-way of Pennsylvania Legislative Route No. 60 by the following three courses and distances:

(i) North 17 degrees, 14 minutes, 20 seconds West, 213.10 feet to a point.

(ii) North 72 degrees, 45 minutes, 40 seconds East, 30.00 feet to a point.

(iii) North 17 degrees, 14 minutes, 20 seconds West, 252.91 feet to a point; on a line dividing Lot No. 1 from the other part of Lot No. 1, said part now called Lot No. 5, same plan; thence by last mentioned dividing line, North 78 degrees, 00 minutes, 00 seconds East; 135.58 feet to a point, a cul-de-sac on Industrial Drive; thence by said cul-de-sac and the southerly side of Industrial Drive by the following courses and distances:

(I) By a curve to the right having a radius of 100.00 feet for an arc distance of 243.401 feet to a point.

(II) Thence by a curve to the right having a radius of 100.00 feet for an arc distance of 86.321 feet to a point.

(III) Thence by 78 degrees, 00 minutes, 00 seconds East, 777.78 feet to a point.

(IV) Thence, North 12 degrees, 00 minutes, 00 seconds West, 74.71 feet to a point.

(V) Thence by a curve to the right, having a radius of 50.00 feet for an arc distance of 78.54 feet to a point.

(VI) Thence North 78 degrees, 00 minutes, 00 seconds East, 81.24 feet to a point.

(VII) Thence by a curve to the right, having a radius of 415.00 feet for an arc distance of 140.64 feet to a point.

(VIII) Thence, South 82 degrees, 35 minutes, 01 second East, 125.00 feet to a point.

(IX) Thence, South 7 degrees, 24 minutes, 59 seconds West, 5.00 feet to a point.

(X) Thence by a curve to the right, having a radius of 320.00 feet for an arc distance of 256.85 feet to a point.

(XI) Thence by a curve to the right having a radius of 50.00 feet for an arc distance of 44.18 feet to a point on the northerly side of Airport Road.

(B) Thence by the northerly side thereof by the following:

(i) South 14 degrees, 01 minutes, 54 seconds, West, 56.94 feet to a point.

(ii) Thence by a curve to the right having a radius of 225.00 feet for an arc distance of 207.989 feet to a point.

(iii) Thence South 66 degrees, 59 minutes, 45 seconds West, 192.08 feet to a point on the

southern boundary of Lot No. 1, which line is also the line dividing Lot No. 1 from lands now or formerly, of Frank and Catherine Wutter.

(C) Thence by the same, South 75 degrees, 01 minutes, 00 seconds West, 1,351.23 feet to a point at the place of beginning.

(3) DATE OF CONVEYANCE.—The date of the conveyance of property required under paragraph (1) shall be not later than the 90th day following the date of the enactment of this Act.

(4) CONVEYANCE TERMS.—

(A) TERMS AND CONDITIONS.—The conveyance of property required under paragraph (1) shall be subject to such terms and conditions as may be determined by the Administrator to be necessary to safeguard the interests of the United States. Such terms and conditions shall be consistent with the terms and conditions set forth in this section.

(B) QUITCLAIM DEED.—The conveyance of property required under paragraph (1) shall be by quitclaim deed.

(b) LIMITATION ON CONVEYANCE.—No part of any land conveyed under subsection (a) may be used, during the 30-year period beginning on the date of conveyance for any purpose other than economic development.

(c) REVERSIONARY INTEREST.—

(1) IN GENERAL.—The property conveyed under subsection (a) shall revert to the United States on any date in the 30-year period beginning on the date of such conveyance on which the property is used for a purpose other than economic development.

(2) ENFORCING REVERSION.—The Administrator shall perform all acts necessary to enforce any reversion of property to the United States under this subsection.

(3) INVENTORY OF PUBLIC BUILDINGS SERVICE.—Property that reverts to the United States under this subsection shall be under the control of the General Services Administration.

SEC. 411. Notwithstanding any other provision of law, the land contained in block 111 in the Federal District, Denver, Colorado, obtained pursuant to paragraphs (6) and (7) of section 12 of Public Law 94–204 (43 U.S.C. 1611 note) shall not be subject to condemnation by any agency or instrumentality of the Federal Government, without the consent of the owner of that land.

JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW BOARD

For necessary expenses to carry out the John F. Kennedy Assassination Records Collection Act of 1992, $2,150,000.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, $23,923,000, together with not to exceed $2,430,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $196,963,000: Provided, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to move into the facility.

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES

REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities and presidential libraries, and to provide adequate storage for holdings, $16,229,000 to remain available until expended.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, $5,000,000 to remain available until expended.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100–598, and the Ethics Reform Act of 1989, Public Law 101–194, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed $1,500 for official reception and representation expenses; $8,078,000.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty; $87,076,000, of which not to exceed $1,000,000 shall be available for the establishment of health promotion and disease prevention programs for Federal employees; and in addition $94,736,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printing materials for annuitants, for the retirement and insurance programs, of which $3,500,000 shall be transferred at such times as the Office of Personnel Management deems appropriate, and shall remain available until expended for the costs of automating the retirement recordkeeping systems, together with remaining amounts authorized in previous Acts for the recordkeeping systems: Provided, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, United States Code: Provided further, That, except as may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no payment may be made from the Employees Health Benefits Fund to any physician, hospital, or other provider of health care services or supplies who is, at the time such services or supplies are provided to an individual covered under chapter 89 of title 5, United States Code, excluded, pursuant to section 1128 or 1128A of the Social Security Act (42 U.S.C. 1320a–7–1320a–7a), from participation in any program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.): Provided further, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: Provided further, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, 1997, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

GENERAL PROVISIONS—OFFICE OF PERSONNEL MANAGEMENT

SEC. 421. The first sentence of section 1304(e)(1) of title 5, United States Code, is amended by inserting after ''basis'' the following '', including personnel management services performed at the request of individual agencies (which would otherwise be the responsibility of such agencies), or at the request of nonappropriated fund instrumentalities''.

SEC. 422. Paragraph (1) of section 8906(e) of title 5, United States Code, is amended—

(1) by striking the last sentence of that paragraph and redesignating the remainder of that paragraph as (1)(A);

(2) by adding at the end of paragraph (1)(A) (as so designated) the following:

''(B) During each pay period in which an enrollment continues under subparagraph (A)—

''(i) employee and Government contributions required by this section shall be paid on a current basis; and

''(ii) if necessary, the head of the employing agency shall approve advance payment, recoverable in the same manner as under section 5524a(c), of a portion of basic pay sufficient to pay current employee contributions.

''(C) Each agency shall establish procedures for accepting direct payments of employee contributions for the purposes of this paragraph.''.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, $960,000; and in addition, not to exceed $8,645,000 for administrative expenses to audit the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: Provided, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: Provided, That annuities authorized by the Act of May 29, 1944, as amended, and the

Act of August 19, 1950, as amended (33 U.S.C. 771–75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95–454), the Whistleblower Protection Act of 1989 (Public Law 101–12), Public Law 103–424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103–353), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $8,116,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, $33,781,000: Provided, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the ''Independent Agencies Appropriations Act, 1997''.

TITLE V—GENERAL PROVISIONS

THIS ACT

SECTION 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. Section 5131 of title 31, United States Code, is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 504. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 505. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Treasury Department.

SEC. 506. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 507. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1).

SEC. 508. The Office of Personnel Management may, during the fiscal year ending September 30, 1997, accept donations of supplies, services, land, and equipment for the Federal Executive Institute and Management Development Centers to assist in enhancing the quality of Federal management.

SEC. 509. The United States Secret Service may, during the fiscal year ending September 30, 1997, and hereafter, accept donations of money to offset costs incurred while protecting former Presidents and spouses of former Presidents when the former President or spouse travels for the purpose of making an appearance or speech for a payment of money or any thing of value.

SEC. 510. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 511. None of the funds made available in this Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the House and Senate Committees on Appropriations.

SEC. 512. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c, popularly known as the ''Buy American Act'').

SEC. 513. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.

SEC. 514. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 515. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 1997 from appropriations made available for salaries and expenses for fiscal year 1997 in this Act, shall remain available through September 30, 1998, for each such account for the purposes authorized: Provided, That a request shall be submitted to the House and Senate Committees on Appropriations for approval prior to the expenditure of such funds.

SEC. 516. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth in the budget estimates submitted for appropriations without the advance approval of the House and Senate Committees on Appropriations: Provided, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards in the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools separately set forth in the budget schedules: Provided further, That this provision does not apply to accounts that do not contain an object identification for travel.

SEC. 517. Notwithstanding any other provision of law or regulation during the fiscal year ending September 30, 1997, and thereafter:

(1) The authority of the special police officers of the Bureau of Engraving and Printing, in the Washington, DC Metropolitan area, extends to buildings and land under the custody and control of the Bureau; to buildings and land acquired by or for the Bureau through lease, unless otherwise provided by the acquisition agency; to the streets, sidewalks and open areas immediately adjacent to the Bureau along Wallenberg Place (15th Street) and 14th Street between Independence and Maine Avenues and C and D Streets between 12th and 14th Streets; to areas which include surrounding parking facilities used by Bureau employees, including the lots at 12th and C Streets, SW, Maine Avenue and Water Streets, SW, Maiden Lane, the Tidal Basin and East Potomac Park; to the protection in transit of United States securities, plates and dies used in the production of United States securities, or other products or implements of the Bureau of Engraving and Printing which the Director of that agency so designates.

(2) The authority of the special police officers of the United States Mint extends to the buildings and land under the custody and control of the Mint; to the streets, sidewalks and open areas in the vicinity to such facilities; to surrounding parking facilities used by Mint employees; and to the protection in transit of bullion, coins, dies, and other property and assets of, or in the custody of, the Mint.

(3) The exercise of police authority by Bureau or Mint officers, with the exception of the exercise of authority upon property under the custody and control of the Bureau or the Mint, respectively, shall be deemed supplementary to the Federal police force with primary jurisdictional responsibility. This authority shall be in addition to any other law enforcement authority which has been provided to these officers under other provisions of law or regulations.

SEC. 518. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

SEC. 519. The provision of section 518 shall not apply where the life of the mother would be endangered if the fetus were carried to term, or the pregnancy is the result of an act of rape or incest.

SEC. 520. No part of any appropriation made available in this Act shall be used to implement Bureau of Alcohol, Tobacco and Firearms Ruling TD ATF–360; Re: Notice Nos. 782, 780, 91F009P.

SEC. 521. Notwithstanding title 5, United States Code, Personal Service Contractors (PSC)

employed by the Department of the Treasury shall be considered as Federal Government employees for purposes of making available Federal employee health and life insurance.

SEC. 522. Section 5131 of title 31, United States Code, is amended by striking subsection (c); and by redesignating subsection (d) as subsection (c).

SEC. 523. Section 5112(i)(4) of title 31, United States Code, is amended by adding at the end the following new subparagraph:

''(C) The Secretary may continue to mint and issue coins in accordance with the specifications contained in paragraphs (7), (8), (9), and (10) of subsection (a) and paragraph (1)(A) of this subsection at the same time the Secretary in minting and issuing other bullion and proof gold coins under this subsection in accordance with such program procedures and coin specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.'': Provided, That profits generated from the sale of gold to the United States Mint for this program shall be considered as a receipt to be deposited into the General Fund of the Treasury.

SEC. 524. Section 5112 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(k) The Secretary may mint and issue bullion and proof platinum coins in accordance with such specifications, designs, varieties, quantities, denominations, and inscriptions as the Secretary, in the Secretary's discretion, may prescribe from time to time.'': Provided, That the Secretary is authorized to use Government platinum reserves stockpiled at the United States Mint as working inventory and shall ensure that reserves utilized are replaced by the Mint.

SEC. 526. (a) REIMBURSEMENT OF CERTAIN ATTORNEY FEES AND COSTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall pay from amounts appropriated in title I of this Act under the heading, ''Departmental Offices, Salaries and Expenses'', up to $500,000 to reimburse former employees of the White House Travel Office whose employment in that Office was terminated on May 19, 1993, for any attorney fees and costs they incurred with respect to that termination.

(2) VERIFICATION REQUIRED.—The Secretary shall pay an individual in full under paragraph (1) upon submission by the individual of documentation verifying the attorney fees and costs.

(3) NO INFERENCE OF LIABILITY.—Liability of the United States shall not be inferred from enactment of or payment under this subsection.

(b) LIMITATION ON FILING OF CLAIMS.—The Secretary of the Treasury shall not pay any claim filed under this section that is filed later than 120 days after the date of the enactment of this Act.

(c) LIMITATION.—Payments under subsection (a) shall not include attorney fees or costs incurred with respect to any Congressional hearing or investigation into the termination of employment of the former employees of the White House Travel Office.

(d) REDUCTION.—The amount paid pursuant to this section to an individual for attorney fees and costs described in subsection (a) shall be reduced by any amount received before the date of the enactment of this Act, without obligation for repayment by the individual, for payment of such attorney fees and costs (including any amount received from the funds appropriated for the individual in the matter relating to the ''Office of the General Counsel'' under the heading ''Office of the Secretary'' in title I of the Department of Transportation and Related Agencies Appropriations Act, 1994).

(e) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Payment under this section, when accepted by an individual described in subsection (a), shall be in full satisfaction of all claims of, or on behalf of, the individual against the United States that arose out of the termination of the White House Travel Office employment of that individual on May 19, 1993.

SEC. 527. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 528. (a) CLOSING OF ALLEY.—The alley bisecting the property on which a facility is being constructed for use by the United States Government at 930 H Street, N.W., Washington, District of Columbia, is closed to the public, without regard to any contingencies.

(b) JURISDICTION.—The Administrator of General Services shall have administrative jurisdiction over, and shall hold title on behalf of the United States in, the alley, property, and facility referred to in subsection (a).

SEC. 529. (a) COMMEMORATIVE COIN PROGRAM RESTRICTIONS.—Section 5112 of title 31, United States Code, as amended by sections 524 and 530 of this Act, is amended by adding at the end the following new subsection:

''(m) COMMEMORATIVE COIN PROGRAM RESTRICTIONS.—

''(1) MAXIMUM NUMBER.—Beginning January 1, 1999, the Secretary may mint and issue commemorative coins under this section during any calendar year with respect to not more than 2 commemorative coin programs.

''(2) MINTAGE LEVELS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), in carrying out any commemorative coin program, the Secretary shall mint—

''(i) not more than 750,000 clad half-dollar coins;

''(ii) not more than 500,000 silver one-dollar coins; and

''(iii) not more than 100,000 gold five-dollar or ten-dollar coins.

''(B) EXCEPTION.—If the Secretary determines, based on independent, market-based research conducted by a designated recipient organization of a commemorative coin program, that the mintage levels described in subparagraph (A) are not adequate to meet public demand for that commemorative coin, the Secretary may waive one or more of the requirements of subparagraph (A) with respect to that commemorative coin program.

''(C) DESIGNATED RECIPIENT ORGANIZATION DEFINED.—For purposes of this paragraph, the term 'designated recipient organization' means any organization designated, under any provision of law, as the recipient of any surcharge imposed on the sale of any numismatic item.''.

(b) RECOVERY OF MINT EXPENSES REQUIRED BEFORE PAYMENT OF SURCHARGES TO ANY RECIPIENT ORGANIZATION.—

(1) CLARIFICATION OF LAW RELATING TO DEPOSIT OF SURCHARGES IN THE NUMISMATIC PUBLIC ENTERPRISE FUND.—Section 5134(c)(2) of title 31, United States Code, is amended by inserting '', including amounts attributable to any surcharge imposed with respect to the sale of any numismatic item'' before the period.

(2) CONDITIONS ON PAYMENT OF SURCHARGES TO RECIPIENT ORGANIZATIONS.—Section 5134 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(f) CONDITIONS ON PAYMENT OF SURCHARGES TO RECIPIENT ORGANIZATIONS.—

''(1) PAYMENT OF SURCHARGES.—Notwithstanding any other provision of law, no amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall be paid from the fund to any designated recipient organization unless—

''(A) all numismatic operation and program costs allocable to the program under which such numismatic item is produced and sold have been recovered; and

''(B) the designated recipient organization submits an audited financial statement that demonstrates to the satisfaction of the Secretary of the Treasury that, with respect to all projects or purposes for which the proceeds of such surcharge may be used, the organization has raised funds from private sources for such projects and purposes in an amount that is equal to or greater than the maximum amount the organization may receive from the proceeds of such surcharge.

''(2) ANNUAL AUDITS.—

''(A) ANNUAL AUDITS OF RECIPIENTS REQUIRED.—Each designated recipient organization that receives any payment from the fund of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall provide, as a condition for receiving any such amount, for an annual audit, in accordance with generally accepted government auditing standards by an independent public accountant selected by the organization, of all such payments to the organization beginning in the first fiscal year of the organization in which any such amount is received and continuing until all amounts received by such organization from the fund with respect to such surcharges are fully expended or placed in trust.

''(B) MINIMUM REQUIREMENTS FOR ANNUAL AUDITS.—At a minimum, each audit of a designated recipient organization pursuant to subparagraph (A) shall report—

''(i) the amount of payments received by the designated recipient organization from the fund during the fiscal year of the organization for which the audit is conducted that are derived from the proceeds of any surcharge imposed on the sale of any numismatic item;

''(ii) the amount expended by the designated recipient organization from the proceeds of such surcharges during the fiscal year of the organization for which the audit is conducted; and

''(iii) whether all expenditures by the designated recipient organization during the fiscal year of the organization for which the audit is conducted from the proceeds of such surcharges were for authorized purposes.

''(C) RESPONSIBILITY OF ORGANIZATION TO ACCOUNT FOR EXPENDITURES OF SURCHARGES.—Each designated recipient organization that receives any payment from the fund of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall take appropriate steps, as a condition for receiving any such payment, to ensure that the receipt of the payment and the expenditure of the proceeds of such surcharge by the organization in each fiscal year of the organization can be accounted for separately from all other revenues and expenditures of the organization.

''(D) SUBMISSION OF AUDIT REPORT.—Not later than 90 days after the end of any fiscal year of a designated recipient organization for which an audit is required under subparagraph (A), the organization shall—

''(i) submit a copy of the report to the Secretary of the Treasury; and

''(ii) make a copy of the report available to the public.

''(E) USE OF SURCHARGES FOR AUDITS.—Any designated recipient organization that receives any payment from the fund of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item may use the amount received to pay the cost of an audit required under subparagraph (A).

''(F) WAIVER OF PARAGRAPH.—The Secretary of the Treasury may waive the application of any subparagraph of this paragraph to any designated recipient organization for any fiscal year after taking into account the amount of surcharges that such organization received or expended during such year.

''(G) NONAPPLICABILITY TO FEDERAL ENTITIES.—This paragraph shall not apply to any Federal agency or department or any independent establishment in the executive branch that receives any payment from the fund of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item.

''(H) AVAILABILITY OF BOOKS AND RECORDS.—An organization that receives any payment from the fund of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item shall provide, as a condition for receiving any such payment, to the Inspector General of the Department of the Treasury or the Comptroller General of the United States, upon the request of such Inspector General or the Comptroller General, all books, records, and work papers belonging to or used by the organization, or by any independent public accountant who audited the organization in accordance with subparagraph (A), which may relate to the receipt or expenditure of any such amount by the organization.

''(3) USE OF AGENTS OR ATTORNEYS TO INFLUENCE COMMEMORATIVE COIN LEGISLATION.—No portion of any payment from the fund to any designated recipient organization of any amount derived from the proceeds of any surcharge imposed on the sale of any numismatic item may be used, directly or indirectly, by the organization to compensate any agent or attorney for services rendered to support or influence in any way legislative action of the Congress relating to such numismatic item.

''(4) DESIGNATED RECIPIENT ORGANIZATION DEFINED.—For purposes of this subsection, the term 'designated recipient organization' means any organization designated, under any provision of law, as the recipient of any surcharge imposed on the sale of any numismatic item.''.

(3) SCOPE OF APPLICATION.—The amendments made by this section shall apply with respect to the proceeds of any surcharge imposed on the sale of any numismatic item that are deposited in the Numismatic Public Enterprise Fund after the date of the enactment of this Act.

(4) REPEAL OF EXISTING RECIPIENT REPORT REQUIREMENT.—Section 303 of Public Law 103–186 (31 U.S.C. 5112 note) is repealed.

(c) QUARTERLY FINANCIAL REPORTS.—Section 5134 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(g) QUARTERLY FINANCIAL REPORTS.—

''(1) IN GENERAL.—Not later than the 30th day of each month following each calendar quarter through and including the final period of sales with respect to any commemorative coin program authorized on or after the date of enactment of the Treasury, Postal Service, and General Government Appropriations Act, 1997, the Mint shall submit to the Congress a quarterly financial report in accordance with this subsection.

''(2) REQUIREMENTS.—Each report submitted under paragraph (1) shall include, with respect to the calendar quarter at issue—

''(A) a detailed financial statement, prepared in accordance with generally accepted accounting principles, that includes financial information specific to that quarter, as well as cumulative financial information relating to the entire program;

''(B) a detailed accounting of—

''(i) all costs relating to marketing efforts;

''(ii) all funds projected for marketing use;

''(iii) all costs for employee travel relating to the promotion of commemorative coin programs;

''(iv) all numismatic items minted, sold, not sold, and rejected during the production process; and

''(v) the costs of melting down all rejected and unsold products;

''(C) adequate market-based research for all commemorative coin programs; and

''(D) a description of the efforts of the Mint in keeping the sale price of numismatic items as low as practicable.''.

(d) CITIZENS COMMEMORATIVE COIN ADVISORY COMMITTEE.—

(1) FIXED TERMS FOR MEMBERS.—Section 5135(a)(4) of title 31, United States Code, is amended to read as follows:

''(4) TERMS.—Each member appointed under clause (i) or (iii) of paragraph (3)(A) shall be appointed for a term of 4 years.''.

(2) CHAIRPERSON.—Section 5135(a) of title 31, United States Code, is amended by adding at the end the following new paragraph:

''(7) CHAIRPERSON.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Chairperson of the Advisory Committee shall be elected by the members of the Advisory Committee from among such members.

''(B) EXCEPTION.—The member appointed pursuant to paragraph (3)(A)(ii) (or the alternate to that member) may not serve as the Chairperson of the Advisory Committee, beginning on June 1, 1999.''.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date of enactment of this Act.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1997 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Notwithstanding 31 U.S.C. 1345, any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: Provided, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 604. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at $8,100 except station wagons for which the maximum shall be $9,100: Provided, That these limits may be exceeded by not to exceed $3,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: Provided further, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: Provided further, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

SEC. 605. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922–24.

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence, (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975, or (6) is a national of the People's Republic of China who qualifys for adjustment of status pursuant to the Chinese Student Protection Act of 1992: Provided, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: Provided further, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than 1 year, or both: Provided further, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: Provided further, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in the current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 607. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 608. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order 12873 (October 20, 1993), including any such programs adopted prior to the effective date of the Executive Order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 609. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: Provided, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 610. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 611. For the fiscal year ending September 30, 1997, and thereafter, any department or agency to which the Administrator of General Services has delegated the authority to operate, maintain or repair any building or facility pursuant to section 205(d) of the Federal Property and Administrative Services Act of 1949, as amended, shall retain that portion of the GSA rental payment available for operation, maintenance or repair of the building or facility, as determined by the Administrator, and expend such funds directly for the operation, maintenance or repair of the building or facility. Any funds retained under this section shall remain available until expended for such purposes.

SEC. 612. (a) IN GENERAL.—Section 1306 of title 31, United States Code, is amended to read as follows:

"§ 1306. Use of foreign credits

''(a) IN GENERAL.—Foreign credits (including currencies) owed to or owned by the United States may be used by any agency for any purpose for which appropriations are made for the agency for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), but only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency.

''(b) EXCEPTION TO REIMBURSEMENT REQUIREMENT.—Credits described in subsection (a) that are received as exchanged allowances, or as the proceeds of the sale of personal property, may be used in whole or partial payment for the acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.''.

(b) APPLICABILITY.—The amendment made by this section shall take effect on the date of the enactment of this Act and shall apply thereafter.

SEC. 613. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 614. Funds made available by this or any other Act to the ''Postal Service Fund'' (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 615. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 616. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal year ending on September 30, 1997, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 616 of the Treasury, Postal Service and General Government Appropriations Act, 1996, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 1997, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616; and

(2) during the period consisting of the remainder of fiscal year 1997, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 1997 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 1997 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 1996 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 1996, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1996, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 1996.

(f) For the purpose of administering any provision of law (including section 8431 of title 5, United States Code, and any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

SEC. 617. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to furnish or redecorate the office of such department head, agency head, officer or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations of the House and Senate. For the purposes of this section, the word ''office'' shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 618. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

SEC. 619. Notwithstanding section 1346 of title 31, United States Code, or section 613 of this Act, funds made available for fiscal year 1997 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

SEC. 620. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

(1) the Central Intelligence Agency;

(2) the National Security Agency;

(3) the Defense Intelligence Agency;

(4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;

(5) the Bureau of Intelligence and Research of the Department of State;

(6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

SEC. 621. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 1997 shall obligate or expend any such funds, unless such department, agency or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 622. No part of any appropriation contained in this Act may be used to pay for the expenses of travel of employees, including employees of the Executive Office of the President, not directly responsible for the discharge of official governmental tasks and duties: Provided, That this restriction shall not apply to the family of the President, Members of Congress or their spouses, Heads of State of a foreign country or their designees, persons providing assistance to the President for official purposes, or other individuals so designated by the President.

SEC. 623. Notwithstanding any provision of law, the President, or his designee, must certify to Congress, annually, that no person or persons with direct or indirect responsibility for administering the Executive Office of the President's Drug-Free Workplace Plan are themselves subject to a program of individual random drug testing.

SEC. 624. (a) None of the funds made available in this Act or any other Act may be obligated or expended for any employee training when it is made known to the Federal official having authority to obligate or expend such funds that such employee training—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or ''new age'' belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988;

(5) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or

(6) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 625. No funds appropriated in this or any other Act for fiscal year 1997 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: ''These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. section 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive Order and listed statutes are incorporated into this agreement and are controlling.'': Provided, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 626. (a) None of the funds appropriated by this or any other Act may be expended by any Federal Agency to procure any product or service subject to section 5124 of Public Law 104–106 and that will be available under the procurement by the Administrator of General Services known as ''FTS2000'' unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as ''FTS2000''; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) that agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as ''FTS2000''; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

(b) After December 31, 1998, subsection (a) shall apply only if the Administrator of General Services has reported that the FTS2000 procurement is producing prices that allow the Government to satisfy its requirements for such procurement in the most cost-effective manner.

SEC. 627. Subsection (f) of section 403 of Public Law 103–356 is amended by deleting ''October 1, 1999'' and inserting ''October 1, 2001''.

SEC. 628. (a) IN GENERAL.—Notwithstanding any other provision of law, none of the funds made available by this Act for the Department of the Treasury shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would permit the Secretary of the Treasury to make any loan or extension of credit under section 5302 of title 31, United States Code, with respect to a single foreign entity or government of a foreign country (including agencies or other entities of that government)—

(1) with respect to a loan or extension of credit for more than 60 days, unless the President certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives that—

(A) there is no projected cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the United States from the proposed loan or extension of credit; and

(B) any proposed obligation or expenditure of United States funds to or on behalf of the foreign government is adequately backed by an assured source of repayment to ensure that all United States funds will be repaid; and

(2) other than as provided by an Act of Congress, if that loan or extension of credit would result in expenditures and obligations, including contingent obligations, aggregating more than $1,000,000,000 with respect to that foreign country for more than 180 days during the 12-month period beginning on the date on which the first such action is taken.

(b) WAIVER OF LIMITATIONS.—The President may exceed the dollar and time limitations in subsection (a)(2) if he certifies in writing to the Congress that a financial crisis in that foreign country poses a threat to vital United States economic interests or to the stability of the international financial system.

(c) EXPEDITED PROCEDURES FOR A RESOLUTION OF DISAPPROVAL.—A presidential certification pursuant to subsection (b) shall not take effect, if the Congress, within 30 calendar days after receiving such certification, enacts a joint resolution of disapproval, as described in paragraph (5) of this subsection.

(1) REFERENCE TO COMMITTEES.—All joint resolutions introduced in the Senate to disapprove the certification shall be referred to the Committee on Banking, Housing, and Urban Affairs, and in the House of Representatives, to the appropriate committees.

(2) DISCHARGE OF COMMITTEES.—(A) If the committee of either House to which a resolution has been referred has not reported it at the end of 15 days after its introduction, it is in order to move either to discharge the committee from further consideration of the joint resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same matter, except no motion to discharge shall be in order after the committee has reported a joint resolution with respect to the same matter.

(B) A motion to discharge may be made only by an individual favoring the resolution, and is privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees.

(3) FLOOR CONSIDERATION IN THE SENATE.—(A) A motion in the Senate to proceed to the consideration of a resolution shall be privileged.

(B) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

(4) In the case of a resolution, if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

(5) For purposes of this subsection, the term ''joint resolution'' means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: ''That the Congress disapproves the action of the President under section 628(c) of the Treasury, Postal Service, and General Government Appropriations Act, 1997, notice of which was submitted to the Congress on _____.'', with the blank space being filled with the appropriate date.

(d) APPLICABILITY.—This section—

(1) shall not apply to any action taken as part of the program of assistance to Mexico announced by the President on January 31, 1995; and

(2) shall remain in effect through fiscal year 1997.

SEC. 629. (a) TECHNICAL AMENDMENT.—Section 640 of Public Law 104–52 (109 Stat. 513) is amended by striking ''Service performed'' and inserting ''Hereafter, service performed''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in Public Law 104–52 on the date of its enactment.

SEC. 630. Notwithstanding any other provision of law, no part of any appropriation contained in this Act for any fiscal year shall be available for paying Sunday premium or differential pay to any employee unless such employee actually performed work during the time corresponding to such premium or differential pay.

SEC. 631. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 632. (a) The United States Courthouse under construction at 1030 Southwest 3d Avenue in Portland, Oregon, shall be known and designated as the ''Mark O. Hatfield United States Courthouse''.

(b) Any reference in a law, map, regulation, document, paper, or other record of the United States to the courthouse referred to in section 901 shall be deemed to be a reference to the ''Mark O. Hatfield United States Courthouse''.

(c) This section shall take effect on January 2, 1997.

SEC. 633. SURVIVOR ANNUITY RESUMPTION UPON TERMINATION OF MARRIAGE.—(a) AMENDMENTS.—

(1) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8341(e) of title 5, United States Code, is amended by adding at the end the following:

''(4) If the annuity of a child under this subchapter terminates under paragraph (3)(E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if—

''(A) any lump sum paid is returned to the Fund; and

''(B) that individual is not otherwise ineligible for such annuity.''.

(2) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8443(b) of such title is amended by adding at the end the following: ''If the annuity of a child under this subchapter terminates under subparagraph (E) because of marriage, then, if such marriage ends, such annuity shall resume on the first day of the month in which it ends, but only if any lump sum paid is returned to the Fund, and that individual is not otherwise ineligible for such annuity.''.

(3) FEDERAL EMPLOYEES HEALTH BENEFITS.—Section 8908 of title 5, United States Code, is amended by adding at the end of the following new subsection:

''(d) A surviving child whose survivor annuity under section 8341(e) or 8443(b) was terminated and is later restored under paragraph (4) of section 8341(e) or the last sentence of section 8443(b) may, under regulations prescribed by the Office, enroll in a health benefits plan described by section 8903 or 8903a if such surviving child was covered by any such plan immediately before such annuity was terminated.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to any termination of marriage taking effect before, on, or after the date of enactment of this Act, except that benefits shall be payable only with respect to amounts accruing for periods beginning on the first day of the month beginning after the later of such termination of marriage or such date of enactment.

SEC. 634. AVAILABILITY OF ANNUAL LEAVE FOR EMPLOYEES AFFECTED BY REDUCTION IN FORCE.—Section 6302 of title 5, United States Code, is amended by adding at the end of the following new subsection:

''(g) An employee who is being involuntarily separated from an agency due to a reduction in force or transfer of function under subchapter I of chapter 35 may elect to use annual leave to the employee's credit to remain on the agency's rolls after the date the employee would otherwise have been separated if, and only to the extent that, such additional time in a pay status will enable the employee to qualify for an immediate annuity under section 8336, 8412, 8414, or to qualify to carry health benefits coverage into retirement under section 8905(b).''.

SEC. 635. Section 207(e)(6)(B) of title 18, United States Code, is amended by striking ''level V of the Executive Schedule'' and inserting ''level 5 of the Senior Executive Service''.

SEC. 636. REIMBURSEMENTS RELATING TO PROFESSIONAL LIABILITY INSURANCE.—(a) AUTHORITY.—Notwithstanding any other provision of law, amounts appropriated by this Act (or any other Act for fiscal year 1997 or any fiscal year thereafter) for salaries and expenses may be used to reimburse any qualified employee for not to exceed one-half the costs incurred by such employee for professional liability insurance. A payment under this section shall be contingent upon the submission of such information or documentation as the employing agency may require.

(b) QUALIFIED EMPLOYEE.—For purposes of this section, the term ''qualified employee'' means an agency employee whose position is that of—

(1) a law enforcement officer; or

(2) a supervisor or management official.

(c) DEFINITIONS.—For purposes of this section—

(1) the term ''agency'' means an Executive agency, as defined by section 105 of title 5, United States Code, and any agency of the Legislative Branch of Government including any office or committee of the Senate or the House of Representatives;

(2) the term ''law enforcement officer'' means an employee, the duties of whose position are primarily the investigation, apprehension, prosecution, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including any law enforcement officer under section 8331(20) or 8401(17) of such title 5, or under section 4823 of title 22, United States Code;

(3) the terms ''supervisor'' and ''management official'' have the respective meanings given them by section 7103(a) of such title 5, and

(4) the term ''professional liability insurance'' means insurance which provides coverage for—

(A) legal liability for damages due to injuries to other persons, damage to their property, or other damage or loss to such other persons (including the expenses of litigation and settlement) resulting from or arising out of any tortious act, error, or omission of the covered individual (whether common law, statutory, or constitutional) while in the performance of such individual's official duties as a qualified employee; and

(B) the cost of legal representation for the covered individual in connection with any administrative or judicial proceeding (including any investigation or disciplinary proceeding) relating to any act, error, or omission of the covered individual while in the performance of such individual's official duties as a qualified employee, and other legal costs and fees relating to any such administrative or judicial proceeding.

(d) APPLICABILITY.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply thereafter.

SEC. 637. For purposes of each provision of law amended by section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 1997 in the rates of basic pay for the statutory pay systems.

SEC. 638. For FY 1997, the Secretary of the Treasury is authorized to use funds made available to the FSLIC Resolution Fund under P.L. 103–327, not to exceed $26.1 million, to reimburse the Department of Justice for the reasonable expenses of litigation that are incurred in the defense of claims against the U.S. arising from FIRREA and its implementation.

SEC. 639. Section 608 of Public Law 104–52 is amended in the first sentence by inserting before the period, '', including Federal records disposed of pursuant to a records schedule''.

SEC. 640. In reviewing and analyzing the contracting out, outsourcing or privatization of business and administrative functions, and in implementing 40 U.S.C. sections 1413 and 1423, and other provisions, in title LI of the National Defense Authorization Act for fiscal year 1996 (the Information Technology Management Reform Act)—

(1) the Director of the Office of Management and Budget and the heads of the executive agencies may have studies, analyses, reviews and other management assistance performed by the private sector;

(2) the reviews, analyses, and studies called for by 40 U.S.C. section 1413(b)(2) (B) and (C) shall be completed and reported to the Agency Head within 180 days, or less measured from when a study analysis or review is initiated unless the Agency Head determines additional time is needed;

(3) in accordance with principles and rules governing organizational conflicts of interest, persons involved in a particular study may not compete for any work that is to be or is outsourced as a result of that study; and

(4) this section will apply with respect to studies occurring on or after the date of enactment of this subsection and completed before September 1, 1999 and the Comptroller General of the United States shall review and provide an assessment of this program by January 1, 1999.

SEC. 641. (a) SECTION 1—AUTHORIZATION OF APPROPRIATIONS.—Section 8(a)(1) of the Whistleblower Protection Act of 1989 (5 U.S.C. 5509 note, Public Law 101–12, April 10, 1989, 103 Stat. 34, as amended Public Law 103–424, Section 1, October 29, 1994, 108 Stat. 4361), is amended by striking the words: ''1993, 1994, 1995, 1996, and 1997,'' and inserting in lieu thereof ''1998, 1999, 2000, 2001, and 2002''.

(b) SECTION 2—EFFECTIVE DATE.—This Act shall take effect on October 1, 1998.

SEC. 642. (a) SECTION 1.—AUTHORIZATION OF APPROPRIATIONS.—Section 8(a)(1) of the Whistleblower Protection Act of 1989 (5 U.S.C. 5509 note; Public Law 103–424; 103 Stat. 34) is amended by striking out: ''1993, 1994, 1995, 1996, and 1997,'' and inserting in lieu thereof ''1998, 1999, 2000, 2001, and 2002''.

(b) SECTION 2—EFFECTIVE DATE.—This Act shall take effect on October 1, 1998.

SEC. 643. MODIFICATIONS OF NATIONAL COMMISSION ON RESTRUCTURING THE INTERNAL REVENUE SERVICE.—(a) QUORUM.—Paragraph (4) of section 637(b) of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104–52, 109 Stat. 510) is amended by striking ''Seven'' and inserting ''Nine''.

(b) CO-CHAIRS.—

(1) IN GENERAL.—Paragraph (3) of section 637(b) of such Act is amended—

(A) by striking ''a Chairman'' and inserting ''Co-Chairs'', and

(B) by striking ''Chairman'' in the heading and inserting ''Co-Chairs''.

(2) CONFORMING AMENDMENTS.—(A) Paragraph (5)(B) of section 637(b) of such Act is amended by striking ''a Chairman'' and inserting ''Co-Chairs''.

(B) Subsections (b)(4), (d)(1)(B), (d)(3), and (e)(1) of section 637 of such Act are each amended by striking ''Chairman'' each place it appears and inserting ''Co-Chairs''.

(c) GIFTS.—Section 637(d) of such Act is amended by adding at the end the following new paragraph:

''(6) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property in carrying out its duties under this section.''

(d) TRAVEL EXPENSES.—Section 637(f)(2) of such Act is amended by striking ''shall'' and inserting ''may''.

(e) TIME FOR FILING REPORT.—

(1) IN GENERAL.—Paragraph (1) of section 637(g) of such Act is amended by striking ''one year'' and inserting ''15 months''.

(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 637(c)(1) of such Act is amended by striking ''one year'' and inserting ''15 months''.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Treasury, Postal Service, and General Government Appropriations Act, 1996.

SEC. 644. (a) IN GENERAL.—Section 202(a) of title 39, United States Code, is amended by striking ''$10,000 a year'' and inserting ''$30,000 a year''.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at the beginning of the next applicable pay period beginning after the date of the enactment of this Act.

SEC. 645. (a) IN GENERAL.—No later than September 30, 1997, the Director of the Office of Management and Budget shall submit to the Congress a report that provides—

(1) estimates of the total annual costs and benefits of Federal regulatory programs, including quantitative and nonquantitative measures of regulatory costs and benefits;

(2) estimates of the costs and benefits (including quantitative and nonquantitative measures) of each rule that is likely to have a gross annual effect on the economy of $100,000,000 or more in increased costs;

(3) an assessment of the direct and indirect impacts of Federal rules on the private sector, State and local government, and the Federal Government; and

(4) recommendations from the Director and a description of significant public comments to reform or eliminate any Federal regulatory program or program element that is inefficient, ineffective, or is not a sound use of the Nation's resources.

(b) NOTICE.—The Director shall provide public notice and an opportunity to comment on the report under subsection (a) before the report is issued in final form.

SEC. 646. Subsection (b) of section 404 of Public Law 103–356 is amended by deleting ''September 30, 1997'' and inserting ''December 31, 1999''.

SEC. 647. (a) Notwithstanding any other provision of law, the Secretary shall, on behalf of the United States, transfer to the University of Miami, without charge, title to the real property and improvements that as of the date of the enactment of this Act constitute the Federal facility known as the Perrine Primate Center, subject to the condition that, during the 10-year period beginning on the date of the transfer—

(1) the University will provide for the continued use of the real property and improvements as an animal research facility, including primates, and such use will be the exclusive use of the property (with such incidental exceptions as the Secretary may approve); or

(2) the real property and improvements will be used for research-related purposes other than the purpose specified in paragraph (1) (or for both of such purposes), if the Secretary and the University enter into an agreement accordingly.

(b) The conveyance under subsection (a) shall not become effective unless the conveyance specifies that, if the University of Miami engages in a material breach of the conditions specified in such subsection, title to the real property and improvements involved reverts to the United States at the election of the Secretary.

(c) The real property referred to in subsections (a) and (b) is located in the county of Dade in the State of Florida, and is a parcel consisting of the northernmost 30 acre-parcel of the area. The exact acreage and legal description used for purposes of the transfer under subsection (a) shall be in accordance with a survey that is satisfactory to the Secretary.

(d) For the purposes of this section—

(1) the term ''Secretary'' means the Secretary of Health and Human Services; and

(2) the term ''University of Miami'' means the University of Miami located in the State of Florida.

SEC. 648. (a) INCREASED PENALTIES FOR COUNTERFEITING VIOLATIONS.—Sections 474 and 474A of title 18, United States Code, are amended by striking ''class C felony'' each place that term appears and inserting ''class B felony''.

(b) CRIMINAL PENALTY FOR PRODUCTION, SALE, TRANSPORTATION, POSSESSION OF FICTITIOUS FINANCIAL INSTRUMENTS PURPORTING TO BE THOSE OF THE STATES, OF POLITICAL SUBDIVISIONS, AND OF PRIVATE ORGANIZATIONS.—

(1) IN GENERAL.—Chapter 25 of title 18, United States Code, is amended by inserting after section 513, the following new section:

''§ 514. Fictitious obligations

''(a) Whoever, with the intent to defraud—

''(1) draws, prints, processes, produces, publishes, or otherwise makes, or attempts or causes the same, within the United States;

''(2) passes, utters, presents, offers, brokers, issues, sells, or attempts or causes the same, or with like intent possesses, within the United States; or

''(3) utilizes interstate or foreign commerce, including the use of the mails or wire, radio, or other electronic communication, to transmit, transport, ship, move, transfer, or attempts or causes the same, to, from, or through the United States,

any false or fictitious instrument, document, or other item appearing, representing, purporting, or contriving through scheme or artifice, to be an actual security or other financial instrument issued under the authority of the United States, a foreign government, a State or other political subdivision of the United States, or an organization, shall be guilty of a class B felony.

''(b) For purposes of this section, any term used in this section that is defined in section 513(c) has the same meaning given such term in section 513(c).

''(c) The United States Secret Service, in addition to any other agency having such authority, shall have authority to investigate offenses under this section.''.

(2) TECHNICAL AMENDMENT.—The analysis for chapter 25 of title 18, United States Code, is amended by inserting after the item relating to section 513 the following:

''514. Fictitious obligations.''.

(c) PERIOD OF EFFECT.—This section and the amendments made by this section shall become effective on the date of enactment of this Act and shall remain in effect during each fiscal year following that date of enactment.

SEC. 649. None of the funds appropriated by this Act may be used by an agency to provide a Federal employee's home address to any labor organization except when it is made known to the Federal official having authority to obligate or expend such funds that the employee has authorized such disclosure or that such disclosure has been ordered by a court of competent jurisdiction.

SEC. 650. (a) No later than 45 days after the date of the enactment of this Act, the Inspector General of each Federal department or agency that uses administratively uncontrollable overtime in the pay of any employee shall—

(1) conduct an audit on the use of administratively uncontrollable overtime by employees of such department or agency, which shall include—

(A) an examination of the policies, extent, costs, and other relevant aspects of the use of administratively uncontrollable overtime at the department or agency; and

(B) a determination of whether the eligibility criteria of the department or agency and payment of administratively uncontrollable overtime comply with Federal statutory and regulatory requirements; and

(2) submit a report of the findings and conclusions of such audit to—

(A) the Office of Personnel Management;

(B) the Governmental Affairs Committee of the Senate; and

(C) the Government Reform and Oversight Committee of the House of Representatives.

(b) No later than 30 days after the submission of the report under subsection (a), the Office of Personnel Management shall issue revised guidelines to all Federal departments and agencies that—

(1) limit the use of administratively uncontrollable overtime to employees meeting the statutory intent of section 5545(c)(2) of title 5, United States Code; and

(2) expressly prohibit the use of administratively uncontrollable overtime for—

(A) customary or routine work duties; and

(B) work duties that are primarily administrative in nature, or occur in noncompelling circumstances.

SEC. 651. Notwithstanding section 8116 of title 5, United States Code, and in addition to any payment made under 5 U.S.C. 8101 et seq., beginning in fiscal year 1997 and thereafter, the head of any department or agency is authorized to pay from appropriations made available to the department or agency a death gratuity to the personal representative (as that term is defined by applicable law) of a civilian employee of that department or agency whose death resulted from an injury sustained in the line of duty on or after August 2, 1990: Provided, That payments made pursuant to this section, in combination with the payments made pursuant to sections 8133(f) and 8134(a) of such title 5 and section 312 of Public Law 103–332 (108 Stat. 2537), may not exceed a total of $10,000 per employee.

SEC. 653. (a) AUTHORIZATION.—

The Secretary of the Treasury is authorized to establish scientific certification standards for explosives detection canines, and shall provide, on a reimbursable basis, for the certification of explosives detection canines employed by Federal agencies, or other agencies providing explosives detection services at airports in the United States.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

SEC. 654. NATIONAL REPOSITORY FOR INFORMATION ON EXPLOSIVES INCIDENTS AND ARSON.

(a) Section 846 of title 18, United States Code, is amended by—

(1) designating the existing section as subsection (a); and

(2) by adding the following new subsection (b) to read as follows:

''(b) The Secretary is authorized to establish a national repository of information on incidents involving arson and the suspected criminal misuse of explosives. All Federal agencies having information concerning such incidents shall report the information to the Secretary pursuant to such regulations as deemed necessary to carry out the provisions of this subsection. The repository shall also contain information on incidents voluntarily reported to the Secretary by State and local authorities.''.

(b) There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

SEC. 655. Section 5(c)(1) of Public Law 102–259 (20 U.S.C. 5603(c)(1)) is amended—

(1) in subparagraph (A)(iii), by striking ''and'' after the semicolon;

(2) in subparagraph (B), by striking the period and inserting ''; and''; and

(3) by adding after subparagraph (B) the following:

''(C) a Trustee may serve after the expiration of the Trustee's term until a successor has been chosen.''.

SEC. 656. Notwithstanding any other provision of law, the Secretary of the Interior, through the Bureau of Indian Affairs, may directly transfer to Indian tribes in North and South Dakota portable housing units at the Grand Forks Air Force base in North Dakota which have been declared excess by the Department of Defense and requested for transfer by the Department of the Interior.

SEC. 657. Section 922(q) of title 18, United States Code, is amended to read as follows:

''(q)(1) The Congress finds and declares that—

''(A) crime, particularly crime involving drugs and guns, is a pervasive, nationwide problem;

''(B) crime at the local level is exacerbated by the interstate movement of drugs, guns, and criminal gangs;

''(C) firearms and ammunition move easily in interstate commerce and have been found in increasing numbers in and around schools, as documented in numerous hearings in both the Committee on the Judiciary the House of Representatives and the Committee on the Judiciary of the Senate;

''(D) in fact, even before the sale of a firearm, the gun, its component parts, ammunition, and the raw materials from which they are made have considerably moved in interstate commerce;

''(E) while criminals freely move from State to State, ordinary citizens and foreign visitors may fear to travel to or through certain parts of the country due to concern about violent crime and gun violence, and parents may decline to send their children to school for the same reason;

''(F) the occurrence of violent crime in school zones has resulted in a decline in the quality of education in our country;

''(G) this decline in the quality of education has an adverse impact on interstate commerce and the foreign commerce of the United States;

''(H) States, localities, and school systems find it almost impossible to handle gun-related crime by themselves—even States, localities, and school systems that have made strong efforts to prevent, detect, and punish gun-related crime find their efforts unavailing due in part to the failure or inability of other States or localities to take strong measures; and

''(I) the Congress has the power, under the interstate commerce clause and other provisions of the Constitution, to enact measures to ensure the integrity and safety of the Nation's schools by enactment of this subsection.

''(2)(A) It shall be unlawful for any individual knowingly to possess a firearm that has moved in or that otherwise affects interstate or foreign commerce at a place that the individual knows, or has reasonable cause to believe, is a school zone.

''(B) Subparagraph (A) does not apply to the possession of a firearm—

''(i) on private property not part of school grounds;

''(ii) if the individual possessing the firearm is licensed to do so by the State in which the school zone is located or a political subdivision of the State, and the law of the State or political subdivision requires that, before an individual obtains such a license, the law enforcement authorities of the State or political subdivision verify that the individual is qualified under law to receive the license;

''(iii) that is—

''(I) not loaded; and

''(II) in a locked container, or a locked firearms rack that is on a motor vehicle;

''(iv) by an individual for use in a program approved by a school in the school zone;

''(v) by an individual in accordance with a contract entered into between a school in the school zone and the individual or an employer of the individual;

''(vi) by a law enforcement officer acting in his or her official capacity; or

''(vii) that is unloaded and is possessed by an individual while traversing school premises for the purpose of gaining access to public or private lands open to hunting, if the entry on school premises is authorized by school authorities.

''(3)(A) Except as provided in subparagraph (B), it shall be unlawful for any person, knowingly or with reckless disregard for the safety of another, to discharge or attempt to discharge a firearm that has moved in or that otherwise affects interstate or foreign commerce at a place that the person knows is a school zone.

''(B) Subparagraph (A) does not apply to the discharge of a firearm—

''(i) on private property not part of school grounds;

''(ii) as part of a program approved by a school in the school zone, by an individual who is participating in the program;

''(iii) by an individual in accordance with a contract entered into between a school in a school zone and the individual or an employer of the individual; or

''(iv) by a law enforcement officer acting in his or her official capacity.

''(4) Nothing in this subsection shall be construed as preempting or preventing a State or local government from enacting a statute establishing gun free school zones as provided in this subsection.''.

SEC. 658. GUN BAN FOR INDIVIDUALS CONVICTED OF A MISDEMEANOR CRIME OF DOMESTIC VIOLENCE.

(a) DEFINITION.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

''(33)(A) Except as provided in subparagraph (C), the term 'misdemeanor crime of domestic violence' means an offense that—

''(i) is a misdemeanor under Federal or State law; and

''(ii) has, as an element, the use or attempted use of physical force, or the threatened use of a deadly weapon, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim.

''(B)(i) A person shall not be considered to have been convicted of such an offense for purposes of this chapter, unless—

''(I) the person was represented by counsel in the case, or knowingly and intelligently waived the right to counsel in the case; and

(II) in the case of a prosecution for an offense described in this paragraph for which a person was entitled to a jury trial in the jurisdiction in which the case was tried, either

(aa) the case was tried by a jury, or

(bb) the person knowingly and intelligently waived the right to have the case tried by a jury, by guilty plea or otherwise,

''(ii) A person shall not be considered to have been convicted of such an offense for purposes of this chapter if the conviction has been expunged or set aside, or is an offense for which the person has been pardoned or has had civil rights restored (if the law of the applicable jurisdiction provides for the loss of civil rights under such an offense) unless the pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms.''.

(b) PROHIBITIONS.—

(1) Section 922(d) of such title is amended—

(A) by striking ''or'' at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting ''; or''; and

(C) by inserting after paragraph (8) the following:

''(9) has been convicted in any court of a misdemeanor crime of domestic violence.''.

(2) Section 922(g) of such title is amended—

(A) by striking ''or'' at the end of paragrph (7);

(B) by striking the comma at the end of paragraph (8) and inserting ''; or''; and

(C) by inserting after paragraph (8) the following:

''(9) who has been convicted in any court of a misdemeanor crime of domestic violence,''.

(3) Section 922(s)(3)(B)(i) of such title is amended by inserting '', and has not been convicted in any court of a misdemeanor crime of domestic violence'' before this semicolon.

(c) GOVERNMENT ENTITIES NOT EXCEPTED.—Section 925(a)(1) of such title is amended by inserting ''sections 922(d)(9) and 922(g)(9) and'' after ''except for''.

SEC. 659. THRIFT SAVINGS PLAN.

TITLE I—ADDITIONAL INVESTMENT FUNDS FOR THE THRIFT SAVINGS PLAN

SEC. 101. SHORT TITLE

This title may be cited as the ''Thrift Savings Investment Funds Act of 1996''.

SEC. 102. ADDITIONAL INVESTMENT FUNDS FOR THE THRIFT SAVINGS PLAN

Section 8438 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (5) through (8) as paragraphs (6) through (9), respectively;

(B) by inserting after paragraph (4) the following new paragraph:

''(5) the term 'International Stock Index Investment Fund' means the International Stock Index Investment Fund established under subsection (b)(1)(E);'';

(C) in paragraph (8) (as redesignated by subparagraph (A) of this paragraph) by striking out ''and'' at the end thereof;

(D) in paragraph (9) (as redesignated by subparagraph (A) of this paragraph)—

(i) by striking out ''paragraph (7)(D)'' in each place it appears and inserting in each such place ''paragraph (8)(D)''; and

(ii) by striking out the period and inserting in lieu thereof a semicolon and ''and''; and

(E) by adding at the end thereof the following new paragraph:

''(10) the term 'Small Capitalization Stock Index Investment Fund' means the Small Capitalization Stock Index Investment Fund established under subsection (b)(1)(D).''; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B) by striking out ''and'' at the end thereof;

(ii) in subparagraph (C) by striking out the period and inserting in lieu thereof a semicolon; and

(iii) by adding at the end thereof the following new subparagraphs:

''(D) a Small Capitalization Stock Index Investment Fund as provided in paragraph (3); and

''(E) an International Stock Index Investment Fund as provided in paragraph (4).''; and

(B) by adding at the end thereof the following new paragraphs:

''(3)(A) The Board shall select an index which is a commonly recognized index comprised of common stock the aggregate market value of which represents the United States equity markets excluding the common stocks included in the Common Stock Index Investment Fund.

''(B) The Small Capitalization Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index in subparagraph (A). The portfolio shall be designed such that, to the extent practicable, the percentage of the Small Capitalization Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in such index.

''(4)(A) The Board shall select an index which is a commonly recognized index comprised of

stock the aggregate market value of which is a reasonably complete representation of the international equity markets excluding the United States equity markets.

''(B) The International Stock Index Investment Fund shall be invested in a portfolio designed to replicate the performance of the index in subparagraph (A). The portfolio shall be designed such that, to the extent practicable, the percentage of the International Stock Index Investment Fund that is invested in each stock is the same as the percentage determined by dividing the aggregate market value of all shares of that stock by the aggregate market value of all shares of all stocks included in such index.''.

SEC. 103. ACKNOWLEDGEMENT OF INVESTMENT RISK

Section 8439(d) of title 5, United States Code, is amended by striking out ''Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund or the Fixed Income Investment Fund described in paragraphs (1) and (3),'' and inserting in lieu thereof ''Each employee, Member, former employee, or former Member who elects to invest in the Common Stock Index Investment Fund, the Fixed Income Investment Fund, the International Stock Index Investment Fund, or the Small Capitalization Stock Index Investment Fund, defined in paragraphs (1), (3), (5), and (10),''.

SEC. 104. EFFECTIVE DATE

This title shall take effect on the date of enactment of this Act, and the Funds established under this title shall be offered for investment at the earliest practicable election period (described in section 8432(b) of title 5, United States Code) as determined by the Executive Director in regulations.

TITLE II—THRIFT SAVINGS ACCOUNTS LIQUIDITY

SEC. 201. SHORT TITLE

This title may be cited as the ''Thrift Savings Plan Act of 1996''.

SEC. 202. NOTICE TO SPOUSES FOR IN-SERVICE WITHDRAWALS; DE MINIMUS ACCOUNTS; CIVIL SERVICE RETIREMENT SYSTEM PARTICIPANTS

Section 8351(b) of title 5, United States Code, is amended—

(1) in paragraph (5)—

(A) in subparagraph (B)—

(i) by striking out ''An election, change of election, or modification (relating to the commencement date of a deferred annuity)'' and inserting in lieu thereof ''An election or change of election'';

(ii) by inserting ''or withdrawal'' after ''and a loan'';

(iii) by inserting ''and (h)'' after ''8433(g)'';

(iv) by striking out ''the election, change of election, or modification'' and inserting in lieu thereof ''the election or change of election''; and

(v) by inserting ''or withdrawal'' after ''for such loan''; and

(B) in subparagraph (D)—

(i) by inserting ''or withdrawals'' after ''of loans''; and

(ii) by inserting ''or (h)'' after ''8433(g)''; and

(2) in paragraph (6)—

(A) by striking out ''$3,500 or less'' and inserting in lieu thereof ''less than an amount that the Executive Director prescribes by regulation''; and

(B) by striking out ''unless the employee or Member elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b)''.

SEC. 203. IN-SERVICE WITHDRAWALS; WITHDRAWAL ELECTIONS, FEDERAL EMPLOYEES RETIREMENT SYSTEM PARTICIPANTS

(a) IN GENERAL.—Section 8433 of title 5, United States Code, is amended—

(1) by striking out subsections (b) and (c) and inserting in lieu thereof the following:

''(b) Subject to section 8435 of this title, any employee or Member who separates from Government employment is entitled and may elect to withdraw from the Thrift Savings Fund the balance of the employee's or Member's account as—

''(1) an annuity;

''(2) a single payment;

''(3) 2 or more substantially equal payments to be made not less frequently than annually; or

''(4) any combination of payments as provided under paragraphs (1) through (3) as the Executive Director may prescribe by regulation.

''(c)(1) In addition to the right provided under subsection (b) to withdraw the balance of the account, an employee or Member who separates from Government service and who has not made a withdrawal under subsection (h)(1)(A) may make one withdrawal of any amount as a single payment in accordance with subsection (b)(2) from the employee's or Member's account.

''(2) An employee or Member may request that the amount withdrawn from the Thrift Savings Fund in accordance with subsection (b)(2) be transferred to an eligible retirement plan.

''(3) The Executive Director shall make each transfer elected under paragraph (2) directly to an eligible retirement plan or plans (as defined in section 402(c)(8) of the Internal Revenue Code of 1986) identified by the employee, Member, former employee, or former Member for whom the transfer is made.

''(4) A transfer may not be made for an employee, Member, former employee, or former Member under paragraph (2) until the Executive Director receives from that individual the information required by the Executive Director specifically to identify the eligible retirement plan or plans to which the transfer is to be made.'';

(2) in subsection (d)—

(A) in paragraph (1) by striking out ''Subject to paragraph (3)(A)'' and inserting in lieu thereof ''Subject to paragraph (3)'';

(B) by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(C) in paragraph (2) (as redesignated under subparagraph (B) of this paragraph)—

(i) in subparagraph (A) by striking out ''(A) by striking out ''(A)''; and

(ii) by striking out subparagraph (B);

(3) in subsection (f)(1)—

(A) by striking out ''$3,500 or less'' and inserting in lieu thereof ''less than an amount that the Executive Director prescribes by regulation; and

(B) by striking out ''unless the employee or Member elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b), or'' and inserting a comma;

(4) in subsection (f)(2)—

(A) by striking out ''February 1'' and inserting in lieu thereof ''April 1'';

(B) in subparagraph (A)—

(i) by striking out ''65'' and inserting in lieu thereof ''70½''; and

(ii) by inserting ''or'' after the semicolon;

(C) by striking out subparagraph (B); and

(D) by redesignating subparagraph (C) as subparagraph (B);

(5) in subsection (g)—

(A) in paragraph (1) by striking out ''after December 31, 1987, and'', and by adding at the end of the paragraph the following sentence: ''Before a loan is issued, the Executive Director shall provide in writing the employee or Member with appropriate information concerning the cost of the loan relative to other sources of financing, as well as the lifetime cost of the loan, including the difference in interest rates between the funds offered by the Thrift Savings Fund, and any other effect of such loan on the employee's or Member's final account balance.''; and

(B) by striking out paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively; and

(6) by adding after subsection (g) the following new subsection:

''(h)(1) An employee or Member may apply, before separation, to the Board for permission to withdraw an amount from the employee's or Member's account based upon—

''(A) the employee or Member having attained age 59½; or

''(B) financial hardship.

''(2) A withdrawal under paragraph (1)(A) shall be available to each eligible participant one time only.

''(3) A withdrawal under paragraph (1)(B) shall be available only for an amount not exceeding the value of that portion of such account which is attributable to contributions made by the employee or Member under section 8432(a) of this title.

''(4) Withdrawals under paragraph (1) shall be subject to such other conditions as the Executive Director may prescribe by regulation.

''(5) A withdrawal may not be made under this subsection unless the requirements of section 8435(e) of this title are satisfied.''.

(b) INVALIDITY OF CERTAIN PRIOR ELECTIONS.—Any election made under section 8433(b)(2) of title 5, United States Code (as in effect before the effective date of this title), with respect to an annuity which has not commenced before the implementation date of this title as provided by regulation by the Executive Director in accordance with section 207 of this title, shall be invalid.

SEC. 204. SURVIVOR ANNUITIES FOR FORMER SPOUSES; NOTICE TO FEDERAL EMPLOYEES RETIREMENT SYSTEM SPOUSES FOR IN-SERVICE WITHDRAWALS

Section 8435 of title 5, United States Code, is amended—

(1) in subsection (a)(1)(A)—

(A) by striking out ''may make an election under subsection (b)(3) or (b)(4) or section 8433 of this title or change an election previously made under subsection (b)(1) or (b)(2) of such section'' and inserting in lien thereof ''may withdraw all or part of a Thrift Savings Fund account under subsection (b) (2), (3), or (4) of section 8433 of this title or change a withdrawal election''; and

(B) by adding at the end thereof ''A married employee or Member (or former employee or Member) may make a withdrawal from a Thrift Savings Fund account under subsection (c)(1) of section 8433 of this title only if the employee or Member (or former employee or Member) satisfies the requirements of subparagraph (B).'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking out ''An election, change of election, or modification of the commencement date of a deferred annuity'' and inserting in lieu thereof ''An election or change of election''; and

(ii) by striking out ''modification, or transfer'' and inserting in lien thereof ''or transfer''; and

(B) in paragraph (2) in the matter following subparagraph (B)(ii) by striking out ''modification,'';

(3) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by inserting ''or withdrawal'' after ''A loan;'';

(II) by inserting ''and (h)'' after ''8433(g)''; and

(III) by inserting ''or withdrawal'' after ''such loan'';

(ii) in subparagraph (B) by inserting ''or withdrawal'' after ''loan''; and

(iii) in subparagraph (C)—

(I) by inserting ''or withdrawal'' after ''to a loan''; and

(II) by inserting ''or withdrawal'' after ''for such loan''; and

(B) in paragraph (2)—

(i) by inserting ''or withdrawal'' after ''loan''; and

(ii) by inserting ''and (h)'' after ''8344(g)''; and

(4) in subsection (g)—

(A) by inserting ''or withdrawals'' after ''loans''; and

(B) by inserting ''and (h)'' after ''8344(g)''.

SEC. 205. DE MINIMUS ACCOUNTS RELATING TO THE JUDICIARY

(a) JUSTICES AND JUDGES.—Section 8440a(b)(7) of title 5, United States Code, is amended—

(1) by striking out ''$3,500 or less'' and inserting in lieu thereof ''less than an amount that the Executive Director prescribes by regulation''; and

(2) by striking out ''unless the justice or judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b)''.

(b) BANKRUPTCY JUDGES AND MAGISTRATES.—Section 8440b(b) of title 5, United States Code, is amended—

(1) in paragraph (7) in the first sentence by inserting ''of the distribution'' after ''equal to the amount''; and

(2) in paragraph (8)—

(A) by striking out ''$3,500 or less'' and inserting in lieu thereof ''less than an amount that the Executive Director prescribes by regulation''; and

(B) by striking out ''unless the bankruptcy judge or magistrate elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under subsection (b)''.

(c) FEDERAL CLAIMS JUDGES.—Section 8440c(b) of title 5, United States Code, is amended—

(1) in paragraph (7) in the first sentence by inserting ''of the distribution'' after ''equal to the amount''; and

(2) in paragraph (8)—

(A) by striking out ''$3,500 or less'' and inserting in lieu thereof ''less than an amount that the Executive Director prescribes by regulation''; and

(B) by striking out ''unless the judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b)''.

SEC. 206. DEFINITION OF BASIC PAY

(a) IN GENERAL.—(1) Section 8401(4) of title 5, United States Code, is amended by striking out ''except as provided in subchapter III of this chapter,''.

(2) Section 8431 of title 5, United States Code, is repealed.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The table of sections for chapter 84 of title 5, United States Code, is amended by striking out the item relating to section 8431.

(2) Section 5545a(h)(2)(A) of title 5, United States Code, is amended by striking out ''8431,''.

(3) Section 615(f) of the Treasury, Postal Service, and General Government Appropriations Act, 1996 (Public Law 104–52; 109 Stat. 500; 5 U.S.C. 5343 note) is amended by striking out ''section 8431 of title 5, United States Code,''.

SEC. 207. EFFECTIVE DATE

This title shall take effect on the date of the enactment of this Act and withdrawals and elections as provided under the amendments made by this title shall be made at the earliest practicable date as determined by the Executive Director in regulations.

Sec. 660. Notwithstanding Section 613, interagency financing is authorized to carry out the purposes of the National Bioethics Advisory Commission.

SEC. 661. (a) DESIGNATION.—The United States courthouse to be constructed at 111 South 18th Plaza, Omaha, Nebraska, shall be known and designated as the ''Roman L. Hruska United States Courthouse''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the ''Roman L. Hruska United States Courthouse''.

SEC. 662. (a) PROVISIONS RELATING TO TITLE 39, UNITED STATES CODE.—

''(1) APPOINTMENT AND REMOVAL OF INSPECTOR GENERAL.—Section 202 of title 39, United States Code, is amended by adding at the end the following:

''(e)(1) The Governors shall appoint and shall have the power to remove the Inspector General.

''(2) The Inspector General shall be appointed—

''(A) for a term of 7 years;

''(B) without regard to political affiliation; and

''(C) solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

''(3) The Inspector General may at any time be removed upon the written concurrence of at least 7 Governors, but only for cause. Nothing in this subsection shall be considered to exempt the Governors from the requirements of section 8G(e) of the Inspector General Act of 1978.''.

(2) DEFINITION.—Section 102 of title 39, United States Code, is amended—

(A) by striking ''and'' at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(C) by adding at the end the following:

''(4) 'Inspector General' means the Inspector General appointed under section 202(e) of this title.''.

(3) SEPARATE ITEM IN ANNUAL BUDGET.—For purposes of the fifth sentence of section 2009 of title 39, United States Code, the operations of the Office of Inspector General of the United States Postal Service shall be considered a major type of activity.

(b) AMENDMENTS TO THE INSPECTOR GENERAL ACT OF 1978.—

(1) GOVERNORS AS HEAD OF THE POSTAL SERVICE.—Section 8G(a)(4) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking ''except that'' and all that follows through the semicolon and inserting ''except that—

''(A) with respect to the National Science Foundation, such term means the National Science Board; and

''(B) with respect to the United States Postal Service, such term means the Governors (within the meaning of section 102(3) of title 39, United States Code);''.

(2) SPECIAL RULES RELATING TO THE UNITED STATES POSTAL SERVICE.—Subsection (f) of section 8G of such Act is amended to read as follows:

''(f)(1) For purposes of carrying out subsection (c) with respect to the United States Postal Service, the appointment provisions of section 202(e) of title 39, United States Code, shall be applied.

''(2) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the United States Postal Service (hereinafter in this subsection referred to as the 'Inspector General') shall have oversight responsibility for all activities of the Postal Inspection Service, including any internal investigation performed by the Postal Inspection Service. The Chief Postal Inspector shall promptly report the significant activities being carried out by the Postal Inspection Service to such Inspector General.

''(3)(A)(i) Notwithstanding subsection (d), the Inspector General shall be under the authority, direction, and control of the Governors with respect to audits or investigations, or the issuance of subpoenas, which require access to sensitive information concerning—

''(I) ongoing civil or criminal investigations or proceedings;

''(II) undercover operations;

''(III) the identity of confidential sources, including protected witnesses;

''(IV) intelligence or counterintelligence matters; or

''(V) other matters the disclosure of which would constitute a serious threat to national security.

''(ii) With respect to the information described under clause (i), the Governors may prohibit the Inspector General from carrying out or completing any audit or investigation, or from issuing any subpoena, after such Inspector General has decided to initiate, carry out, or complete such audit or investigation or to issue such subpoena, if the Governors determine that such prohibition is necessary to prevent the disclosure of any information described under clause (i) or to prevent the significant impairment to the national interests of the United States.

''(iii) If the Governors exercise any power under clause (i) or (ii), the Governors shall notify the Inspector General in writing stating the reasons for such exercise. Within 30 days after receipt of any such notice, the Inspector General shall transmit a copy of such notice to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives, and to other appropriate committees or subcommittees of the Congress.

''(B) In carrying out the duties and responsibilities specified in this Act, the Inspector General—

''(i) may initiate, conduct and supervise such audits and investigations in the United States Postal Service as the Inspector General considers appropriate; and

''(ii) shall give particular regard to the activities of the Postal Inspection Service with a view toward avoiding duplication and insuring effective coordination and cooperation.

''(C) Any report required to be transmitted by the Governors to the appropriate committees or subcommittees of the Congress under section 5(d) shall also be transmitted, within the seven-day period specified under such section, to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives.

''(3) Nothing in this Act shall restrict, eliminate, or otherwise adversely affect any of the rights, privileges, or benefits of either employees of the United States Postal Service, or labor organizations representing employees of the United States Postal Service, under chapter 12 of title 39, United States Code, the National Labor Relations Act, any handbook or manual affecting employee labor relations with the United States Postal Service, or any collective bargaining agreement.

''(4) As used in this subsection, the term 'Governors' has the meaning given such term by section 102(3) of title 39, United States Code.''.

(3) TECHNICAL CORRECTION.—The Inspector General Act of 1978 is amended by redesignating the second section which is designated as section 8G as section 8H.

(c) PROVISIONS RELATING TO COMPENSATION.—

(1) INSPECTOR GENERAL.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Inspector General, United States Postal Service.''.

The amendment made by the preceding sentence shall apply notwithstanding section 410 or any other provision of title 39, United States Code.

(2) OFFICERS AND EMPLOYEES OF THE OFFICE OF INSPECTOR GENERAL OF THE UNITED STATES POSTAL SERVICE; POSTAL INSPECTORS.—

(A) IN GENERAL.—Sectin 1003 of title 39, United States Code, is amended—

(i) by redesignating subsection (b) as subsection (d); and

(ii) by inserting after subsection (a) the following:

''(b) Compensation and benefits for all officers and employees serving in or under the Office of Inspector General of the United States Postal Service shall be maintained on a standard of comparability to the compensation and benefits paid for comparable levels of work in the respective Offices of Inspector General of the various establishments named in section 11(2) of the Inspector General Act of 1978.

''(c) Compensation and benefits for all Postal Inspectors shall be maintained on a standard of comparability to the compensation and benefits

paid for comparable levels of work in the executive branch of the Government outside of the Postal Service. As used in this subsection, the term 'Postal Inspector' included any agent to whom any investigative powers are granted under section 3061 of title 18.''.

(B) CONFORMING AMENDMENT.—The first sentence of section 1003(a) of title 39, United States Code, is amended by striking ''chapters 2 and 12 of this title'' and inserting ''chapters 2 and 12 of this title, section 8G of the Inspector General Act of 1978,''.

(d) STRATEGIC PLANS.—

(1) OFFICE OF INSPECTOR GENERAL OF THE UNITED STATES POSTAL SERVICE.—

(A) IN GENERAL.—Strategic plans shall be prepared under this paragraph addressing staffing requirements, general goals and objectives for major functions and operations of the Office of Inspector General of the United States Postal Service, and how goals and objectives of the Office are to be achieved, including a description of operational processes, skills and technology, and the human, capital, information, and other resources required to meet those goals and objectives.

(B) SPECIFIC REQUIREMENTS.—Plans under this paragraph—

(i) shall be prepared by the Inspector General of the United States Postal Service;

(ii) shall each cover a 5-year period (the beginning and ending dates of which shall be specified in each such plan); and

(iii) shall be included, as part of the annual budget required under section 2009 of title 39, United States Code, at least every 3 years.

(C) FIRST SUBMISSION.—The first plan under this paragraph shall be prepared in time to be included with the annual budget under section 2009 of title 39, United States Code, next due to be submitted after the end of the 6-month period beginning on the date of the appointment of the first Inspector General to be appointed pursuant to the amendments made by this section.

(2) POSTAL INSPECTION SERVICE.—The Chief Postal Inspector shall, with respect to the Postal Inspection Service, prepare a strategic plan similar in content to that required under paragraph (1)(A) with respect to the Office of Inspector General of the United States Postal Service. Such plan shall be prepared in time to be included with the annual budget under section 2009 of such title 39 next due to be submitted after the end of the 30-day period beginning on the date of the enactment of this Act.

(e) FIRST APPOINTMENT; TRANSFERS; TRANSITION PROVISION.—

(1) FIRST APPOINTMENT.—The first Inspector General of the United States Postal Service appointed pursuant to the amendments made by this section shall be appointed before the end of the 90-day period beginning on the date of the enactment of this Act.

(2) TRANSFERS.—

(A) IN GENERAL.—All measures described in section 8G(b) of the Inspector General Act of 1978 necessary to establish an Office of Inspector General within the United States Postal Service pursuant to this section, including all appropriate transfers, shall occur—

(i) no earlier than the date the appointment under paragraph (1) is made; and

(ii) no later than 60 days after the date the appointment under paragraph (1) is made.

(B) PROVISIONS RELATING TO PERSONNEL.—

(i) CONSULTATION.—Decisions concerning which personnel are to be transferred pursuant to subparagraph (A) shall be made by the Governors (within the meaning of section 102(3) of title 39, United States Code) in consultation with the Inspector General appointed under paragraph (1).

(ii) TRANSFERRED PERSONNEL.—Personnel transferred pursuant to subparagraph (A) shall, to the extent not inconsistent with other provisions of this subsection, be transferred in accordance with applicable laws and regulations relating to the transfer of functions within the United States Postal Service, except that, notwithstanding any provision of section 1003(b) of title 39, United States Code, as amended by this section, the classification and compensation of such personnel shall not be reduced, by reason of having been transferred, for 1 year after being so transferred.

(3) TRANSITION PROVISION.—The Chief Postal Inspector may continue to serve as Inspector General of the United States Postal Service until the date on which an Inspector General is appointed under paragraph (1) or, if earlier, the end of the period referred to in such paragraph. Compensation for any service under this paragraph shall be determined as if this section had not been enacted.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 410(b) of title 39, United States Code, is amended—

(A) by striking ''and'' at the end of paragraph (9); and

(B) by amending paragraph (10) to read as follows:

''(10) the Inspector General Act of 1978; and''

(2)(A) Section 204 of such title 39 is amended—

(i) by amending the section heading to read as follows:

§204. General Counsel; Judicial Officer; Chief Postal Inspector'';

(ii) in the first sentence by striking ''and a Judicial Officer.'' and inserting ''a Judicial Officer, and a Chief Postal Inspector.'';

(iii) in the second sentence by striking ''and the Judicial Officer'' and inserting ''the Judicial Officer, and the Chief Postal Inspector''; and

(iv) by adding at the end the following: ''The Chief Postal Inspector shall report to, and be under the general supervision of, the Postmaster General. The Postmaster General shall promptly notify the Governors and both Houses of Congress in writing if he or she removes the Chief Postal Inspector or transfers the Chief Postal Inspector to another position or location within the Postal Service, and shall include in any such notification the reasons for the removal or transfer.''.

(B) The table of sections for chapter 2 of such title 39 is amended by striking the item relating to section 204 and inserting the following:

''204. General Counsel; Judicial Officer; Chief Postal Inspector.''.

SEC. 663. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF CERTAIN FEDERAL AGENCIES.—(a) DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means any Executive agency (as defined in section 105 of title 5, United States Code), other than an Executive agency (except an agency receiving such authority in the Department of Transportation Appropriations Act, 1997) that is authorized by any other provision of this Act or any other Act to provide voluntary separation incentive payments during all, or any part of, fiscal year 1997; and

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by an agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of each agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) before December 31, 1997;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or

chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

SEC. 664. ELECTRONIC BENEFIT TRANSFER PILOT.

Title 31, United States Code, is amended by inserting after section 3335 the following new section:

''§ 3336. Electronic benefit transfer pilot

''(a) The Congress finds that:

''(1) Electronic benefit transfer (EBT) is a safe, reliable, and economical way to provide benefit payments to individuals who do not have an account at a financial institution.

''(2) The designation of financial institutions as financial agents of the Federal Government for EBT is an appropriate and reasonable use of the Secretary's authority to designate financial agents.

''(3) A joint federal-state EBT system offers convenience and economies of scale for those states (and their citizens) that wish to deliver state-administered benefits on a single card by entering into a partnership with the federal government.

''(4) The Secretary's designation of a financial agent to deliver EBT is a specialized service not available through ordinary business channels and may be offered to the states pursuant to section 6501 et seq. of this title.

''(b) The Secretary shall continue to carry out the existing EBT pilot to disburse benefit payments electronically to recipients who do not have an account at a financial institution, which shall include the designation of one or more financial institutions as a financial agent of the Government, and the offering to the participating states of the opportunity to contract with the financial agent selected by the Secretary, as described in the Invitation for Expressions of Interest to Acquire EBT Services for the Southern Alliance of States dated March 9, 1995, as amended as of June 30, 1995, July 7, 1995, and August 1, 1995.

''(c) The selection and designation of financial agents, the design of the pilot program, and any other matter associated with or related to the EBT pilot described in subsection (b) shall not be subject to judicial review.''

SEC. 665. DESIGNATION OF FINANCIAL AGENTS.

1. 12 U.S.C. 90 is amended by adding at the end thereof the following:

''Notwithstanding the Federal Property and Administrative Services Act of 1949, as amended, the Secretary may select associations as financial agents in accordance with any process the Secretary deems appropriate and their reasonable duties may include the provision of electronic benefit transfer services (including State-administered benefits with the consent of the States), as defined by the Secretary.''.

2. Make conforming amendments to 12 U.S.C. 265, 266, 391, 1452(d), 1767, 1789a, 2013, 2122 and to 31 U.S.C. 3122 and 3303.

TITLE VII—COUNTER-TERRORISM AND DRUG LAW ENFORCEMENT

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Office of Foreign Assets Control, $288,000: Provided, That of the amount provided, $288,000 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.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Office of Inspector General $34,000, to remain available until expended: Provided, That of the amount provided, $34,000 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.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Secretary, $15,000,000, to remain available until expended, to reimburse any Department of the Treasury organization for the costs of providing support to counter, investigate, or prosecute terrorism, including payment of rewards in connection with these activities: Provided, That the entire amount of this appropriation shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, is transmitted by the President to Congress: Provided further, That the entire amount is designated by Congress as an emergency appropriation pursuant to section 251(b)(2)(D)(i) of such Act.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Federal Law Enforcement Training Center, $1,354,000, to remain available until expended: Provided, That of the amount provided, $1,354,000 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.

ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND RELATED EXPENSES

For an additional amount for the necessary expenses for the acquisition, construction, improvement, and related expenses, $2,700,000, to remain available until expended: Provided, That of the amount provided, $2,700,00 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.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Financial Management Service, $449,000, to remain available until expended: Provided, That of the amount provided, $449,000 is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balance Budget and Emergency Deficit Control Act of 1985, as amended.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, $66,423,000; of which $3,500,000 shall be available for the construction and expansion of a canine training facility, to remain available until expended, of which $3,000,000 shall be available for conducting a study of car bomb explosives, to remain available until expended; and of which $6,700,000, to remain available until expended, for relocation of the Bureau's headquarters building and laboratory facilities; Provided, That of the amount provided, $66,423,000 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.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For an additional amount for the necessary expense of the United States Customs Service, $62,335,000; of which not to exceed $26,400,000 shall be available until expended for funding non-competitive cooperative agreements with air carriers, airports, or other cargo authorities, which provide for the Customs Service to purchase and assist in installing advanced air cargo inspection equipment for the joint use of such entities and the United States Customs Service: Provided, That of the amount provided, $62,335,000 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,

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE AND MANAGEMENT

For an additional amount for the necessary expenses for the processing, assistance and management, $10,488,000, to remain available until expended: Provided, That of the amount provided, $10,488,000 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.

UNITED STATES SECRET SERVICE,

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the United States Secret Service $3,026,000, to remain available until expended: Provided, That of the amount provided, $3,026,000 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.

INDEPENDENT AGENCIES

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

For an additional amount for the necessary expenses of the Office of Personnel Management $210,000, to remain available until expended: Provided, That of the amount provided, $210,000 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.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

SPECIAL FORFEITURE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 100–690, as amended, $112,900,000, of which $42,000,000 shall be transferred to the United

States Customs Service for the conversion of P–3AEW aircraft for the air interdiction program; of which $10,000,000 shall be available for transfer to other Federal agencies for methamphetamine reduction efforts; and of which $60,900,000 shall be available to the Director of the Office of National Drug Control Policy for enhancing other drug control activities, including transfer to other Federal agencies: Provided, That of the amount provided, $112,900,000 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 to become available only upon receipt by the Congress of a supplemental request from the President requesting such designation.

TITLE VIII—FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT

SEC. 801. SHORT TITLE.

This title may be cited as the ''Federal Financial Management Improvement Act of 1996.''

SEC. 802. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, Federal accounting standards have not been uniformly implemented in financial management systems for agencies.

(2) Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to—

(A) identify costs fully;

(B) reflect the total liabilities of congressional actions; and

(C) accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not accurately report financial results of the Federal Government or the full costs of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data and encourages already widespread Government waste, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in the Federal Government undermine the confidence of the American people in the government and reduce the federal Government's ability to address vital public needs adequately.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, agencies must incorporate accounting standards and reporting objectives established for the Federal Government into their financial management systems so that all the assets and liabilities, revenues, and expenditures or expenses, and the full costs of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout the Federal Government.

(6) Since its establishment in October 1990, the Federal Accounting Standards Advisory Board (hereinafter referred to as the ''FASAB'') has made substantial progress toward developing and recommending a comprehensive set of accounting concepts and standards for the Federal Government. When the accounting concepts and standards developed by FASB are incorporated into Federal financial management systems, agencies will be able to provide cost and financial information that will assist the Congress and financial managers to evaluate the cost and performance of Federal programs and activities, and will therefore provide important information that has been lacking, but is needed for improved decision making by financial managers and the Congress.

(7) The development of financial management systems with the capacity to support these standards and concepts will, over the long term, improve Federal financial management.

(b) PURPOSE.—The purposes of this Act are to—

(1) provide for consistency of accounting by an agency from one fiscal year to the next, and uniform accounting standards throughout the Federal Government;

(2) require Federal financial management systems to support full disclosure of Federal financial data, including the full costs of Federal programs and activities, to the citizens, the Congress, the President, and agency management, so that programs and activities can be considered based on their full costs and merits;

(3) increase the accountability and credibility of federal financial management;

(4) improve performance, productivity and efficiency of Federal Government financial management;

(5) establish financial management systems to support controlling the cost of Federal Government;

(6) build upon and complement the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838), the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285) and the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410); and

(7) increase the capability of agencies to monitor execution of the budget by more readily permitting reports that compare spending of resources to results of activities.

SEC. 803 IMPLEMENTATION OF FEDERAL FINANCIAL MANAGEMENT IMPROVEMENTS.

(a) IN GENERAL.—Each agency shall implement and maintain financial management systems that comply substantially with Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government Standard General Ledger at the transaction level.

(b) AUDIT COMPLIANCE FINDING.—

(1) IN GENERAL.—Each audit required by section 3521(e) of title 31, United States Code, shall report whether the agency financial management systems comply with the requirements of subsection (a).

(2) CONTENT OF REPORTS.—When the person performing the audit required by section 3521(e) of title 31, United States Code, reports that the agency financial management systems do not comply with the requirements of subsection (a), the person performing the audit shall include in the report on the audit—

(A) the entity or organization responsible for the financial management systems that have been found not to comply with the requirements of subsection (a);

(B) all facts pertaining to the failure to comply with the requirements of subsection (a), including—

(i) the nature and extent of the noncompliance including areas in which there is substantial but not full compliance;

(ii) the primary reason or cause of the noncompliance;

(iii) the entity or organization responsible for the non-compliance; and

(iv) any relevant comments from any responsible officer or employee; and

(C) a statement with respect to the recommended remedial actions and the time frames to implement such actions.

(c) COMPLAINCE IMPLEMENTATION.—

(1) DETERMINATION.—No later than the date described under paragraph (2), the Head of an agency shall determine whether the financial management systems of the agency comply with the requirements of subsection (a). Such determination shall be based on—

(A) a review of the report on the applicable agency-wide audited financial statement;

(B) any other information the Head of the agency considers relevant and appropriate.

(2) DATE OF DETERMINATION.—The determination under paragraph (1) shall be made no later than 120 days after the earlier of—

(A) the date of the receipt of an agency-wide audited financial statement; or

(B) the last day of the fiscal year following the year covered by such statement.

(3) REMEDIATION PLAN.—

(A) If the Head of an agency determines that the agency's financial management systems do not comply with the requirements of subsection (a), the head of the agency, in consultation with the Director, shall establish a remediation plan that shall include resources, remedies, and intermediate target dates necessary to bring the agency's financial management systems into substantial compliance.

(B) If the determination of the head of the agency differs from the audit compliance findings required in subsection (b), the Director shall review such determinations and provide a report on the findings to the appropriate committees of the Congress.

(4) TIME PERIOD FOR COMPLIANCE.—A remediation plan shall bring the agency's financial management systems into substantial compliance no later than 3 years after the date a determination is made under paragraph (1), unless the agency, with concurrence of the Director—

(A) determines that the agency's financial management systems cannot comply with the requirements of subsection (a) within 3 years;

(B) specifies the most feasible date for bringing the agency's financial management systems into compliance with the requirements of subsection (a); and

(C) designates an official of the agency who shall be responsible for bringing the agency's financial management systems into compliance with the requirements of subsection (a) by the date specified under subparagraph (B).

SEC. 804. REPORTING REQUIREMENTS.

(a) REPORTS BY THE DIRECTOR.—No later than March 31 of each year, the Director shall submit a report to the Congress regarding implementation of this Act. The Director may include the report in the financial management status report and the 5-year financial management plan submitted under section 3512(a)(1) of title 31, United States Code.

(b) REPORTS BY THE INSPECTOR GENERAL.—Each Inspector General who prepares a report under section 5(a) of the Inspector General Act of 1978 (5 U.S.C. App.) shall report to Congress instances and reasons when an agency has not met the intermediate target dates established in the remediation plan required under section 3(c). Specifically the report shall include—

(1) the entity or organization responsible for the non-compliance;

(2) the facts pertaining to the failure to comply with the requirements of subsection (a), including the nature and extent of the non-compliance, the primary reason or cause for the failure to comply, and any extenuating circumstances; and

(3) a statement of the remedial actions needed to comply.

(c) REPORTS BY THE COMPTROLLER GENERAL.—No later than October 1, 1997, and October 1, of each year thereafter, the Comptroller General of the United States shall report to the appropriate committees of the Congress concerning—

(1) compliance with the requirements of section 3(a) of this Act, including whether the financial statements of the Federal Government have been prepared in accordance with applicable accounting standards; and

(2) the adequacy of applicable accounting standards for the Federal Government.

SEC. 805. CONFORMING AMENDMENTS.

(a) AUDITS BY AGENCIES.—Section 3521(f)(1) of title 31, United States Code, is amended in the first sentence by inserting ''and the Controller of the Office of Federal Financial Management'' before the period.

(b) FINANCIAL MANAGEMENT STATUS REPORT.—Section 3512(a)(2) of title 31, United States Code, is amended by—

(1) in subparagraph (D) by striking ''and' after the semicolon;

(2) by redesignating subparagraph (E) as subparagraph (F); and

(3) by inserting after subparagraph (D) the following:

''(E) a listing of agencies whose financial management systems do not comply substantially with the requirements of Section 3(a) the Federal Financial Management Improvement Act of 1996, and a summary statement of the efforts underway to remedy the noncompliance; and''

(c) INSPECTOR GENERAL ACT OF 1978.—Section 5(a) of the Inspector General Act of 1978 is amended—

(1) in paragraph (11) by striking ''and'' after the semicolon;

(2) in paragraph (12) by striking the period and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(13) the information described under section 05(b) of the Federal Financial Management Improvement Act of 1996.''

SEC. 806. DEFINITIONS.

For purposes of this title:

(1) AGENCY.—The term ''agency'' means a department or agency of the United States Government as defined in section 901(b) of title 31, United States Code.

(2) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(3) FEDERAL ACCOUNTING STANDARDS.—The term ''Federal accounting standards'' means applicable accounting principles, standards, and requirements consistent with section 902(a)(3)(A) of title 31, United States Code.

(4) FINANCIAL MANAGEMENT SYSTEMS.—The term ''financial management systems'' includes the financial systems and the financial portions of mixed systems necessary to support financial management, including automated and manual processes, procedures, controls, data, hardware, software, and support personnel dedicated to the operation and maintenance of system functions.

(5) FINANCIAL SYSTEM.—The term ''financial system'' includes an information system, comprised of one or more applications, that is used for—

(A) collecting, processing, maintaining, transmitting, or reporting data about financial events;

(B) supporting financial planning or budgeting activities;

(C) accumulating and reporting costs information; or

(D) supporting the preparation of financial statements.

(6) MIXED SYSTEM.—The term ''mixed system'' means an information system that supports both financial and nonfinancial functions of the Federal Government or components thereof.

SEC. 807. EFFECTIVE DATE.

This title shall take effect for the fiscal year ending September 30, 1997.

SEC. 808. REVISION OF SHORT TITLES.

(a) Section 4001 of Public Law 104–106 (110 Stat. 642; 41 U.S.C. 251 note) is amended to read as follows:

SEC. 4001. SHORT TITLE.

''This division and division E may be cited as the 'Clinger-Cohen Act of 1996'.''.

(b) Section 5001 of Public Law 104–106 (110 Stat. 679; 40 U.S.C. 1401 note) is amended to read as follows:

''SEC. 5001. SHORT TITLE.

''This division and division D may be cited as the 'Clinger-Cohen Act of 1996'.''

(c) Any reference in any law, regulation, document, record, or other paper of the United States to the Federal Acquisition Reform Act of 1996 or to the Information Technology Management Reform Act of 1996 shall be considered to be a reference to the Clinger-Cohen Act of 1996.

This Act may be cited as the ''Treasury, Postal Service, and General Government Appropriations Act, 1997''.

TITLE II—ECONOMIC GROWTH AND REGULATORY PAPERWORK REDUCTION

SEC. 2001. SHORT TITLE; TABLE OF CONTENTS; DEFINITIONS

(a) SHORT TITLE.—This title may be cited as the ''Economic Growth and Regulatory Paperwork Reduction Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

TITLE II—ECONOMIC GROWTH AND REGULATORY PAPERWORK REDUCTION

Sec. 2001. Short title; table of contents; definitions

Subtitle A—Streamlining the Home Mortgage Lending Process

Sec. 2101. Simplification and unification of disclosures required under RESPA and TILA for mortgage transactions.
Sec. 2102. General exemption authority for loans.
Sec. 2103. Reductions in Real Estate Settlement Procedures Act of 1974 regulatory burdens.
Sec. 2104. Waiver for certain borrowers.
Sec. 2105. Alternative disclosures for adjustable rate mortgages.
Sec. 2106. Restitution for violations of the Truth in Lending Act.
Sec. 2107. Limitation on liability under the Truth in Lending Act.

Subtitle B—Streamlining Government Regulation

CHAPTER 1—ELIMINATING UNNECESSARY REGULATORY REQUIREMENTS AND PROCEDURES

Sec. 2201. Elimination of redundant approval requirement for Oakar transactions.
Sec. 2202. Elimination of duplicative requirements imposed upon bank holding companies.
Sec. 2203. Elimination of the per branch capital requirement for national banks and State member banks.
Sec. 2204. Elimination of branch application requirements for automatic teller machines.
Sec. 2205. Elimination of requirement for approval of investments in bank premises for well capitalized and well managed banks.
Sec. 2206. Elimination of approval requirement for divestitures.
Sec. 2207. Streamlined nonbanking acquisitions by well capitalized and well managed banking organizations.
Sec. 2208. Elimination of unnecessary filing for officer and director appointments.
Sec. 2209. Amendments to the Depository Institution Management Interlocks Act.
Sec. 2210. Elimination of recordkeeping and reporting requirements for officers.
Sec. 2211. Repayment of Treasury loan.
Sec. 2212. Branch closures.
Sec. 2213. Foreign banks.
Sec. 2214. Disposition of foreclosed assets.
Sec. 2215. Exemption authority for antitying provision.
Sec. 2216. FDIC approval of new State bank powers.

CHAPTER 2—ELIMINATING UNNECESSARY REGULATORY BURDENS

Sec. 2221. Small bank examination cycle.
Sec. 2222. Required review of regulations.
Sec. 2223. Repeal of identification of nonbank financial institution customers.
Sec. 2224. Repeal of certain reporting requirements.
Sec. 2225. Increase in home mortgage disclosure exemption threshold.
Sec. 2226. Elimination of stock loan reporting requirement.
Sec. 2227. Credit availability assessment.

CHAPTER 3—REGULATORY MICROMANAGEMENT

Sec. 2241. National bank directors.
Sec. 2242. Paperwork reduction review.
Sec. 2243. State bank representation on Board of Directors of the FDIC.
Sec. 2244. Consultation among examiners.

Subtitle C—Regulatory Impact on Cost of Credit and Credit Availability

Sec. 2301. Audit costs.
Sec. 2302. Incentives for self-testing.
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(c) DEFINITIONS.—Except as otherwise specified in this title, the following definitions shall apply for purposes of this title:

(1) APPRAISAL SUBCOMMITTEE.—The term ''Appraisal Subcommittee'' means the Appraisal Subcommittee established under section 1011 of the Federal Financial Institutions Examination Council Act of 1978 (as in existence on the day before the date of enactment of this Act).

(2) APPROPRIATE FEDERAL BANKING AGENCY.—The term ''appropriate Federal banking agency'' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(3) BOARD.—The term ''Board'' means the Board of Governors of the Federal Reserve System.

(4) CORPORATION.—The term ''Corporation'' means the Federal Deposit Insurance Corporation.

(5) COUNCIL.—The term ''Council'' means the Financial Institutions Examination Council established under section 1004 of the Federal Financial Institutions Examination Council Act of 1978.

(6) INSURED CREDIT UNION.—The term ''insured credit union'' has the same meaning as in section 101 of the Federal Credit Union Act.

(7) INSURED DEPOSITORY INSTITUTION.—The term ''insured depository institution'' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

Subtitle A—Streamlining the Home Mortgage Lending Process

SEC. 2101. SIMPLIFICATION AND UNIFICATION OF DISCLOSURES REQUIRED UNDER RESPA AND TILA FOR MORTGAGE TRANSACTIONS.

(a) IN GENERAL.—With respect to credit transactions which are subject to the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, the Board of Governors of the Federal Reserve System (hereafter in this section referred to as the ''Board'') and the Secretary of Housing and Urban Development (hereafter in this section referred to as the ''Secretary'') shall take such action as may be necessary before the end of the 6-month period beginning on the date of enactment of this Act—

(1) to simplify and improve the disclosures applicable to such transactions under such Acts, including the timing of the disclosures; and

(2) to provide a single format for such disclosures which will satisfy the requirements of each such Act with respect to such transactions.

(b) REGULATIONS.—To the extent that it is necessary to prescribe any regulation in order to effect any changes required to be made under subsection (a), the proposed regulation shall be published in the Federal Register before the end of the 6-month period referred to in subsection (a).

(c) RECOMMENDATIONS FOR LEGISLATION.—If the Board and the Secretary find that legislative action may be necessary or appropriate in order to simplify and unify the disclosure requirements under the Real Estate Settlement Procedures Act of 1974 and the Truth in Lending Act, the Board and the Secretary shall submit a report containing recommendations to the Congress concerning such action.

SEC. 2102. GENERAL EXEMPTION AUTHORITY FOR LOANS.

(a) REGULATORY FLEXIBILITY.—Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended—

(1) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

''(5) Transactions for which the Board, by rule, determines that coverage under this title is not necessary to carry out the purposes of this title.''.

(b) EXEMPTION AUTHORITY.—Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by adding at the end the following new subsection:

''(f) EXEMPTION AUTHORITY.—

''(1) IN GENERAL.—The Board may exempt, by regulation, from all or part of this title any class of transactions, other than transactions involving any mortgage described in section 103(aa), for which, in the determination of the Board, coverage under all or part of this title does not provide a meaningful benefit to consumers in the form of useful information or protection.

''(2) FACTORS FOR CONSIDERATION.—In determining which classes of transactions to exempt in whole or in part under paragraph (1), the Board shall consider the following factors and publish its rationale at the time a proposed exemption is published for comment:

''(A) The amount of the loan and whether the disclosures, right of rescission, and other provisions provide a benefit to the consumers who are parties to such transactions, as determined by the Board.

''(B) The extent to which the requirements of this title complicate, hinder, or make more expensive the credit process for the class of transactions.

''(C) The status of the borrower, including—

''(i) any related financial arrangements of the borrower, as determined by the Board;

''(ii) the financial sophistication of the borrower relative to the type of transaction; and

''(iii) the importance to the borrower of the credit, related supporting property, and coverage under this title, as determined by the Board;

''(D) whether the loan is secured by the principal residence of the consumer; and

''(E) whether the goal of consumer protection would be undermined by such an exemption.''.

SEC. 2103. REDUCTIONS IN REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974 REGULATORY BURDENS.

(a) UNNECESSARY DISCLOSURE.—Section 6(a) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(a)) is amended to read as follows:

''(a) DISCLOSURE TO APPLICANT RELATING TO ASSIGNMENT, SALE, OR TRANSFER OF LOAN SERVICING.—Each person who makes a federally related mortgage loan shall disclose to each person who applies for the loan, at the time of application for the loan, whether the servicing of the loan may be assigned, sold, or transferred to any other person at any time while the loan is outstanding.''.

(b) CONSISTENCY OF REAL ESTATE SETTLEMENT PROCEDURES ACT AND TRUTH IN LENDING ACT EXEMPTION OF BUSINESS LOANS.—Section 7 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2606) is amended—

(1) by striking ''This Act'' and inserting the following:

''(a) IN GENERAL.—This Act''; and

(2) by adding at the end the following new subsection:

''(b) INTERPRETATION.—In prescribing regulations under section 19(a), the Secretary shall ensure that, with respect to subsection (a) of this section, the exemption for credit transactions involving extensions of credit primarily for business, commercial, or agricultural purposes, as provided in section 7(1) of the Real Estate Settlement Procedures Act of 1974 shall be the same as the exemption for such credit transactions under section 104(1) of the Truth in Lending Act.''.

(c) REDESIGNATION OF CONTROLLED BUSINESS ARRANGEMENTS AS AFFILIATED BUSINESS ARRANGEMENTS.—The Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) is amended—

(1) in section 3(7), by striking ''controlled business arrangement'' and inserting ''affiliated business arrangement''; and

(2) in subsections (c)(4) and (d)(6) of section 8, by striking ''controlled business arrangements'' and inserting ''affiliated business arrangements''.

(d) DISCLOSURES BY TELEPHONE OR ELECTRONIC MEDIA.—Section 8(c)(4) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2607(c)(4)(A)) is amended by striking subparagraph (A) and inserting the following ''(A) a disclosure is made of the existence of such an arrangement to the person being referred and, in connection with such referral, such person is provided a written estimate of the charge or range of charges generally made by the provider to which the person is referred (i) in the case of a face-to-face referral or a referral made in writing or by electronic media, at or before the time of the referral (and compliance with this requirement in such case may be evidenced by a notation in a written, electronic, or similar system of records maintained in the regular course of business); (ii) in the case of a referral made by telephone, within 3 business days after the referral by telephone, (and in such case an abbreviated verbal disclosure of the existence of the arrangement and the fact that a written disclosure will be provided within 3 business days shall be made to the person being referred during the telephone referral); or (iii) in the case of a referral by a lender (including a referral by a lender to an affiliated lender), at the time the estimates required under section 5(c) are provided (notwithstanding clause (i) or (ii)); and any required written receipt of such disclosure (without regard to the manner of the disclosure under clause (i), (ii), or (iii)) may be obtained at the closing or settlement (except that a person making a face-to-face referral who provides the written disclosure at or before the time of the referral shall attempt to obtain any required written receipt of such disclosure at such time and if the person being referred chooses not to acknowledge the receipt of the disclosure at that time, that fact shall be noted in the written, electronic, or similar system of records maintained in the regular course of business by the person making the referral),''.

(e) LIMITATION ON CLAIMS ARISING FROM VIOLATIONS OF REQUIREMENTS FOR SERVICING MORTGAGES AND ADMINISTERING ESCROW ACCOUNTS.—Section 16 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2614) is amended—

(1) by striking ''section 8 or 9'' and inserting ''section 6, 8, or 9''; and

(2) by striking ''within one year'' and inserting ''within 3 years in the case of a violation of section 6 and 1 year in the case of a violation of section 8 or 9''.

(f) DELAY OF EFFECTIVENESS OF RECENT FINAL REGULATION RELATING TO PAYMENTS TO EMPLOYEES.—Section 19 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2617) is amended by adding at the end the following new subsection:

''(d) DELAY OF EFFECTIVENESS OF RECENT FINAL REGULATION RELATING TO PAYMENTS TO EMPLOYEES.—

''(1) IN GENERAL.—The amendment to part 3500 of title 24 of the Code of Federal Regulations contained in the final regulation prescribed by the Secretary and published in the Federal Register on June 7, 1996, which will, as of the effective date of such amendment—

''(A) eliminate the exemption for payments by an employer to employees of such employer for referral activities which is currently codified as section 3500.14(g)(1)(vii) of such title 24; and

''(B) replace such exemption with a more limited exemption in new clauses (vii), (viii), and (ix) of section 3500.14 of such title 24,

shall not take effect before July 31, 1997.

''(2) CONTINUATION OF PRIOR RULE.—The regulation codified as section 3500.14(g)(1)(vii) of title 24 of the Code of Federal Regulations, relating to employer-employee payments, as in effect on May 1, 1996, shall remain in effect until the date the amendment referred to in paragraph (1) takes effect in accordance with such paragraph.

''(3) PUBLIC NOTICE OF EFFECTIVE DATE.—The Secretary shall provide public notice of the date on which the amendment referred to in paragraph (1) will take effect in accordance with such paragraph not less than 90 days and not more than 180 days before such effective date.''.

(g) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 4(a) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2603(a)) is amended by striking ''Federal Home Loan Bank Board'' and inserting ''Director of the Office of Thrift Supervision''.

(2) Section 10(c)(1)(C) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2609(c)(1)(C)) is amended by striking ''Not later than the expiration of the 90-day period beginning on the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act, the'' and inserting ''The''.

(h) REPEAL OF OBSOLETE PROVISIONS.—The Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) is amended by striking sections 13, 14 and 15.

SEC. 2104. WAIVER FOR CERTAIN BORROWERS.

Section 105 of the Truth in Lending Act (15 U.S.C. 1604) is amended by adding at the end the following new subsection:

''(g) WAIVER FOR CERTAIN BORROWERS.—

''(1) IN GENERAL.—The Board, by regulation, may exempt from the requirements of this title certain credit transactions if—

''(A) the transaction involves a consumer—

''(i) with an annual earned income of more than $200,000; or

''(ii) having net assets in excess of $1,000,000 at the time of the transaction; and

''(B) a waiver that is handwritten, signed, and dated by the consumer is first obtained from the consumer.

''(2) ADJUSTMENTS BY THE BOARD.—The Board, at its discretion, may adjust the annual earned income and net asset requirements of paragraph (1) for inflation.''.

SEC. 2105. ALTERNATIVE DISCLOSURES FOR ADJUSTABLE RATE MORTGAGES.

Section 128(a) of the Truth in Lending Act (15 U.S.C. 1638(a)) is amended by adding at the end the following new paragraph:

''(14) In the case of any variable interest rate residential mortgage transaction, in disclosures provided at application as prescribed by the Board for a variable rate transaction secured by the consumer's principal dwelling, at the option of the creditor, a statement that the periodic payments may increase or decrease substantially, and the maximum interest rate and payment for a $10,000 loan originated at a recent interest rate, as determined by the Board, assuming the maximum periodic increases in rates and payments under the program, or a historical example illustrating the effects of interest rate changes implemented according to the loan program.''.

SEC. 2106. RESTITUTION FOR VIOLATIONS OF THE TRUTH IN LENDING ACT.

Section 108(e)(3) of the Truth in Lending Act (15 U.S.C. 2602(3)) is amended—

(1) by striking ''ordered (A) if'' and inserting the following: ''ordered—

''(A) if'';

(2) by striking ''may require a partial'' and inserting ''may—

''(i) require a partial'';

(3) by striking '', except that with respect'' and all that follows through ''Act, the agency shall require'' and inserting ''; or

''(ii) require'';

(4) by striking ''reasonable, (B) the'' and inserting the following: ''reasonable, if (in the case of an agency referred to in paragraph (1), (2), or (3) of subsection (a)), the agency determines that a partial adjustment or making partial payments over an extended period is necessary to avoid causing the creditor to become undercapitalized pursuant to section 38 of the Federal Deposit Insurance Act;

''(B) the''; and

(5) by striking ''(C) except'' and inserting the following:

''(C) except''.

SEC. 2107. LIMITATION ON LIABILITY UNDER THE TRUTH IN LENDING ACT.

(a) IN GENERAL.—Section 139(a) of the Truth in Lending Act (15 U.S.C. 1649(a)) is amended by striking ''For any consumer credit transaction subject to this title'' and inserting ''For any closed end consumer credit transaction that is secured by real property or a dwelling, that is subject to this title, and''.

(b) EFFECTUVE DATE.—The amendment made by subsection (a) shall be effective as of September 30, 1995.

Subtitle B—Streamlining Government Regulation

CHAPTER 1—ELIMINATING UNNECESSARY REGULATORY REQUIREMENTS AND PROCEDURES

SEC. 2201. ELIMINATION OF REDUNDANT APPROVAL REQUIREMENT FOR OAKAR TRANSACTIONS.

(a) IN GENERAL.—Section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(3)) is amended—

(1) in subparagraph (A), by striking ''with the prior written approval of'' and inserting ''if the transaction is approved by'';

(2) in subparagraph (E)—

(A) by striking clauses (i) and (iv);

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(C) by adding at the end the following new clause:

''(iii) CAPITAL REQUIREMENTS.—A transaction described in this paragraph shall not be approved under section 18(c)(2) unless the acquiring, assuming, or resulting depository institution will meet all applicable capital requirements upon consummation of the transaction.'';

(3) by striking subparagraph (G); and

(4) by redesignating subparagraphs (H) through (J) as subparagraphs (G) through (I), respectively.

(b) CONFORMING AMENDMENTS.—

(1) REVISED STATUTES.—Section 5156A(b)(1) of the Revised Statutes of the United States (12 U.S.C. 215c(b)(1)) is amended by striking ''by section 5(d)(3) of the Federal Deposit Insurance Act or any other'' and inserting ''under any''.

(2) HOME OWNERS' LOAN ACT.—Section 10(s)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1467a(s)(2)(A)) is amended by striking ''under section 5(d)(3) of the Federal Deposit Insurance Act or any other'' and inserting ''under any''.

SEC. 2203. ELIMINATION OF DUPLICATIVE REQUIREMENTS IMPOSED UPON BANK HOLDING COMPANIES.

(a) EXEMPTION FOR BANK HOLDING COMPANIES.—Section 10 of the Home Owners' Loan Act (12 U.S.C. 1467a) is amended by adding at the end the following new subsection:

''(t) EXEMPTION FOR BANK HOLDING COMPANIES.—This section shall not apply to a bank holding company that is subject to the Bank Holding Company Act of 1956, or any company controlled by such bank holding company.''.

(b) DEFINITION.—Section 10(a)(1)(D) of the Home Owners' Loan Act (12 U.S.C. 1467a(a)(1)(D)) is amended to read as follows:

''(D) SAVINGS AND LOAN HOLDING COMPANY.—

''(i) IN GENERAL.—Except as provided in clause (ii), the term 'savings and loan holding company' means any company that directly or indirectly controls a savings association or that controls any other company that is a savings and loan holding company.

''(ii) EXCLUSION.—The term 'savings and loan holding company' does not include a bank holding company that is registered under, and subject to, the Bank Holding Company Act of 1956, or to any company directly or indirectly controlled by such company (other than a savings association).''.

(c) ACQUISITIONS.—Section 10(e)(1) of the Home Owners' Loan Act (12 U.S.C. 1467a(e)(1)) is amended—

(1) in subparagraph (A)(iii)(VII), by inserting ''or'' at the end;

(2) in subparagraph (A)(iv), by inserting ''and'' at the end; and

(3) in subparagraph (B)—

(A) by striking ''or (ii)'' and inserting ''(ii)''; and

(B) by inserting before the first period '', or (iii) acquired by a bank holding company that is registered under, and subject to, the Bank Holding Company Act of 1956, or any company controlled by such bank holding company''.

(d) AMENDMENTS TO THE BANK HOLDING COMPANY ACT OF 1956.—Section 4(i) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(i)) is amended by adding at the end the following new paragraphs:

''(4) SOLICITATION OF VIEWS.—

''(A) NOTICE TO DIRECTOR.—Upon receiving any application or notice by a bank holding company to acquire, directly or indirectly, a savings association under subsection (c)(8), the Board shall solicit comments and recommendations from the Director with respect to such acquisition.

''(B) COMMENT PERIOD.—The comments and recommendations of the Director under subparagraph (A) with respect to any acquisition subject to such subparagraph shall be transmitted to the Board not later than 30 days after the receipt by the Director of the notice relating to such acquisition (or such shorter period as the Board may specify if the Board advises the Director that an emergency exists that requires expeditious action).

''(5) EXAMINATION.—

''(A) SCOPE.—The Board shall consult with the Director, as appropriate, in establishing the scope of an examination by the Board of a bank holding company that directly or indirectly controls a savings association.

''(B) ACCESS TO INSPECTION REPORTS.—Upon the request of the Director, the Board shall furnish the Director with a copy of any inspection report, additional examination materials, or supervisory information relating to any bank holding company that directly or indirectly controls a savings association.

''(6) COORDINATION OF ENFORCEMENT EFFORTS.—The Board and the Director shall cooperate in any enforcement action against any bank holding company that controls a savings association, if the relevant conduct involves such association.

''(7) DIRECTOR DEFINED.—For purposes of this section, the term 'Director' means the Director of the Office of Thrift Supervision.''.

SEC. 2204. ELIMINATION OF THE PER BRANCH CAPITAL REQUIREMENT FOR NATIONAL BANKS AND STATE MEMBER BANKS.

Section 5155(h) of the Revised Statutes of the United States (12 U.S.C. 36(h)) is amended to read as follows:

''(h) [Repealed]''.

SEC. 2205. ELIMINATION OF BRANCH APPLICATION REQUIREMENTS FOR AUTOMATIC TELLER MACHINES.

(a) ''BRANCH'' UNDER NATIONAL BANK ACT.—Section 5155(j) of the Revised Statutes of the United States (12 U.S.C. 36(j)) is amended by adding at the end the following: ''The term 'branch', as used in this section, does not include an automated teller machine or a remote service unit.''.

(b) ''DOMESTIC BRANCH'' UNDER THE FEDERAL DEPOSIT INSURANCE ACT.—Section 3(o) of the Federal Deposit Insurance Act (12 U.S.C. 1813(o)) is amended by striking ''lent; and the'' and inserting ''lent. The term 'domestic branch' does not include an automated teller machine or a remote service unit. The''.

SEC. 2206. ELIMINATION OF REQUIREMENT FOR APPROVAL OF INVESTMENTS IN BANK PREMISES FOR WELL CAPITALIZED AND WELL MANAGED BANKS.

Section 24A of the Federal Reserve Act (12 U.S.C. 371d) is amended to read as follows:

''SEC. 24A. INVESTMENT IN BANK PREMISES OR STOCK OF CORPORATION HOLDING PREMISES.

''(a) CONDITIONS OF INVESTMENT.—No national bank or State member bank shall invest in bank premises, or in the stock, bonds, debentures, or other such obligations of any corporation holding the premises of such bank, or make loans to or upon the security of any such corporation—

''(1) unless the bank receives the prior approval of the Comptroller of the Currency (with respect to a national bank) or the Board (with respect to a State member bank);

''(2) unless the aggregate of all such investments and loans, together with the amount of any indebtedness incurred by any such corporation that is an affiliate of the bank, is less than or equal to the amount of the capital stock of such bank; or

''(3) unless—

''(A) the aggregate of all such investments and loans, together with the amount of any indebtedness incurred by any such corporation that is an affiliate of the bank, is less than or equal to 150 percent of the capital and surplus of the bank; and

''(B) the bank—

''(i) has a CAMEL composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under a comparable rating system) as of the most recent examination of such bank;

''(ii) is well capitalized and will continue to be well capitalized after the investment or loan; and

''(iii) provides notification to the Comptroller of the Currency (with respect to a national bank) or to the Board (with respect to a State member bank) not later than 30 days after making the investment or loan.

''(b) DEFINITIONS.—For purposes of this section—

''(1) the term 'affiliate' has the same meaning as in section 2 of the Banking Act of 1933; and

''(2) the term 'well capitalized' has the same meaning as in section 38(b) of the Federal Deposit Insurance Act.''.

SEC. 2207. ELIMINATION OF APPROVAL REQUIREMENT FOR DIVESTITURES.

Section 2(g) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(g)) is amended—

(1) in paragraph (1), by adding ''and'' at the end;

(2) in paragraph (2), by striking ''; and'' and inserting a period; and

(3) by striking paragraph (3).

SEC. 2208. STREAMLINED NONBANKING ACQUISITIONS BY WELL CAPITALIZED AND WELL MANAGED BANKING ORGANIZATIONS.

(a) NOTICE REQUIREMENTS.—Section 4(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)) is amended—

(1) in paragraph (1)(A), by striking ''No'' and inserting ''Except as provided in paragraph (3), no''; and

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

''(3) NO NOTICE REQUIRED FOR CERTAIN TRANSACTIONS.—No notice under paragraph (1) of this subsection or under subsection (c)(8) or (a)(2)(B) is required for a proposal by a bank holding company to engage in any activity or acquire the shares or assets of any company, other than an insured depository institution, if the proposal qualifies under paragraph (4).

''(4) CRITERIA FOR STATUTORY APPROVAL.—A proposal qualifies under this paragraph if all of the following criteria are met:

''(A) FINANCIAL CRITERIA.—Both before and immediately after the proposed transaction—

''(i) the acquiring bank holding company is well capitalized;

''(ii) the lead insured depository institution of such holding company is well capitalized;

''(iii) well capitalized insured depository institutions control at least 80 percent of the aggregate total risk-weighted assets of insured depository institutions controlled by such holding company; and

''(iv) no insured depository institution controlled by such holding company is undercapitalized.

''(B) MANAGERIAL CRITERIA.—

''(i) WELL MANAGED.—At the time of the transaction, the acquiring bank holding company, its lead insured depository institution, and insured depository institutions that control at least 90 percent of the aggregate total risk-weighted assets of insured depository institutions controlled by such holding company are well managed.

''(ii) LIMITATION ON POORLY MANAGED INSTITUTIONS.—Except as provided in paragraph (6), no insured depository institution controlled by the acquiring bank holding company has received 1 of the 2 lowest composite ratings at the later of the institution's most recent examination or subsequent review.

''(C) ACTIVITIES PERMISSIBLE.—Following consummation of the proposal, the bank holding company engages directly or through a subsidiary solely in—

''(i) activities that are permissible under subsection (c)(8), as determined by the Board by regulation or order thereunder, subject to all of the restrictions, terms, and conditions of such subsection and such regulation or order; and

''(ii) such other activities as are otherwise permissible under this section, subject to the restrictions, terms and conditions, including any prior notice or approval requirements, provided in this section.

''(D) SIZE OF ACQUISITION.—

''(i) ASSET SIZE.—The book value of the total assets to be acquired does not exceed 10 percent of the consolidated total risk-weighted assets of the acquiring bank holding company.

''(ii) CONSIDERATION.—The gross consideration to be paid for the securities or assets does not exceed 15 percent of the consolidated Tier 1 capital of the acquiring bank holding company.

''(E) NOTICE NOT OTHERWISE WARRANTED.—For proposals described in paragraph (5)(B), the Board has not, before the conclusion of the period provided in paragraph (5)(B), advised the bank holding company that a notice under paragraph (1) is required.

''(F) COMPLIANCE CRITERION.—During the 12-month period ending on the date on which the bank holding company proposes to commence an activity or acquisition, no administrative enforcement action has been commenced, and no cease and desist order has been issued pursuant to section 8 of the Federal Deposit Insurance Act, against the bank holding company or any depository institution subsidiary of the holding company, and no such enforcement action, order, or other administrative enforcement proceeding is pending as of such date.

''(5) NOTIFICATION.—

''(A) COMMENCEMENT OF ACTIVITIES APPROVED BY RULE.—A bank holding company that qualifies under paragraph (4) and that proposes to engage de novo, directly or through a subsidiary, in any activity that is permissible under subsection (c)(8), as determined by the Board by regulation, may commence that activity without prior notice to the Board and must provide written notification to the Board not later than 10 business days after commencing the activity.

''(B) ACTIVITIES PERMITTED BY ORDER AND ACQUISITIONS.—

''(i) IN GENERAL.—At least 12 business days before commencing any activity pursuant to paragraph (3) (other than an activity described in subparagraph (A) of this paragraph) or acquiring shares or assets of any company pursuant to paragraph (3), the bank holding company shall provide written notice of the proposal to the Board, unless the Board determines that no notice or a shorter notice period is appropriate.

''(ii) DESCRIPTION OF ACTIVITIES AND TERMS.—A notification under this subparagraph shall include a description of the proposed activities and the terms of any proposed acquisition.

''(6) RECENTLY ACQUIRED INSTITUTIONS.—Any insured depository institution which has been acquired by a bank holding company during the 12-month period preceding the date on which the company proposes to commence an activity or acquisition pursuant to paragraph (3) may be excluded for purposes of paragraph (4)(B)(ii) if—

''(A) the bank holding company has developed a plan for the institution to restore the capital and management of the institution which is acceptable to the appropriate Federal banking agency; and

''(B) all such insured depository institutions represent, in the aggregate, less than 10 percent of the aggregate total risk-weighted assets of all insured depository institutions controlled by the bank holding company.

''(7) ADJUSTMENT OF PERCENTAGES.—The Board may, by regulation, adjust the percentages and the manner in which the percentages of insured depository institutions are calculated under paragraph (4)(B)(i), (4)(D), or (6)(B) if the Board determines that any such adjustment is consistent with safety and soundness and the purposes of this Act.''.

(b) DEFINITIONS.—Section 2(o) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(o)) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) CAPITAL TERMS.—

''(A) INSURED DEPOSITORY INSTITUTIONS.—With respect to insured depository institutions, the terms 'well capitalized', 'adequately capitalized', and 'undercapitalized' have the same meanings as in section 38(b) of the Federal Deposit Insurance Act.

''(B) BANK HOLDING COMPANY.—

''(i) ADEQUATELY CAPITALIZED.—With respect to a bank holding company, the term 'adequately capitalized' means a level of capitalization which meets or exceeds all applicable Federal regulatory capital standards.

''(ii) WELL CAPITALIZED.—A bank holding company is 'well capitalized' if it meets the required capital levels for well capitalized bank holding companies established by the Board.

''(C) OTHER CAPITAL TERMS.—The terms 'Tier 1' and 'risk-weighted assets' have the meanings given those terms in the capital guidelines or regulations established by the Board for bank holding companies.''; and

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

''(8) LEAD INSURED DEPOSITORY INSTITUTIONS.—

''(A) IN GENERAL.—The term 'lead insured depository institution' means the largest insured depository institution controlled by the subject bank holding company at any time, based on a comparison of the average total risk-weighted assets controlled by each insured depository institution during the previous 12-month period.

''(B) BRANCH OR AGENCY.—For purposes of this paragraph and section 4(j)(4), the term 'insured depository institution' includes any branch or agency operated in the United States by a foreign bank.

''(9) WELL MANAGED.—The term 'well managed' means—

''(A) in the case of any company or depository institution which receives examinations, the achievement of—

''(i) a CAMEL composite rating of 1 or 2 (or an equivalent rating under an equivalent rating system) in connection with the most recent examination or subsequent review of such company or institution; and

''(ii) at least a satisfactory rating for management, if such rating is given; or

''(B) in the case of a company or depository institution that has not received an examination rating, the existence and use of managerial resources which the Board determines are satisfactory.''.

SEC. 2209. ELIMINATION OF UNNECESSARY FILING FOR OFFICER AND DIRECTOR APPOINTMENTS.

Section 32 of the Federal Deposit Insurance Act (12 U.S.C. 1831i) is amended—

(1) in subsection (a)—

(A) by inserting ''(or such other period, as determined by the appropriate Federal banking agency)'' after ''30 days'';

(B) by striking ''if the insured depository institution or depository institution holding company'' and inserting ''if'';

(C) by striking paragraphs (1) and (2);

(D) by redesignating paragraph (3) as paragraph (1);

(E) in paragraph (1), as redesignated—

(i) by inserting ''the insured depository institution or depository institution holding company'' before ''is not in compliance''; and

(ii) by striking the period at the end and inserting ''; or''; and

(F) by adding at the end the following new paragraph:

''(2) the agency determines, in connection with the review by the agency of the plan required under section 38 or otherwise, that such prior notice is appropriate.''; and

(2) in subsection (b), by striking ''30-day period'' and inserting ''notice period, not to exceed 90 days,''.

SEC. 2210. AMENDMENTS TO THE DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS ACT.

(a) DUAL SERVICE AMONG LARGER ORGANIZATIONS.—Section 204 of the Depository Institution Management Interlocks Act (12 U.S.C. 3203) is amended—

(1) by striking ''$1,000,000,000'' and inserting ''$2,500,000,000'';

(2) by striking ''$500,000,000'' and inserting ''$1,500,000,000''; and

(3) by adding at the end the following: ''In order to allow for inflation or market changes, the appropriate Federal depository institutions regulatory agencies may, by regulation, adjust, as necessary, the amount of total assets required for depository institutions or depository holding companies under this section.''.

(b) EXTENSION OF GRANDFATHER EXEMPTION.—Section 206 of the Depository Institution Management Interlocks Act (12 U.S.C. 3205) is amended—

(1) in subsection (a), by striking ''for a period of, subject to the requirements of subsection (c), 20 years after the date of enactment of this title'';

(2) in subsection (b), by striking the second sentence; and

(3) by striking subsection (c).

(c) REGULATIONS.—Section 209 of the Depository Institution Management Interlocks Act (12 U.S.C. 3207) is amended—

(1) in subsection (a)—

(A) by striking ''(a) IN GENERAL.—Rules and regulations'' and inserting ''Regulations'';

(B) by inserting '', including regulations that permit service by a management official that would otherwise be prohibited by section 203 or section 204, if such service would not result in a monopoly or substantial lessening of competition,'' after ''title'';

(C) in paragraph (4)—

(i) by striking ''Federal Home Loan Bank Board'' and inserting ''Director of the Office of Thrift Supervision''; and

(ii) by striking ''Savings and Loan'' and inserting ''Deposit''; and

(2) by striking subsections (b) and (c).

SEC. 2211. ELIMINATION OF RECORDKEEPING AND REPORTING REQUIREMENTS FOR OFFICERS.

(a) EMPLOYEE BENEFIT PLANS.—Section 22(h)(2) of the Federal Reserve Act (12 U.S.C. 375b(2)) is amended—

(1) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and indenting appropriately;

(2) by striking ''(2) PREFERENTIAL TERMS PROHIBITED.—'' and inserting the following:

''(2) PREFERENTIAL TERMS PROHIBITED.—

''(A) IN GENERAL.—''; and

(3) by adding at the end the following new subparagraph:

''(B) EXCEPTION.—Nothing in this paragraph shall prohibit any extension of credit made pursuant to a benefit or compensation program—

''(i) that is widely available to employees of the member bank; and

''(ii) that does not give preference to any officer, director, or principal shareholder of the member bank, or to any related interest of such person, over other employees of the member bank.''.

(b) EXCEPTION FOR EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS AND DIRECTORS OF AFFILIATES.—Section 22(h)(8)(B) of the Federal Reserve Act (12 U.S.C. 375b(8)(B)) is amended to read as follows:

''(B) EXCEPTION.—The Board may, by regulation, make exceptions to subparagraph (A) for any executive officer or director of a subsidiary of a company that controls the member bank if—

''(i) the executive officer or director does not have authority to participate, and does not participate, in major policymaking functions of the member bank; and

''(ii) the assets of such subsidiary do not exceed 10 percent of the consolidated assets of a company that controls the member bank and such subsidiary (and is not controlled by any other company).''.

SEC. 2212. REPAYMENT OF TREASURY LOAN.

Section 1108 of the Federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3337) is amended by adding at the end the following new subsection.—

''(c) REPAYMENT OF TREASURY LOAN.—Not later than September 30, 1998, the Appraisal Subcommittee shall repay to the Secretary of the Treasury the unpaid portion of the $5,000,000 paid to the Appraisal Subcommittee pursuant to this section.''.

SEC. 2213. BRANCH CLOSURES.

Section 42 of the Federal Deposit Insurance Act (12 U.S.C. 1831r–1) is amended by adding at the end the following new subsection:

''(e) SCOPE OF APPLICATION.—This section shall not apply with respect to—

''(1) an automated teller machine;

''(2) the relocation of a branch or consolidation of one or more branches into another branch, if the relocation or consolidation—

''(A) occurs within the immediate neighborhood; and

''(B) does not substantially affect the nature of the business or customers served; or

''(3) a branch that is closed in connection with—

''(A) an emergency acquisition under—

''(i) section 11(n); or

''(ii) subsection (f) or (k) of section 13; or

''(B) any assistance provided by the Corporation under section 13(c).''.

SEC. 2214. FOREIGN BANKS.

(a) EXAMINATION OF BRANCHES AND AGENCIES BY BOARD.—Section 7(c) of the International Banking Act of 1978 (12 U.S.C. 3105(c)) is amended—

(1) by striking ''(c)'' and inserting the following:

''(c) FOREIGN BANK EXAMINATIONS AND REPORTING.—'';

(2) in paragraph (1)(B), by adding at the end the following new clause:

''(iii) AVOIDANCE OF DUPLICATION.—In exercising its authority under this paragraph, the Board shall take all reasonable measures to reduce burden and avoid unnecessary duplication of examinations.'';

(3) by striking subparagraph (C) of paragraph (1) and inserting the following:

''(C) ON-SITE EXAMINATION.—Each Federal branch or agency, and each State branch or agency, of a foreign bank shall be subject to on-site examination by an appropriate Federal banking agency or State bank supervisor as frequently as would a national bank or a State bank, respectively, by the appropriate Federal banking agency.''; and

(4) in paragraph (1)(D), by inserting before the period at the end the following: '', only to the same extent that fees are collected by the Board for examination of any State member bank''.

(b) ESTABLISHMENT OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7(d) of the International Banking Act of 1978 (12 U.S.C. 3105(d)) is amended—

(1) in paragraph (2), by striking ''The Board'' and inserting ''Except as provided in paragraph (6), the Board'';

(2) in paragraph (5), by striking ''Consistent with the standards for approval in paragraph (2), the''; and inserting ''The''; and

(3) by adding at the end the following new paragraphs:

''(6) EXCEPTION.—

''(A) IN GENERAL.—If the Board is unable to find, under paragraph (2), that a foreign bank is subject to comprehensive supervision or regulation on a consolidated basis by the appropriate authorities in its home country, the Board may nevertheless approve an application by such foreign bank under paragraph (1) if—

''(i) the appropriate authorities in the home country of the foreign bank are actively working to establish arrangements for the consolidated supervision of such bank; and

''(ii) all other factors are consistent with approval.

''(B) OTHER CONSIDERATIONS.—In deciding whether to use its discretion under subparagraph (A), the Board shall also consider whether the foreign bank has adopted and implemented procedures to combat money laundering. The Board may also take into account whether the home country of the foreign bank is developing a legal regime to address money laundering or is participating in multilateral efforts to combat money laundering.

''(C) ADDITIONAL CONDITIONS.—In approving an application under this paragraph, the Board, after requesting and taking into consideration the views of the appropriate State bank supervisor or the Comptroller of the Currency, as the case may be, may impose such conditions or restrictions relating to the activities or business operations of the proposed branch, agency, or commercial lending company subsidiary, including restrictions on sources of funding, as

are considered appropriate. The Board shall coordinate with the appropriate State bank supervisor or the Comptroller of the Currency, as appropriate, in the implementation of such conditions or restrictions.

''(D) MODIFICATION OF CONDITIONS.—Any condition or restriction imposed by the Board in connection with the approval of an application under authority of this paragraph may be modified or withdrawn.

''(7) TIME PERIOD FOR BOARD ACTION.—

''(A) FINAL ACTION.—The Board shall take final action on any application under paragraph (1) not later than 180 days after receipt of the application, except that the Board may extend for an additional 180 days the period within which to take final action on such application after providing notice of, and the reasons for, the extension to the applicant foreign bank and any appropriate State bank supervisor or the Comptroller of the Currency, as appropriate.

''(B) FAILURE TO SUBMIT INFORMATION.—The Board may deny any application if it does not receive information requested from the applicant foreign bank or appropriate authorities in the home country of the foreign bank in sufficient time to permit the Board to evaluate such information adequately within the time periods for final action set forth in subparagraph (A).

''(C) WAIVER.—A foreign bank may waive the applicability of this paragraph with respect to any application under paragraph (1).''.

(c) TERMINATION OF FOREIGN BANK OFFICES IN THE UNITED STATES.—Section 7(e)(1)(A) of the International Banking Act of 1978 (12 U.S.C. 3105(e)(1)(A)) is amended—

(1) by inserting ''(i)'' after ''(A)'';

(2) by striking ''or'' at the end and inserting ''and''; and

(3) by adding at the end the following new clause:

''(ii) the appropriate authorities in the home country of the foreign bank are not making demonstrable progress in establishing arrangements for the comprehensive supervision or regulation of such foreign bank on a consolidated basis; or''.

SEC. 2215. DISPOSITION OF FORECLOSED ASSETS.

Section 4(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(2)) is amended—

(1) by striking ''for not more than one year at a time''; and

(2) by striking ''but no such extensions shall extend beyond a date five years'' and inserting ''and, in the case of a bank holding company which has not disposed of such shares within 5 years after the date on which such shares were acquired, the Board may, upon the application of such company, grant additional exemptions if, in the judgment of the Board, such extension would not be detrimental to the public interest and, either the bank holding company has made a good faith attempt to dispose of such shares during such 5-year period, or the disposal of such shares during such 5-year period would have been detrimental to the company, except that the aggregate duration of such extensions shall not extend beyond 10 years''.

SEC. 2216. EXEMPTION AUTHORITY FOR ANTITYING PROVISION.

(a) FEDERAL RESERVE BOARD AUTHORITY.—Section 106(b)(1) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(1)) is amended in the last sentence, by inserting ''and the prohibitions of section 4(f)(9) and 4(h)(2) of the Bank Holding Company Act of 1956'' after ''prohibition''.

(b) OTS AUTHORITY.—Section 5(q) of the Home Owners' Loan Act (12 U.S.C. 1464(q)) is amended by adding at the end the following new paragraph:

''(6) EXCEPTIONS.—The Director may, by regulation or order, permit such exceptions to the prohibitions of this subsection as the Director considers will not be contrary to the purposes of this subsection and which conform to exceptions granted by the Board of Governors of the Federal Reserve System pursuant to section 106(b) of the Bank Holding Company Act Amendments of 1970.''.

SEC. 2217. FDIC APPROVAL OF NEW STATE BANK POWERS.

Section 24 of the Federal Deposit Insurance Act (12 U.S.C. 1831a) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(B) by striking ''IN GENERAL.—'' and inserting the following: ''PERMISSIBLE ACTIVITIES.—

''(1) IN GENERAL.—''; and

(C) by adding at the end the following new paragraph:

''(2) PROCESSING PERIOD.—

''(A) IN GENERAL.—The Corporation shall make a determination under paragraph (1)(A) not later than 60 days after receipt of a completed application that may be required under this subsection.

''(B) EXTENSION OF TIME PERIOD.—The Corporation may extend the 60-day period referred to in subparagraph (A) for not more than 30 additional days, and shall notify the applicant of any such extension.''; and

(2) in subsection (d), by adding at the end the following new paragraph:

''(3) PROCESSING PERIOD.—

''(A) IN GENERAL.—The Corporation shall make a determination under paragraph (1)(A) not later than 60 days after receipt of a completed application that may be required under this subsection.

''(B) EXTENSION OF TIME PERIOD.—The Corporation may extend the 60-day period referred to in subparagraph (A) for not more than 30 additional days, and shall notify the applicant of any such extension.''.

CHAPTER 2—ELIMINATING UNNECESSARY REGULATORY BURDENS

SEC. 2221. SMALL BANK EXAMINATION CYCLE.

Section 10(d) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)) is amended—

(1) by redesignating the second paragraph designated as paragraph (8) as paragraph (10), and by inserting that paragraph, as redesignated, immediately after paragraph (9); and

(2) in paragraph (10), as redesignated, by striking ''$175,000,000'' and inserting ''$250,000,000''.

SEC. 2222. REQUIRED REVIEW OF REGULATIONS.

(a) IN GENERAL.—Not less frequently than once every 10 years, the Council and each appropriate Federal banking agency represented on the Council shall conduct a review of all regulations prescribed by the Council or by any such appropriate Federal banking agency, respectively, in order to identify outdated or otherwise unnecessary regulatory requirements imposed on insured depository institutions.

(b) PROCESS.—In conducting the review under subsection (a), the Council or the appropriate Federal banking agency shall—

(1) categorize the regulations described in subsection (a) by type (such as consumer regulations, safety and soundness regulations, or such other designations as determined by the Council, or the appropriate Federal banking agency); and

(2) at regular intervals, provide notice and solicit public comment on a particular category or categories of regulations, requesting commentators to identify areas of the regulations that are outdated, unnecessary, or unduly burdensome.

(c) COMPLETE REVIEW.—The Council or the appropriate Federal banking agency shall ensure that the notice and comment period described in subsection (b)(2) is conducted with respect to all regulations described in subsection (a) not less frequently than once every 10 years.

(d) REGULATORY RESPONSE.—The Council or the appropriate Federal banking agency shall—

(1) publish in the Federal Register a summary of the comments received under this section, identifying significant issues raised and providing comment on such issues; and

(2) eliminate unnecessary regulations to the extent that such action is appropriate.

(e) REPORT TO CONGRESS.—Not later than 30 days after carrying out subsection (d)(1), the Council shall submit to the Congress a report, which shall include—

(1) a summary of any significant issues raised by public comments received by the Council and the appropriate Federal banking agencies under this section and the relative merits of such issues; and

(2) an analysis of whether the appropriate Federal banking agency involved is able to address the regulatory burdens associated with such issues by regulation, or whether such burdens must be addressed by legislative action.

SEC. 2223. REPEAL OF IDENTIFICATION OF NONBANK FINANCIAL INSTITUTION CUSTOMERS.

Subchapter II of chapter 53 of title 31, United States Code, is amended—

(1) by striking section 5327;

(2) in the chapter analysis, by striking the item relating to section 5327; and

(3) in section 5321(a), by striking paragraph (7).

SEC. 2224. REPEAL OF CERTAIN REPORTING REQUIREMENTS.

(a) FDIA.—Section 477 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 251) is repealed.

(b) FIRREA.—Section 918 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833 note) is repealed.

(c) ILS.—Section 913 of the International Lending Supervision Act of 1983 (12 U.S.C. 3912) is repealed.

SEC. 2225. INCREASE IN HOME MORTGAGE DISCLOSURE EXEMPTION THRESHOLD.

(a) IN GENERAL.—Section 309 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2808) is amended—

(1) by striking ''This title'' and inserting ''(a) IN GENERAL.—This title'';

(2) in the 3d sentence, by inserting ''(as determined without regard to the adjustment made by subsection (b))'' before the period; and

(2) by adding at the end the following new subsection:

''(b) CPI ADJUSTMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), the dollar amount applicable with respect to institutions described in section 303(2)(A) under the 2d sentence of subsection (a) shall be adjusted annually after December 31, 1996, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics.

''(2) 1-TIME ADJUSTMENT FOR PRIOR INFLATION.—The first adjustment made under paragraph (1) after the date of the enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996 shall be the percentage by which—

''(A) the Consumer Price Index described in such paragraph for the calendar year 1996, exceeds

''(B) such Consumer Price Index for the calendar year 1975.

''(3) ROUNDING.—The dollar amount applicable under paragraph (1) for any calendar year shall be the amount determined in accordance with subparagraphs (A) and (B) of paragraph (2) and rounded to the nearest multiple of $1,000,000.''.

(b) OPPORTUNITY TO REDUCE COMPLIANCE BURDEN.—Section 304 of the Home Mortgage Disclosure Act of 1975 (12 U.S.C. 2803) is amended by adding at the end the following new subsection:

''(m) OPPORTUNITY TO REDUCE COMPLIANCE BURDEN.—

''(1) IN GENERAL.—

''(A) SATISFACTION OF PUBLIC AVAILABILITY REQUIREMENTS.—A depository institution shall be deemed to have satisfied the public availability requirements of subsection (a) if the institution compiles the information required under

that subsection at the home office of the institution and provides notice at the branch locations specified in subsection (a) that such information is available from the home office of the institution upon written request.

''(B) PROVISION OF INFORMATION UPON REQUEST.—Not later than 15 days after the receipt of a written request for any information required to be compiled under subsection (a), the home office of the depository institution receiving the request shall provide the information pertinent to the location of the branch in question to the person requesting the information.

''(2) FORM OF INFORMATION.—In complying with paragraph (1), a depository institution shall, in the sole discretion of the institution, provide the person requesting the information with—

''(A) a paper copy of the information requested; or

''(B) if acceptable to the person, the information through a form of electronic medium, such as a computer disk.''.

SEC. 2226. ELIMINATION OF STOCK LOAN REPORTING REQUIREMENT.

Section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)) is amended—

(1) in paragraph (9)(A)—

(A) by striking ''financial institution and any affiliate of any financial institution'' and inserting ''foreign bank, or any affiliate thereof,''; and

(B) by striking ''by the financial institution and such institution's affiliates'' and inserting ''by the foreign bank or any affiliate thereof'';

(2) in paragraph (9)(B)—

(A) by striking ''paragraph—'' and inserting ''paragraph, the following definitions shall apply:'';

(B) by striking clause (i) and inserting the following:

''(i) FOREIGN BANK.—The terms 'foreign bank' and 'affiliate' have the same meanings as in section 1 of the International Banking Act of 1978.''; and

(C) in clause (iii), by striking ''financial institution'' and inserting ''foreign bank or any affiliate thereof'';

(3) in paragraph (9)(C)—

(A) by striking ''financial institution or any of its affiliates'' and inserting ''foreign bank or any affiliate thereof''; and

(B) by striking ''financial institution or its affiliates'' and inserting ''foreign bank or any affiliate thereof'';

(4) in paragraph (9)(D)—

(A) in clause (i)—

(i) by striking ''the financial institution and all affiliates of the institution'' and inserting ''the foreign bank and all affiliates thereof''; and

(ii) by striking ''financial institution or any such affiliate'' and inserting ''foreign bank or affiliate thereof'';

(B) in clause (ii), by striking ''financial institution and any affiliate of such institution'' and inserting ''foreign bank and any affiliate thereof''; and

(C) in clause (iii), by striking ''financial institution'' and inserting ''foreign bank or any affiliate thereof''; and

(5) in paragraph (9)(E)—

(A) in clause (i)—

(i) by striking ''a financial institution and the affiliates of such institution'' and inserting ''a foreign bank or any affiliate thereof''; and

(ii) by striking ''institution or affiliate'' each place such term appears and inserting ''foreign bank or any affiliate thereof''; and

(B) in clause (ii), by striking ''financial institution and any affiliate of such institution'' and inserting ''foreign bank and any affiliate thereof''.

SEC. 2227. CREDIT AVAILABILITY ASSESSMENT.

(a) STUDY.—

(1) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, and once every 60 months thereafter, the Board, in consultation with the Director of the Office of Thrift Supervision, the Comptroller of the Currency, the Board of Directors of the Corporation, the Administrator of the National Credit Union Administration, the Administrator of the Small Business Administration, and the Secretary of Commerce, shall conduct a study and submit a report to the Congress detailing the extent of small business lending by all creditors.

(2) CONTENTS OF STUDY.—The study required under paragraph (1) shall identify, to the extent practicable, those factors which provide policymakers with insights into the small business credit market, including—

(A) the demand for small business credit, including consideration of the impact of economic cycles on the levels of such demand;

(B) the availability of credit to small businesses;

(C) the range of credit options available to small businesses, such as those available from insured depository institutions and other providers of credit;

(D) the types of credit products used to finance small business operations, including the use of traditional loans, leases, lines of credit, home equity loans, credit cards, and other sources of financing;

(E) the credit needs of small businesses, including, if appropriate, the extent to which such needs differ, based upon product type, size of business, cash flow requirements, characteristics of ownership or investors, or other aspects of such business;

(F) the types of risks to creditors in providing credit to small businesses; and

(G) such other factors as the Board deems appropriate.

(b) USE OF EXISTING DATA.—The studies required by this section shall not increase the regulatory or paperwork burden on regulated financial institutions, other sources of small business credit, or small businesses.

CHAPTER 3—REGULATORY MICROMANAGEMENT RELIEF

SEC. 2241. NATIONAL BANK DIRECTORS.

Section 5146 of the Revised Statutes of the United States (12 U.S.C. 72) is amended in the first sentence, by striking ''except'' and all that follows through the end of the sentence and inserting the following: ''except that the Comptroller may, in the discretion of the Comptroller, waive the requirement of residency.''.

SEC. 2242. PAPERWORK REDUCTION REVIEW.

Section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4803(a)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

''(2) review the extent to which existing regulations require insured depository institutions and insured credit unions to produce unnecessary internal written policies and eliminate such requirements, where appropriate;''.

SEC. 2243. STATE BANK REPRESENTATION ON BOARD OF DIRECTORS OF THE FDIC.

Section 2(a)(1)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1812(a)(1)(C)) is amended by inserting before the period '', 1 of whom shall have State bank supervisory experience''.

SEC. 2244. CONSULTATION AMONG EXAMINERS.

(a) IN GENERAL.—Section 10 of the Federal Deposit Insurance Act (12 U.S.C. 1820) is amended by adding at the end the following new subsection:

''(j) CONSULTATION AMONG EXAMINERS.—

''(1) IN GENERAL.—Each appropriate Federal banking agency shall take such action as may be necessary to ensure that examiners employed by the agency—

''(A) consult on examination activities with respect to any depository institution; and

''(B) achieve an agreement and resolve any inconsistencies in the recommendations to be given to such institution as a consequence of any examinations.

''(2) EXAMINER-IN-CHARGE.—Each appropriate Federal banking agency shall consider appointing an examiner-in-charge with respect to a depository institution to ensure consultation on examination activities among all of the examiners of that agency involved in examinations of the institution.''.

(b) COORDINATED AND UNIFIED EXAMINATION FLEXIBILITY.—Section 10(d)(6)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)(6)(B)) is amended by inserting ''or State bank supervisors'' after ''one of the Federal agencies''.

Subtitle C—Regulatory Impact on Cost of Credit and Credit Availability

SEC. 2301. AUDIT COSTS.

(a) AUDITOR ATTESTATIONS.—Section 36 of the Federal Deposit Insurance Act (12 U.S.C. 1831m) is amended by striking subsection (e) and inserting the following:

''(e) [Repealed]''.

(b) INDEPENDENT AUDIT COMMITTEES.—Section 36(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1831m(g)(1)) is amended—

(1) in subparagraph (A), by inserting '', except as provided in subparagraph (D)'' after ''management of the institution''; and

(2) by adding at the end the following new subparagraph:

''(D) EXEMPTION AUTHORITY.—

''(i) IN GENERAL.—An appropriate Federal banking agency may, by order or regulation, permit the independent audit committee of an insured depository institution to be made up of less than all, but no fewer than a majority of, outside directors, if the agency determines that the institution has encountered hardships in retaining and recruiting a sufficient number of competent outside directors to serve on the internal audit committee of the institution.

''(ii) FACTORS TO BE CONSIDERED.—In determining whether an insured depository institution has encountered hardships referred to in clause (i), the appropriate Federal banking agency shall consider factors such as the size of the institution, and whether the institution has made a good faith effort to elect or name additional competent outside directors to the board of directors of the institution who may serve on the internal audit committee.''.

(c) PUBLIC AVAILABILITY.—Section 36(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831m(a)(3)) is amended by adding at the end the following: ''Notwithstanding the preceding sentence, the Corporation and the appropriate Federal banking agencies may designate certain information as privileged and confidential and not available to the public.''.

SEC. 2302. INCENTIVES FOR SELF-TESTING.

(a) EQUAL CREDIT OPPORTUNITY.—

(1) IN GENERAL.—The Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) is amended by inserting after section 704 the following new section:

''SEC. 704A. INCENTIVES FOR SELF-TESTING AND SELF-CORRECTION.

''(a) PRIVILEGED INFORMATION.—

''(1) CONDITIONS FOR PRIVILEGE.—A report or result of a self-test (as that term is defined by regulations of the Board) shall be considered to be privileged under paragraph (2) if a creditor—

''(A) conducts, or authorizes an independent third party to conduct, a self-test of any aspect of a credit transaction by a creditor, in order to determine the level or effectiveness of compliance with this title by the creditor; and

''(B) has identified any possible violation of this title by the creditor and has taken, or is taking, appropriate corrective action to address any such possible violation.

''(2) PRIVILEGED SELF-TEST.—If a creditor meets the conditions specified in subparagraphs (A) and (B) of paragraph (1) with respect to a self-test described in that paragraph, any report or results of that self-test—

''(A) shall be privileged; and

''(B) may not be obtained or used by any applicant, department, or agency in any—

''(i) proceeding or civil action in which one or more violations of this title are alleged; or

''(ii) examination or investigation relating to compliance with this title.

''(b) RESULTS OF SELF-TESTING.—

''(1) IN GENERAL.—No provision of this section may be construed to prevent an applicant, department, or agency from obtaining or using a report or results of any self-test in any proceeding or civil action in which a violation of this title is alleged, or in any examination or investigation of compliance with this title if—

''(A) the creditor or any person with lawful access to the report or results—

''(i) voluntarily releases or discloses all, or any part of, the report or results to the applicant, department, or agency, or to the general public; or

''(ii) refers to or describes the report or results as a defense to charges of violations of this title against the creditor to whom the self-test relates; or

''(B) the report or results are sought in conjunction with an adjudication or admission of a violation of this title for the sole purpose of determining an appropriate penalty or remedy.

''(2) DISCLOSURE FOR DETERMINATION OF PENALTY OR REMEDY.—Any report or results of a self-test that are disclosed for the purpose specified in paragraph (1)(B)—

''(A) shall be used only for the particular proceeding in which the adjudication or admission referred to in paragraph (1)(B) is made; and

''(B) may not be used in any other action or proceeding.

''(c) ADJUDICATION.—An applicant, department, or agency that challenges a privilege asserted under this section may seek a determination of the existence and application of that privilege in—

''(1) a court of competent jurisdiction; or

''(2) an administrative law proceeding with appropriate jurisdiction.''.

(2) REGULATIONS.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, in consultation with the Secretary of Housing and Urban Development and the agencies referred to in section 704 of the Equal Credit Opportunity Act, and after providing notice and an opportunity for public comment, the Board shall prescribe final regulations to implement section 704A of the Equal Credit Opportunity Act, as added by this section.

(B) SELF-TEST.—

(i) DEFINITION.—The regulations prescribed under subparagraph (A) shall include a definition of the term ''self-test'' for purposes of section 704A of the Equal Credit Opportunity Act, as added by this section.

(ii) REQUIREMENT FOR SELF-TEST.—The regulations prescribed under subparagraph (A) shall specify that a self-test shall be sufficiently extensive to constitute a determination of the level and effectiveness of compliance by a creditor with the Equal Credit Opportunity Act.

(iii) SUBSTANTIAL SIMILARITY TO CERTAIN FAIR HOUSING ACT REGULATIONS.—The regulations prescribed under subparagraph (A) shall be substantially similar to the regulations prescribed by the Secretary of Housing and Urban Development to carry out section 814A(d) of the Fair Housing Act, as added by this section.

(3) CLERICAL AMENDMENT.—The table of sections for title VII of the Consumer Credit Protection Act is amended by inserting after the item relating to section 704 the following new item:

''704A. Incentives for self-testing and self-correction.''.

(b) FAIR HOUSING.—

(1) IN GENERAL.—The Fair Housing Act (42 U.S.C. 3601 et seq.) is amended by inserting after section 814 the following new section:

''SEC. 814A. INCENTIVES FOR SELF-TESTING AND SELF-CORRECTION.

''(a) PRIVILEGED INFORMATION.—

''(1) CONDITIONS FOR PRIVILEGE.—A report or result of a self-test (as that term is defined by regulation of the Secretary) shall be considered to be privileged under paragraph (2) if any person—

''(A) conducts, or authorizes an independent third party to conduct, a self-test of any aspect of a residential real estate related lending transaction of that person, or any part of that transaction, in order to determine the level or effectiveness of compliance with this title by that person; and

''(B) has identified any possible violation of this title by that person and has taken, or is taking, appropriate corrective action to address any such possible violation.

''(2) PRIVILEGED SELF-TEST.—If a person meets the conditions specified in subparagraphs (A) and (B) of paragraph (1) with respect to a self-test described in that paragraph, any report or results of that self-test—

''(A) shall be privileged; and

''(B) may not be obtained or used by any applicant, department, or agency in any—

''(i) proceeding or civil action in which one or more violations of this title are alleged; or

''(ii) examination or investigation relating to compliance with this title.

''(b) RESULTS OF SELF-TESTING.—

''(1) IN GENERAL.—No provision of this section may be construed to prevent an aggrieved person, complainant, department, or agency from obtaining or using a report or results of any self-test in any proceeding or civil action in which a violation of this title is alleged, or in any examination or investigation of compliance with this title if—

''(A) the person to whom the self-test relates or any person with lawful access to the report or the results—

''(i) voluntarily releases or discloses all, or any part of, the report or results to the aggrieved person, complainant, department, or agency, or to the general public; or

''(ii) refers to or describes the report or results as a defense to charges of violations of this title against the person to whom the self-test relates; or

''(B) the report or results are sought in conjunction with an adjudication or admission of a violation of this title for the sole purpose of determining an appropriate penalty or remedy.

''(2) DISCLOSURE FOR DETERMINATION OF PENALTY OR REMEDY.—Any report or results of a self-test that are disclosed for the purpose specified in paragraph (1)(B)—

''(A) shall be used only for the particular proceeding in which the adjudication or admission referred to in paragraph (1)(B) is made; and

''(B) may not be used in any other action or proceeding.

''(c) ADJUDICATION.—An aggrieved person, complainant, department, or agency that challenges a privilege asserted under this section may seek a determination of the existence and application of that privilege in—

''(1) a court of competent jurisdiction; or

''(2) an administrative law proceeding with appropriate jurisdiction.''.

(2) REGULATIONS.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, in consultation with the Board and after providing notice and an opportunity for public comment, the Secretary of Housing and Urban Development shall prescribe final regulations to implement section 814A of the Fair Housing Act, as added by this section.

(B) SELF-TEST.—

(i) DEFINITION.—The regulations prescribed by the Secretary under subparagraph (A) shall include a definition of the term ''self-test'' for purposes of section 814A of the Fair Housing Act, as added by this section.

(ii) REQUIREMENT FOR SELF-TEST.—The regulations prescribed by the Secretary under subparagraph (A) shall specify that a self-test shall be sufficiently extensive to constitute a determination of the level and effectiveness of the compliance by a person engaged in residential real estate related lending activities with the Fair Housing Act.

(iii) SUBSTANTIAL SIMILARITY TO CERTAIN EQUAL CREDIT OPPORTUNITY ACT REGULATIONS.—The regulations prescribed under subparagraph (A) shall be substantially similar to the regulations prescribed by the Board to carry out section 704A of the Equal Credit Opportunity Act, as added by this section.

(c) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the privilege provided for in section 704A of the Equal Credit Opportunity Act or section 814A of the Fair Housing Act (as those sections are added by this section) shall apply to a self-test (as that term is defined pursuant to the regulations prescribed under subsection (a)(2) or (b)(2) of this section, as appropriate) conducted before, on, or after the effective date of the regulations prescribed under subsection (a)(2) or (b)(2), as appropriate.

(2) EXCEPTION.—The privilege referred to in paragraph (1) does not apply to such a self-test conducted before the effective date of the regulations prescribed under subsection (a) or (b), as appropriate, if—

(A) before that effective date, a complaint against the creditor or person engaged in residential real estate related lending activities (as the case may be) was—

(i) formally filed in any court of competent jurisdiction; or

(ii) the subject of an ongoing administrative law proceeding;

(B) in the case of section 704A of the Equal Credit Opportunity Act, the creditor has waived the privilege pursuant to subsection (b)(1)(A)(i) of that section; or

(C) in the case of section 814A of the Fair Housing Act, the person engaged in residential real estate related lending activities has waived the privilege pursuant to subsection (b)(1)(A)(i) of that section.

SEC. 2303. QUALIFIED THRIFT INVESTMENT AMENDMENTS.

(a) CREDIT CARDS.—Section 5(b) of the Home Owners' Loan Act (12 U.S.C. 1464(b)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraph (5) as paragraph (4).

(b) LOANS OR INVESTMENTS WITHOUT PERCENTAGE OF ASSETS LIMITATION.—Section 5(c)(1) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(1)) is amended by adding at the end the following new subparagraphs:

''(T) CREDIT CARD LOANS.—Loans made through credit cards or credit card accounts.

''(U) EDUCATIONAL LOANS.—Loans made for the payment of educational expenses.''.

(c) COMMERCIAL AND OTHER LOANS.—Section 5(c)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(2)(A)) is amended to read as follows:

''(A) COMMERCIAL AND OTHER LOANS.—Secured or unsecured loans for commercial, corporate, business, or agricultural purposes. The aggregate amount of loans made under this subparagraph may not exceed 20 percent of the total assets of the Federal savings association, and amounts in excess of 10 percent of such total assets may be used under this subparagraph only for small business loans, as that term is defined by the Director.''.

(d) LOANS OR INVESTMENTS LIMITED TO 5 PERCENT OF ASSETS.—Section 5(c)(3) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(3)) is amended—

(1) by striking subparagraph (A); and

(2) by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(e) QUALIFIED THRIFT LENDER TEST.—Section 10(m)(1) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(1)) is amended—

(1) by redesignating subparagraph (B) as clause (ii);

(2) in subparagraph (A), by striking ''(A) the savings'' and inserting ''(B)(i) the savings''; and

(3) by inserting after ''if—'' the following new subparagraph:

''(A) the savings association qualifies as a domestic building and loan association, as such term is defined in section 7701(a)(19) of the Internal Revenue Code of 1986; or''.

(f) BRANCHING.—Section 5(r) of the Home Owners' Loan Act (12 U.S.C. 1464(r)) is amended—

(1) in paragraph (1)—

(A) in the first sentence—

(i) by inserting before the period '', or qualifies as a qualified thrift lender, as determined under section 10(m) of this Act''; and

(ii) by striking ''(c)'' and inserting ''(C)''; and

(B) in the second sentence, by inserting before the period ''or as a qualified thrift lender, as determined under section 10(m) of this Act, as applicable''; and

(2) in paragraph (2), by striking subparagraph (C) and inserting the following:

''(C) the law of the State where the branch is located, or is to be located, would permit establishment of the branch if the association was a savings association or savings bank chartered by the State in which its home office is located; or''.

(g) DEFINITION.—Section 10(m)(4) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)) is amended—

(1) by striking ''subsection—'' and inserting ''subsection, the following definitions shall apply:'';

(2) in subparagraph (C)—

(A) in clause (ii), by adding at the end the following new subclause:

''(VII) Loans for educational purposes, loans to small businesses, and loans made through credit cards or credit card accounts.''; and

(B) in clause (iii), by striking subclause (VI) and inserting the following:

''(VI) Loans for personal, family, or household purposes (other than loans for personal, family, or household purposes described in clause (ii)(VII)).''; and

(3) by adding at the end the following new subparagraphs:

''(D) CREDIT CARD.—The Director shall issue such regulations as may be necessary to define the term 'credit card'.

''(E) SMALL BUSINESS.—The Director shall issue such regulations as may be necessary to define the term 'small business'.''.

SEC. 2304. LIMITED PURPOSE BANKS.

(a) GROWTH CAP RELIEF.—Section 4(f)(3)(B) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(3)(B)) is amended—

(1) in clause (ii), by adding ''or'' at the end;

(2) in clause (iii), by striking ''; or'' at the end and inserting a period; and

(3) by striking clause (iv).

(b) LIMITED PURPOSE BANK EXCEPTION.—Section 2(c)(2)(F) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(F)) is amended by inserting '', including an institution that accepts collateral for extensions of credit by holding deposits under $100,000, and by other means'' after ''An institution''.

SEC. 2305. AMENDMENT TO FAIR DEBT COLLECTION PRACTICES ACT.

(a) IN GENERAL.—Section 807(11) of the Fair Debt Collection Practices Act (15 U.S.C. 1692e(11)) is amended to read as follows:

''(11) The failure to disclose in the initial written communication with the consumer and, in addition, if the initial communication with the consumer is oral, in that initial oral communication, that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose, and the failure to disclose in subsequent communications that the communication is from a debt collector, except that this paragraph shall not apply to a formal pleading made in connection with a legal action.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 90 days after the date of enactment of this Act and shall apply to all communications made after that date of enactment.

SEC. 2306. INCREASE IN CERTAIN CREDIT UNION LOAN CEILINGS.

Section 107(5)(A) of the Federal Credit Union Act (12 U.S.C. 1757(5)(A)) is amended—

(1) in clause (iv), by striking ''$10,000'' and inserting ''$20,000''; and

(2) in clause (v), by striking ''$10,000'' and inserting ''$20,000''.

SEC. 2307. BANK INVESTMENTS IN EDGE ACT AND AGREEMENT CORPORATIONS.

The 10th undesignated paragraph of section 25A of the Federal Reserve Act (12 U.S.C. 618) is amended by striking the last sentence and inserting the following: ''Any national bank may invest in the stock of any corporation organized under this section. The aggregate amount of stock held by any national bank in all corporations engaged in business of the kind described in this section or section 25 shall not exceed an amount equal to 10 percent of the capital and surplus of such bank unless the Board determines that the investment of an additional amount by the bank would not be unsafe or unsound and, in any case, shall not exceed an amount equal to 20 percent of the capital and surplus of such bank.''.

Subtitle D—Consumer Credit

CHAPTER 1—CREDIT REPORTING REFORM

SEC. 2401. SHORT TITLE.

This chapter may be cited as the ''Consumer Credit Reporting Reform Act of 1996''.

SEC. 2402. DEFINITIONS.

(a) ADVERSE ACTION.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new subsection:

''(k) ADVERSE ACTION.—

''(1) ACTIONS INCLUDED.—The term 'adverse action'—

''(A) has the same meaning as in section 701(d)(6) of the Equal Credit Opportunity Act; and

''(B) means—

''(i) a denial or cancellation of, an increase in any charge for, or a reduction or other adverse or unfavorable change in the terms of coverage or amount of, any insurance, existing or applied for, in connection with the underwriting of insurance;

''(ii) a denial of employment or any other decision for employment purposes that adversely affects any current or prospective employee;

''(iii) a denial or cancellation of, an increase in any charge for, or any other adverse or unfavorable change in the terms of, any license or benefit described in section 604(a)(3)(D); and

''(iv) an action taken or determination that is—

''(I) made in connection with an application that was made by, or a transaction that was initiated by, any consumer, or in connection with a review of an account under section 604(a)(3)(F)(ii); and

''(II) adverse to the interests of the consumer.

''(2) APPLICABLE FINDINGS, DECISIONS, COMMENTARY, AND ORDERS.—For purposes of any determination of whether an action is an adverse action under paragraph (1)(A), all appropriate final findings, decisions, commentary, and orders issued under section 701(d)(6) of the Equal Credit Opportunity Act by the Board of Governors of the Federal Reserve System or any court shall apply.''.

(b) FIRM OFFER OF CREDIT OR INSURANCE.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) (as amended by subsection (a) of this section) is amended by adding at the end the following new subsection:

''(l) FIRM OFFER OF CREDIT OR INSURANCE.—The term 'firm offer of credit or insurance' means any offer of credit or insurance to a consumer that will be honored if the consumer is determined, based on information in a consumer report on the consumer, to meet the specific criteria used to select the consumer for the offer, except that the offer may be further conditioned on one or more of the following:

''(1) The consumer being determined, based on information in the consumer's application for the credit or insurance, to meet specific criteria bearing on credit worthiness or insurability, as applicable, that are established—

''(A) before selection of the consumer for the offer; and

''(B) for the purpose of determining whether to extend credit or insurance pursuant to the offer.

''(2) Verification—

''(A) that the consumer continues to meet the specific criteria used to select the consumer for the offer, by using information in a consumer report on the consumer, information in the consumer's application for the credit or insurance, or other information bearing on the credit worthiness or insurability of the consumer; or

''(B) of the information in the consumer's application for the credit or insurance, to determine that the consumer meets the specific criteria bearing on credit worthiness or insurability.

''(3) The consumer furnishing any collateral that is a requirement for the extension of the credit or insurance that was—

''(A) established before selection of the consumer for the offer of credit or insurance; and

''(B) disclosed to the consumer in the offer of credit or insurance.''.

(c) CREDIT OR INSURANCE TRANSACTION THAT IS NOT INITIATED BY THE CONSUMER.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) (as amended by subsection (b) of this section) is amended by adding at the end the following new subsection:

''(m) CREDIT OR INSURANCE TRANSACTION THAT IS NOT INITIATED BY THE CONSUMER.—The term 'credit or insurance transaction that is not initiated by the consumer' does not include the use of a consumer report by a person with which the consumer has an account or insurance policy, for purposes of—

''(1) reviewing the account or insurance policy; or

''(2) collecting the account.''.

(d) STATE.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) (as amended by subsection (c) of this section) is amended by adding at the end the following new subsection:

''(n) STATE.—The term 'State' means any State, the Commonwealth of Puerto Rico, the District of Columbia, and any territory or possession of the United States.''.

(e) DEFINITION OF CONSUMER REPORT.—Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended—

(1) by striking ''(d) The term'' and inserting the following:

''(d) CONSUMER REPORT.—

''(1) IN GENERAL.—The term'';

(2) by striking ''for (1) credit'' and inserting the following: ''for—

''(A) credit'';

(3) by striking ''purposes, or (2)'' and all that follows through ''section 604.'' and inserting the following: ''purposes;

''(B) employment purposes; or

''(C) any other purpose authorized under section 604.''; and

(4) by striking the second sentence and inserting the following:

''(2) EXCLUSIONS.—The term 'consumer report' does not include—

''(A) any—

''(i) report containing information solely as to transactions or experiences between the consumer and the person making the report;

''(ii) communication of that information among persons related by common ownership or affiliated by corporate control; or

''(iii) any communication of other information among persons related by common ownership or affiliated by corporate control, if it is clearly and conspicuously disclosed to the consumer that the information may be communicated among such persons and the consumer is given the opportunity, before the time that the information is initially communicated, to direct that such information not be communicated among such persons;

''(B) any authorization or approval of a specific extension of credit directly or indirectly by the issuer of a credit card or similar device;

''(C) any report in which a person who has been requested by a third party to make a specific extension of credit directly or indirectly to a consumer conveys his or her decision with respect to such request, if the third party advises the consumer of the name and address of the person to whom the request was made, and such person makes the disclosures to the consumer required under section 615; or

''(D) a communication described in subsection (o).''.

(f) EXCLUSION OF CERTAIN COMMUNICATIONS BY EMPLOYMENT AGENCIES FROM DEFINITION OF CONSUMER REPORT.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new subsection:

''(o) EXCLUDED COMMUNICATIONS.—A communication is described in this subsection if it is a communication—

''(1) that, but for subsection (d)(2)(E), would be an investigative consumer report;

''(2) that is made to a prospective employer for the purpose of—

''(A) procuring an employee for the employer; or

''(B) procuring an opportunity for a natural person to work for the employer;

''(3) that is made by a person who regularly performs such procurement;

''(4) that is not used by any person for any purpose other than a purpose described in subparagraph (A) or (B) of paragraph (2); or

''(5) with respect to which—

''(A) the consumer who is the subject of the communication—

''(i) consents orally or in writing to the nature and scope of the communication, before the collection of any information for the purpose of making the communication;

''(ii) consents orally or in writing to the making of the communication to a prospective employer, before the making of the communication; and

''(iii) in the case of consent under clause (i) or (ii) given orally, is provided written confirmation of that consent by the person making the communication, not later than 3 business days after the receipt of the consent by that person;

''(B) the person who makes the communication does not, for the purpose of making the communication, make any inquiry that if made by a prospective employer of the consumer who is the subject of the communication would violate any applicable Federal or State equal employment opportunity law or regulation; and

''(C) the person who makes the communication—

''(i) discloses in writing to the consumer who is the subject of the communication, not later than 5 business days after receiving any request from the consumer for such disclosure, the nature and substance of all information in the consumer's file at the time of the request, except that the sources of any information that is acquired solely for use in making the communication and is actually used for no other purpose, need not be disclosed other than under appropriate discovery procedures in any court of competent jurisdiction in which an action is brought; and

''(ii) notifies the consumer who is the subject of the communication, in writing, of the consumer's right to request the information described in clause (i).''.

(g) CONSUMER REPORTING AGENCY THAT COMPILES AND MAINTAINS FILES ON A NATIONWIDE BASIS.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) (as amended by subsection (f) of this section) is amended by adding at the end the following new subsection:

''(p) CONSUMER REPORTING AGENCY THAT COMPILES AND MAINTAINS FILES ON CONSUMERS ON A NATIONWIDE BASIS.—The term 'consumer reporting agency that compiles and maintains files on consumers on a nationwide basis' means a consumer reporting agency that regularly engages in the practice of assembling or evaluating, and maintaining, for the purpose of furnishing consumer reports to third parties bearing on a consumer's credit worthiness, credit standing, or credit capacity, each of the following regarding consumers residing nationwide:

''(1) Public record information.

''(2) Credit account information from persons who furnish that information regularly and in the ordinary course of business.''.

SEC. 2403. FURNISHING CONSUMER REPORTS; USE FOR EMPLOYMENT PURPOSES.

(a) FURNISHING CONSUMER REPORTS FOR BUSINESS TRANSACTIONS.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''A consumer reporting agency''; and

(2) in subsection (a)(3) (as so designated by paragraph (1) of this subsection), by striking subparagraph (E) and inserting the following:

''(E) intends to use the information, as a potential investor or servicer, or current insurer, in connection with a valuation of, or an assessment of the credit or prepayment risks associated with, an existing credit obligation; or

''(F) otherwise has a legitimate business need for the information—

''(i) in connection with a business transaction that is initiated by the consumer; or

''(ii) to review an account to determine whether the consumer continues to meet the terms of the account.''.

(b) FURNISHING AND USING CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new subsection:

''(b) CONDITIONS FOR FURNISHING AND USING CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—

''(1) CERTIFICATION FROM USER.—A consumer reporting agency may furnish a consumer report for employment purposes only if—

''(A) the person who obtains such report from the agency certifies to the agency that—

''(i) the person has complied with paragraph (2) with respect to the consumer report, and the person will comply with paragraph (3) with respect to the consumer report if paragraph (3) becomes applicable; and

''(ii) information from the consumer report will not be used in violation of any applicable Federal or State equal employment opportunity law or regulation; and

''(B) the consumer reporting agency provides with the report a summary of the consumer's rights under this title, as prescribed by the Federal Trade Commission under section 609(c)(3).

''(2) DISCLOSURE TO CONSUMER.—A person may not procure a consumer report, or cause a consumer report to be procured, for employment purposes with respect to any consumer, unless—

''(A) a clear and conspicuous disclosure has been made in writing to the consumer at any time before the report is procured or caused to be procured, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes; and

''(B) the consumer has authorized in writing the procurement of the report by that person.

''(3) CONDITIONS ON USE FOR ADVERSE ACTIONS.—In using a consumer report for employment purposes, before taking any adverse action based in whole or in part on the report, the person intending to take such adverse action shall provide to the consumer to whom the report relates—

''(A) a copy of the report; and

''(B) a description in writing of the rights of the consumer under this title, as prescribed by the Federal Trade Commission under section 609(c)(3).''.

SEC. 2404. USE OF CONSUMER REPORTS FOR PRESCREENING; PROHIBITION ON UNAUTHORIZED OR UNCERTIFIED USE OF INFORMATION.

(a) IN GENERAL.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) (as amended by section 2403 of this chapter) is amended—

(1) in subsection (a), by striking ''A consumer reporting agency'' and inserting ''Subject to subsection (c), any consumer reporting agency''; and

(2) by adding at the end the following new subsections:

''(c) FURNISHING REPORTS IN CONNECTION WITH CREDIT OR INSURANCE TRANSACTIONS THAT ARE NOT INITIATED BY THE CONSUMER.—

''(1) IN GENERAL.—A consumer reporting agency may furnish a consumer report relating to any consumer pursuant to subparagraph (A) or (C) of subsection (a)(3) in connection with any credit or insurance transaction that is not initiated by the consumer only if—

''(A) the consumer authorizes the agency to provide such report to such person; or

''(B)(i) the transaction consists of a firm offer of credit or insurance;

''(ii) the consumer reporting agency has complied with subsection (e); and

''(iii) there is not in effect an election by the consumer, made in accordance with subsection (e), to have the consumer's name and address excluded from lists of names provided by the agency pursuant to this paragraph.

''(2) LIMITS ON INFORMATION RECEIVED UNDER PARAGRAPH (1)(B).—A person may receive pursuant to paragraph (1)(B) only—

''(A) the name and address of a consumer;

''(B) an identifier that is not unique to the consumer and that is used by the person solely for the purpose of verifying the identity of the consumer; and

''(C) other information pertaining to a consumer that does not identify the relationship or experience of the consumer with respect to a particular creditor or other entity.

''(3) INFORMATION REGARDING INQUIRIES.—Except as provided in section 609(a)(5), a consumer reporting agency shall not furnish to any person a record of inquiries in connection with a credit or insurance transaction that is not initiated by a consumer.

''(d) RESERVED.

''(e) ELECTION OF CONSUMER TO BE EXCLUDED FROM LISTS.—

''(1) IN GENERAL.—A consumer may elect to have the consumer's name and address excluded from any list provided by a consumer reporting agency under subsection (c)(1)(B) in connection with a credit or insurance transaction that is not initiated by the consumer by notifying the agency in accordance with paragraph (2) that the consumer does not consent to any use of a consumer report relating to the consumer in connection with any credit or insurance transaction that is not initiated by the consumer.

''(2) MANNER OF NOTIFICATION.—A consumer shall notify a consumer reporting agency under paragraph (1)—

''(A) through the notification system maintained by the agency under paragraph (5); or

''(B) by submitting to the agency a signed notice of election form issued by the agency for purposes of this subparagraph.

''(3) RESPONSE OF AGENCY AFTER NOTIFICATION THROUGH SYSTEM.—Upon receipt of notification of the election of a consumer under paragraph (1) through the notification system maintained by the agency under paragraph (5), a consumer reporting agency shall—

''(A) inform the consumer that the election is effective only for the 2-year period following the

election if the consumer does not submit to the agency a signed notice of election form issued by the agency for purposes of paragraph (2)(B); and

''(B) provide to the consumer a notice of election form, if requested by the consumer, not later than 5 business days after receipt of the notification of the election through the system established under paragraph (5), in the case of a request made at the time the consumer provides notification through the system.

''(4) EFFECTIVENESS OF ELECTION.—An election of a consumer under paragraph (1)—

''(A) shall be effective with respect to a consumer reporting agency beginning 5 business days after the date on which the consumer notifies the agency in accordance with paragraph (2);

''(B) shall be effective with respect to a consumer reporting agency—

''(i) subject to subparagraph (C), during the 2-year period beginning 5 business days after the date on which the consumer notifies the agency of the election, in the case of an election for which a consumer notifies the agency only in accordance with paragraph (2)(A); or

''(ii) until the consumer notifies the agency under subparagraph (C), in the case of an election for which a consumer notifies the agency in accordance with paragraph (2)(B);

''(C) shall not be effective after the date on which the consumer notifies the agency, through the notification system established by the agency under paragraph (5), that the election is no longer effective; and

''(D) shall be effective with respect to each affiliate of the agency.

''(5) NOTIFICATION SYSTEM.—

''(A) IN GENERAL.—Each consumer reporting agency that, under subsection (c)(1)(B), furnishes a consumer report in connection with a credit or insurance transaction that is not initiated by a consumer shall—

''(i) establish and maintain a notification system, including a toll-free telephone number, which permits any consumer whose consumer report is maintained by the agency to notify the agency, with appropriate identification, of the consumer's election to have the consumer's name and address excluded from any such list of names and addresses provided by the agency for such a transaction; and

''(ii) publish by not later than 365 days after the date of enactment of the Consumer Credit Reporting Reform Act of 1996, and not less than annually thereafter, in a publication of general circulation in the area served by the agency—

''(I) a notification that information in consumer files maintained by the agency may be used in connection with such transactions; and

''(II) the address and toll-free telephone number for consumers to use to notify the agency of the consumer's election under clause (i).

''(B) ESTABLISHMENT AND MAINTENANCE AS COMPLIANCE.—Establishment and maintenance of a notification system (including a toll-free telephone number) and publication by a consumer reporting agency on the agency's own behalf and on behalf of any of its affiliates in accordance with this paragraph is deemed to be compliance with this paragraph by each of those affiliates.

''(6) NOTIFICATION SYSTEM BY AGENCIES THAT OPERATE NATIONWIDE.—Each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall establish and maintain a notification system for purposes of paragraph (5) jointly with other such consumer reporting agencies.''.

(b) USE OF INFORMATION OBTAINED FROM REPORTS.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) (as amended by subsection (a) of this section) is amended by adding at the end the following new subsection:

''(f) CERTAIN USE OR OBTAINING OF INFORMATION PROHIBITED.—A person shall not use or obtain a consumer report for any purpose unless—

''(1) the consumer report is obtained for a purpose for which the consumer report is authorized to be furnished under this section; and

''(2) the purpose is certified in accordance with section 607 by a prospective user of the report through a general or specific certification.''.

(c) FTC GUIDELINES REGARDING PRESCREENING FOR INSURANCE TRANSACTIONS.—The Federal Trade Commission may issue such guidelines as it deems necessary with respect to the use of consumer reports in connection with insurance transactions that are not initiated by the consumer pursuant to section 604(c) of the Fair Credit Reporting Act, as added by subsection (a) of this section.

SEC. 2405. CONSUMER CONSENT REQUIRED TO FURNISH CONSUMER REPORT CONTAINING MEDICAL INFORMATION.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new subsection:

''(g) FURNISHING REPORTS CONTAINING MEDICAL INFORMATION.—A consumer reporting agency shall not furnish for employment purposes, or in connection with a credit or insurance transaction or a direct marketing transaction, a consumer report that contains medical information about a consumer, unless the consumer consents to the furnishing of the report.''.

SEC. 2406. OBSOLETE INFORMATION AND INFORMATION CONTAINED IN CONSUMER REPORTS.

(a) AMENDMENT TO LARGE-DOLLAR EXCEPTION.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended—

(1) by inserting ''INFORMATION EXCLUDED FROM CONSUMER REPORTS.—'' after ''(a)'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''$50,000'' and inserting ''$150,000'';

(B) in paragraph (2), by striking ''$50,000'' and inserting ''$150,000''; and

(C) in paragraph (3), by striking ''$20,000'' and inserting ''$75,000''.

(b) CLARIFICATION OF REPORTING PERIOD.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) (as amended by subsection (a) of this section) is amended by adding at the end the following new subsection:

''(c) RUNNING OF REPORTING PERIOD.—

''(1) IN GENERAL.—The 7-year period referred to in paragraphs (4) and (6) of subsection (a) shall begin, with respect to any delinquent account that is placed for collection (internally or by referral to a third party, whichever is earlier), charged to profit and loss, or subjected to any similar action, upon the expiration of the 180-day period beginning on the date of the commencement of the delinquency which immediately preceded the collection activity, charge to profit and loss, or similar action.

''(2) EFFECTIVE DATE.—Paragraph (1) shall apply only to items of information added to the file of a consumer on or after the date that is 455 days after the date of enactment of the Consumer Credit Reporting Reform Act of 1996.''.

(c) ADDITIONAL INFORMATION ON BANKRUPTCY FILINGS REQUIRED.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by adding at the end the following new subsection:

''(d) INFORMATION REQUIRED TO BE DISCLOSED.—Any consumer reporting agency that furnishes a consumer report that contains information regarding any case involving the consumer that arises under title 11, United States Code, shall include in the report an identification of the chapter of such title 11 under which such case arises if provided by the source of the information. If any case arising or filed under title 11, United States Code, is withdrawn by the consumer before a final judgment, the consumer reporting agency shall include in the report that such case or filing was withdrawn upon receipt of documentation certifying such withdrawal.''.

(d) INDICATION OF CLOSURE OF ACCOUNT; INDICATION OF DISPUTE BY CONSUMER.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by adding at the end the following new subsections:

''(e) INDICATION OF CLOSURE OF ACCOUNT BY CONSUMER.—If a consumer reporting agency is notified pursuant to section 623(a)(4) that a credit account of a consumer was voluntarily closed by the consumer, the agency shall indicate that fact in any consumer report that includes information related to the account.

''(f) INDICATION OF DISPUTE BY CONSUMER.—If a consumer reporting agency is notified pursuant to section 623(a)(3) that information regarding a consumer who was furnished to the agency is disputed by the consumer, the agency shall indicate that fact in each consumer report that includes the disputed information.''.

(e) CONFORMING AMENDMENTS.—

*(1) Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended in the section heading, by striking ''**obsolete information**'' and inserting ''**requirements relating to information contained in consumer reports**''.*

(2) The table of sections for the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended by striking the item relating to section 605 and inserting the following:

''605. Requirements relating to information contained in consumer reports.''.

SEC. 2407. COMPLIANCE PROCEDURES.

(a) DISCLOSURE OF CONSUMER REPORTS BY USERS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by adding at the end the following new subsection:

''(c) DISCLOSURE OF CONSUMER REPORTS BY USERS ALLOWED.—A consumer reporting agency may not prohibit a user of a consumer report furnished by the agency on a consumer from disclosing the contents of the report to the consumer, if adverse action against the consumer has been taken by the user based in whole or in part on the report.''.

(b) NOTICE TO USERS AND PROVIDERS OF INFORMATION TO ENSURE COMPLIANCE.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by adding after subsection (c) (as added by subsection (a) of this section) the following new subsection:

''(d) NOTICE TO USERS AND FURNISHERS OF INFORMATION.—

''(1) NOTICE REQUIREMENT.—A consumer reporting agency shall provide to any person—

''(A) who regularly and in the ordinary course of business furnishes information to the agency with respect to any consumer; or

''(B) to whom a consumer report is provided by the agency;

a notice of such person's responsibilities under this title.

''(2) CONTENT OF NOTICE.—The Federal Trade Commission shall prescribe the content of notices under paragraph (1), and a consumer reporting agency shall be in compliance with this subsection if it provides a notice under paragraph (1) that is substantially similar to the Federal Trade Commission prescription under this paragraph.''.

(c) RECORD OF IDENTITY OF USERS AND PURPOSES CERTIFIED BY USERS OF REPORTS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by adding after subsection (d) (as added by subsection (b) of this section) the following new subsection:

''(e) PROCUREMENT OF CONSUMER REPORT FOR RESALE.—

''(1) DISCLOSURE.—A person may not procure a consumer report for purposes of reselling the report (or any information in the report) unless the person discloses to the consumer reporting agency that originally furnishes the report—

''(A) the identity of the end-user of the report (or information); and

''(B) each permissible purpose under section 604 for which the report is furnished to the end-user of the report (or information).

''(2) RESPONSIBILITIES OF PROCURERS FOR RESALE.—A person who procures a consumer report for purposes of reselling the report (or any information in the report) shall—

''(A) establish and comply with reasonable procedures designed to ensure that the report (or information) is resold by the person only for a purpose for which the report may be furnished under section 604, including by requiring that each person to which the report (or information) is resold and that resells or provides the report (or information) to any other person—

''(i) identifies each end user of the resold report (or information);

''(ii) certifies each purpose for which the report (or information) will be used; and

''(iii) certifies that the report (or information) will be used for no other purpose; and

''(B) before reselling the report, make reasonable efforts to verify the identifications and certifications made under subparagraph (A).''.

SEC. 2408. CONSUMER DISCLOSURES.

(a) ALL INFORMATION IN CONSUMER'S FILE REQUIRED TO BE DISCLOSED.—Section 609(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)) is amended to read as follows:

''(1) All information in the consumer's file at the time of the request, except that nothing in this paragraph shall be construed to require a consumer reporting agency to disclose to a consumer any information concerning credit scores or any other risk scores or predictors relating to the consumer.''.

(b) MORE INFORMATION CONCERNING RECIPIENTS OF REPORTS REQUIRED.—Section 609(a)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended to read as follows:

''(3)(A) Identification of each person (including each end-user identified under section 607(e)(1)) that procured a consumer report—

''(i) for employment purposes, during the 2-year period preceding the date on which the request is made; or

''(ii) for any other purpose, during the 1-year period preceding the date on which the request is made.

''(B) An identification of a person under subparagraph (A) shall include—

''(i) the name of the person or, if applicable, the trade name (written in full) under which such person conducts business; and

''(ii) upon request of the consumer, the address and telephone number of the person.''.

(c) INFORMATION REGARDING INQUIRIES.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by adding at the end the following new paragraph:

''(5) A record of all inquiries received by the agency during the 1-year period preceding the request that identified the consumer in connection with a credit or insurance transaction that was not initiated by the consumer.''.

(d) SUMMARY OF RIGHTS REQUIRED TO BE INCLUDED WITH DISCLOSURE.—

(1) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

''(c) SUMMARY OF RIGHTS REQUIRED TO BE INCLUDED WITH DISCLOSURE.—

''(1) SUMMARY OF RIGHTS.—A consumer reporting agency shall provide to a consumer, with each written disclosure by the agency to the consumer under this section—

''(A) a written summary of all of the rights that the consumer has under this title; and

''(B) in the case of a consumer reporting agency that compiles and maintains files on consumers on a nationwide basis, a toll-free telephone number established by the agency, at which personnel are accessible to consumers during normal business hours.

''(2) SPECIFIC ITEMS REQUIRED TO BE INCLUDED.—The summary of rights required under paragraph (1) shall include—

''(A) a brief description of this title and all rights of consumers under this title;

''(B) an explanation of how the consumer may exercise the rights of the consumer under this title;

''(C) a list of all Federal agencies responsible for enforcing any provision of this title and the address and any appropriate phone number of each such agency, in a form that will assist the consumer in selecting the appropriate agency;

''(D) a statement that the consumer may have additional rights under State law and that the consumer may wish to contact a State or local consumer protection agency or a State attorney general to learn of those rights; and

''(E) a statement that a consumer reporting agency is not required to remove accurate derogatory information from a consumer's file, unless the information is outdated under section 605 or cannot be verified.

''(3) FORM OF SUMMARY OF RIGHTS.—For purposes of this subsection and any disclosure by a consumer reporting agency required under this title with respect to consumers' rights, the Federal Trade Commission (after consultation with each Federal agency referred to in section 621(b)) shall prescribe the form and content of any such disclosure of the rights of consumers required under this title. A consumer reporting agency shall be in compliance with this subsection if it provides disclosures under paragraph (1) that are substantially similar to the Federal Trade Commission prescription under this paragraph.

''(4) EFFECTIVENESS.—No disclosures shall be required under this subsection until the date on which the Federal Trade Commission prescribes the form and content of such disclosures under paragraph (3).''.

(2) TECHNICAL AMENDMENT.—Section 606(a)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681d(a)(1)(B)) is amended by inserting ''and the written summary of the rights of the consumer prepared pursuant to section 609(c)'' before the semicolon.

(e) FORM OF DISCLOSURES.—

(1) IN GENERAL.—Subsections (a) and (b) of section 610 of the Fair Credit Reporting Act (15 U.S.C. 1681h) are amended to read as follows:

''(a) IN GENERAL.—

''(1) PROPER IDENTIFICATION.—A consumer reporting agency shall require, as a condition of making the disclosures required under section 609, that the consumer furnish proper identification.

''(2) DISCLOSURE IN WRITING.—Except as provided in subsection (b), the disclosures required to be made under section 609 shall be provided under that section in writing.

''(b) OTHER FORMS OF DISCLOSURE.—

''(1) IN GENERAL.—If authorized by a consumer, a consumer reporting agency may make the disclosures required under 609—

''(A) other than in writing; and

''(B) in such form as may be—

''(i) specified by the consumer in accordance with paragraph (2); and

''(ii) available from the agency.

''(2) FORM.—A consumer may specify pursuant to paragraph (1) that disclosures under section 609 shall be made—

''(A) in person, upon the appearance of the consumer at the place of business of the consumer reporting agency where disclosures are regularly provided, during normal business hours, and on reasonable notice;

''(B) by telephone, if the consumer has made a written request for disclosure by telephone;

''(C) by electronic means, if available from the agency; or

''(D) by any other reasonable means that is available from the agency.''.

(2) SIMPLIFIED DISCLOSURE.—Not later than 90 days after the date of enactment of this Act, each consumer reporting agency shall develop a form on which such consumer reporting agency shall make the disclosures required under section 609(a) of the Fair Credit Reporting Act, for the purpose of maximizing the comprehensibility and standardization of such disclosures.

(3) GOALS.—The Federal Trade Commission shall take appropriate action to assure that the goals of comprehensibility and standardization are achieved in accordance with paragraph (2).

(4) DEFAMATION.—Section 610(e) of the Fair Credit Reporting Act (15 U.S.C. 1681h(e)) is amended by inserting ''or based on information disclosed by a user of a consumer report to or for a consumer against whom the user has taken adverse action, based in whole or in part on the report'' before ''except''.

(5) CONFORMING AMENDMENTS.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(A) in section 609(a), in the matter preceding paragraph (1), by striking ''and proper identification of any consumer'' and inserting '', and subject to section 610(a)(1)'';

(B) in section 610, in the section heading, by inserting ''**AND FORM**'' after ''**CONDITIONS**''; and

(C) in the table of sections at the beginning of that Act, in the item relating to section 610, by inserting ''and form'' after ''conditions''.

SEC. 2409. PROCEDURES IN CASE OF THE DISPUTED ACCURACY OF ANY INFORMATION IN A CONSUMER'S FILE.

(a) IN GENERAL.—Section 611(a) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)) is amended to read as follows:

''(a) REINVESTIGATIONS OF DISPUTED INFORMATION.—

''(1) REINVESTIGATION REQUIRED.—

''(A) IN GENERAL.—If the completeness or accuracy of any item of information contained in a consumer's file at a consumer reporting agency is disputed by the consumer and the consumer notifies the agency directly of such dispute, the agency shall reinvestigate free of charge and record the current status of the disputed information, or delete the item from the file in accordance with paragraph (5), before the end of the 30-day period beginning on the date on which the agency receives the notice of the dispute from the consumer.

''(B) EXTENSION OF PERIOD TO REINVESTIGATE.—Except as provided in subparagraph (C), the 30-day period described in subparagraph (A) may be extended for not more than 15 additional days if the consumer reporting agency receives information from the consumer during that 30-day period that is relevant to the reinvestigation.

''(C) LIMITATIONS ON EXTENSION OF PERIOD TO REINVESTIGATE.—Subparagraph (B) shall not apply to any reinvestigation in which, during the 30-day period described in subparagraph (A), the information that is the subject of the reinvestigation is found to be inaccurate or incomplete or the consumer reporting agency determines that the information cannot be verified.

''(2) PROMPT NOTICE OF DISPUTE TO FURNISHER OF INFORMATION.—

''(A) IN GENERAL.—Before the expiration of the 5-business-day period beginning on the date on which a consumer reporting agency receives notice of a dispute from any consumer in accordance with paragraph (1), the agency shall provide notification of the dispute to any person who provided any item of information in dispute, at the address and in the manner established with the person. The notice shall include all relevant information regarding the dispute that the agency has received from the consumer.

''(B) PROVISION OF OTHER INFORMATION FROM CONSUMER.—The consumer reporting agency shall promptly provide to the person who provided the information in dispute all relevant information regarding the dispute that is received by the agency from the consumer after the period referred to in subparagraph (A) and before the end of the period referred to in paragraph (1)(A).

''(3) DETERMINATION THAT DISPUTE IS FRIVOLOUS OR IRRELEVANT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a consumer reporting agency may terminate a reinvestigation of information disputed by a consumer under that paragraph if the agency reasonably determines that the dispute by the consumer is frivolous or irrelevant, including by reason of a failure by a consumer to provide sufficient information to investigate the disputed information.

''(B) NOTICE OF DETERMINATION.—Upon making any determination in accordance with subparagraph (A) that a dispute is frivolous or irrelevant, a consumer reporting agency shall notify the consumer of such determination not later than 5 business days after making such determination, by mail or, if authorized by the consumer for that purpose, by any other means available to the agency.

''(C) CONTENTS OF NOTICE.—A notice under subparagraph (B) shall include—

''(i) the reasons for the determination under subparagraph (A); and

''(ii) identification of any information required to investigate the disputed information, which may consist of a standardized form describing the general nature of such information.

''(4) CONSIDERATION OF CONSUMER INFORMATION.—In conducting any reinvestigation under paragraph (1) with respect to disputed information in the file of any consumer, the consumer reporting agency shall review and consider all relevant information submitted by the consumer in the period described in paragraph (1)(A) with respect to such disputed information.

''(5) TREATMENT OF INACCURATE OR UNVERIFIABLE INFORMATION.—

''(A) IN GENERAL.—If, after any reinvestigation under paragraph (1) of any information disputed by a consumer, an item of the information is found to be inaccurate or incomplete or cannot be verified, the consumer reporting agency shall promptly delete that item of information from the consumer's file or modify that item of information, as appropriate, based on the results of the reinvestigation.

''(B) REQUIREMENTS RELATING TO REINSERTION OF PREVIOUSLY DELETED MATERIAL.—

''(i) CERTIFICATION OF ACCURACY OF INFORMATION.—If any information is deleted from a consumer's file pursuant to subparagraph (A), the information may not be reinserted in the file by the consumer reporting agency unless the person who furnishes the information certifies that the information is complete and accurate.

''(ii) NOTICE TO CONSUMER.—If any information that has been deleted from a consumer's file pursuant to subparagraph (A) is reinserted in the file, the consumer reporting agency shall notify the consumer of the reinsertion in writing not later than 5 business days after the reinsertion or, if authorized by the consumer for that purpose, by any other means available to the agency.

''(iii) ADDITIONAL INFORMATION.—As part of, or in addition to, the notice under clause (ii), a consumer reporting agency shall provide to a consumer in writing not later than 5 business days after the date of the reinsertion—

''(I) a statement that the disputed information has been reinserted;

''(II) the business name and address of any furnisher of information contacted and the telephone number of such furnisher, if reasonably available, or of any furnisher of information that contacted the consumer reporting agency, in connection with the reinsertion of such information; and

''(III) a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy or completeness of the disputed information.

''(C) PROCEDURES TO PREVENT REAPPEARANCE.—A consumer reporting agency shall maintain reasonable procedures designed to prevent the reappearance in a consumer's file, and in consumer reports on the consumer, of information that is deleted pursuant to this paragraph (other than information that is reinserted in accordance with subparagraph (B)(i)).

''(D) AUTOMATED REINVESTIGATION SYSTEM.—Any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall implement an automated system through which furnishers of information to that consumer reporting agency may report the results of a reinvestigation that finds incomplete or inaccurate information in a consumer's file to other such consumer reporting agencies.

''(6) NOTICE OF RESULTS OF REINVESTIGATION.—

''(A) IN GENERAL.—A consumer reporting agency shall provide written notice to a consumer of the results of a reinvestigation under this subsection not later than 5 business days after the completion of the reinvestigation, by mail or, if authorized by the consumer for that purpose, by other means available to the agency.

''(B) CONTENTS.—As part of, or in addition to, the notice under subparagraph (A), a consumer reporting agency shall provide to a consumer in writing before the expiration of the 5-day period referred to in subparagraph (A)—

''(i) a statement that the reinvestigation is completed;

''(ii) a consumer report that is based upon the consumer's file as that file is revised as a result of the reinvestigation;

''(iii) a notice that, if requested by the consumer, a description of the procedure used to determine the accuracy and completeness of the information shall be provided to the consumer by the agency, including the business name and address of any furnisher of information contacted in connection with such information and the telephone number of such furnisher, if reasonably available;

''(iv) a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy or completeness of the information; and

''(v) a notice that the consumer has the right to request under subsection (d) that the consumer reporting agency furnish notifications under that subsection.

''(7) DESCRIPTION OF REINVESTIGATION PROCEDURE.—A consumer reporting agency shall provide to a consumer a description referred to in paragraph (6)(B)(iv) by not later than 15 days after receiving a request from the consumer for that description.

''(8) EXPEDITED DISPUTE RESOLUTION.—If a dispute regarding an item of information in a consumer's file at a consumer reporting agency is resolved in accordance with paragraph (5)(A) by the deletion of the disputed information by not later than 3 business days after the date on which the agency receives notice of the dispute from the consumer in accordance with paragraph (1)(A), then the agency shall not be required to comply with paragraphs (2), (6), and (7) with respect to that dispute if the agency—

''(A) provides prompt notice of the deletion to the consumer by telephone;

''(B) includes in that notice, or in a written notice that accompanies a confirmation and consumer report provided in accordance with subparagraph (C), a statement of the consumer's right to request under subsection (d) that the agency furnish notifications under that subsection; and

''(C) provides written confirmation of the deletion and a copy of a consumer report on the consumer that is based on the consumer's file after the deletion, not later than 5 business days after making the deletion.''.

(b) CONFORMING AMENDMENT.—Section 611(d) of the Fair Credit Reporting Act (15 U.S.C. 1681i(d)) is amended by striking ''The consumer reporting agency shall clearly'' and all that follows through the end of the subsection.

SEC. 2410. CHARGES FOR CERTAIN DISCLOSURES.

Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended to read as follows:

''SEC. 612. CHARGES FOR CERTAIN DISCLOSURES.

''(a) REASONABLE CHARGES ALLOWED FOR CERTAIN DISCLOSURES.—

''(1) IN GENERAL.—Except as provided in subsections (b), (c), and (d), a consumer reporting agency may impose a reasonable charge on a consumer—

''(A) for making a disclosure to the consumer pursuant to section 609, which charge—

''(i) shall not exceed $8; and

''(ii) shall be indicated to the consumer before making the disclosure; and

''(B) for furnishing, pursuant to section 611(d), following a reinvestigation under section 611(a), a statement, codification, or summary to a person designated by the consumer under that section after the 30-day period beginning on the date of notification of the consumer under paragraph (6) or (8) of section 611(a) with respect to the reinvestigation, which charge—

''(i) shall not exceed the charge that the agency would impose on each designated recipient for a consumer report; and

''(ii) shall be indicated to the consumer before furnishing such information.

''(2) MODIFICATION OF AMOUNT.—The Federal Trade Commission shall increase the amount referred to in paragraph (1)(A)(i) on January 1 of each year, based proportionally on changes in the Consumer Price Index, with fractional changes rounded to the nearest fifty cents.

''(b) FREE DISCLOSURE AFTER ADVERSE NOTICE TO CONSUMER.—Each consumer reporting agency that maintains a file on a consumer shall make all disclosures pursuant to section 609 without charge to the consumer if, not later than 60 days after receipt by such consumer of a notification pursuant to section 615, or of a notification from a debt collection agency affiliated with that consumer reporting agency stating that the consumer's credit rating may be or has been adversely affected, the consumer makes a request under section 609.

''(c) FREE DISCLOSURE UNDER CERTAIN OTHER CIRCUMSTANCES.—Upon the request of the consumer, a consumer reporting agency shall make all disclosures pursuant to section 609 once during any 12-month period without charge to that consumer if the consumer certifies in writing that the consumer—

''(1) is unemployed and intends to apply for employment in the 60-day period beginning on the date on which the certification is made;

''(2) is a recipient of public welfare assistance; or

''(3) has reason to believe that the file on the consumer at the agency contains inaccurate information due to fraud.

''(d) OTHER CHARGES PROHIBITED.—A consumer reporting agency shall not impose any charge on a consumer for providing any notification required by this title or making any disclosure required by this title, except as authorized by subsection (a).''.

SEC. 2411. DUTIES OF USERS OF CONSUMER REPORTS.

(a) DUTIES OF USERS TAKING ADVERSE ACTIONS.—Section 615(a) of the Fair Credit Reporting Act (15 U.S.C. 1681m(a)) is amended to read as follows:

''(a) DUTIES OF USERS TAKING ADVERSE ACTIONS ON THE BASIS OF INFORMATION CONTAINED IN CONSUMER REPORTS.—If any person takes any adverse action with respect to any consumer that is based in whole or in part on any information contained in a consumer report, the person shall—

''(1) provide oral, written, or electronic notice of the adverse action to the consumer;

''(2) provide to the consumer orally, in writing, or electronically—

''(A) the name, address, and telephone number of the consumer reporting agency (including a toll-free telephone number established by the agency if the agency compiles and maintains files on consumers on a nationwide basis) that furnished the report to the person; and

''(B) a statement that the consumer reporting agency did not make the decision to take the adverse action and is unable to provide the consumer the specific reasons why the adverse action was taken; and

''(3) provide to the consumer an oral, written, or electronic notice of the consumer's right—

''(A) to obtain, under section 612, a free copy of a consumer report on the consumer from the consumer reporting agency referred to in paragraph (2), which notice shall include an indication of the 60-day period under that section for obtaining such a copy; and

''(B) to dispute, under section 611, with a consumer reporting agency the accuracy or completeness of any information in a consumer report furnished by the agency.''.

(b) DUTIES OF USERS MAKING CERTAIN CREDIT SOLICITATIONS.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by adding at the end the following new subsection:

''(d) DUTIES OF USERS MAKING WRITTEN CREDIT OR INSURANCE SOLICITATIONS ON THE BASIS OF INFORMATION CONTAINED IN CONSUMER FILES.—

''(1) IN GENERAL.—Any person who uses a consumer report on any consumer in connection with any credit or insurance transaction that is not initiated by the consumer, that is provided to that person under section 604(c)(1)(B), shall provide with each written solicitation made to the consumer regarding the transaction a clear and conspicuous statement that—

''(A) information contained in the consumer's consumer report was used in connection with the transaction;

''(B) the consumer received the offer of credit or insurance because the consumer satisfied the criteria for credit worthiness or insurability under which the consumer was selected for the offer;

''(C) if applicable, the credit or insurance may not be extended if, after the consumer responds to the offer, the consumer does not meet the criteria used to select the consumer for the offer or any applicable criteria bearing on credit worthiness or insurability or does not furnish any required collateral;

''(D) the consumer has a right to prohibit information contained in the consumer's file with any consumer reporting agency from being used in connection with any credit or insurance transaction that is not initiated by the consumer; and

''(E) the consumer may exercise the right referred to in subparagraph (D) by notifying a notification system established under section 604(e).

''(2) DISCLOSURE OF ADDRESS AND TELEPHONE NUMBER.—A statement under paragraph (1) shall include the address and toll-free telephone number of the appropriate notification system established under section 604(e).

''(3) MAINTAINING CRITERIA ON FILE.—A person who makes an offer of credit or insurance to a consumer under a credit or insurance transaction described in paragraph (1) shall maintain on file the criteria used to select the consumer to receive the offer, all criteria bearing on credit worthiness or insurability, as applicable, that are the basis for determining whether or not to extend credit or insurance pursuant to the offer, and any requirement for the furnishing of collateral as a condition of the extension of credit or insurance, until the expiration of the 3-year period beginning on the date on which the offer is made to the consumer.

''(4) AUTHORITY OF FEDERAL AGENCIES REGARDING UNFAIR OR DECEPTIVE ACTS OR PRACTICES NOT AFFECTED.—This section is not intended to affect the authority of any Federal or State agency to enforce a prohibition against unfair or deceptive acts or practices, including the making of false or misleading statements in connection with a credit or insurance transaction that is not initiated by the consumer.''.

(c) DUTIES OF USERS MAKING OTHER SOLICITATIONS.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by adding at the end the following new subsection:

''(e)

(d) CONFORMING AMENDMENT.—Section 615(c) of the Fair Credit Reporting Act (15 U.S.C. 1681m(c)) is amended by striking ''subsections (a) and (b)'' and inserting ''this section''.

(e) DUTIES OF PERSON TAKING CERTAIN ACTIONS BASED ON INFORMATION PROVIDED BY AFFILIATE.—Section 615(b) of the Fair Credit Reporting Act (15 U.S.C. 1681m(b)) is amended—

(1) by striking ''(b) Whenever credit'' and inserting the following:

''(b) ADVERSE ACTION BASED ON INFORMATION OBTAINED FROM THIRD PARTIES OTHER THAN CONSUMER REPORTING AGENCIES.—

''(1) IN GENERAL.—Whenever credit'';

(2) by adding at the end the following new paragraph:

''(2) DUTIES OF PERSON TAKING CERTAIN ACTIONS BASED ON INFORMATION PROVIDED BY AFFILIATE.—

''(A) DUTIES, GENERALLY.—If a person takes an action described in subparagraph (B) with respect to a consumer, based in whole or in part on information described in subparagraph (C), the person shall—

''(i) notify the consumer of the action, including a statement that the consumer may obtain the information in accordance with clause (ii); and

''(ii) upon a written request from the consumer received within 60 days after transmittal of the notice required by clause (i), disclose to the consumer the nature of the information upon which the action is based by not later than 30 days after receipt of the request.

''(B) ACTION DESCRIBED.—An action referred to in subparagraph (A) is an adverse action described in section 603(k)(1)(A), taken in connection with a transaction initiated by the consumer, or any adverse action described in clause (i) or (ii) of section 603(k)(1)(B).

''(C) INFORMATION DESCRIBED.—Information referred to in subparagraph (A)—

''(i) except as provided in clause (ii), is information that—

''(I) is furnished to the person taking the action by a person related by common ownership or affiliated by common corporate control to the person taking the action; and

''(II) bears on the credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living of the consumer; and

''(ii) does not include—

''(I) information solely as to transactions or experiences between the consumer and the person furnishing the information; or

''(II) information in a consumer report.''.

SEC. 2412. CIVIL LIABILITY.

(a) CIVIL LIABILITY FOR WILLFUL NONCOMPLIANCE.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by striking ''Any consumer reporting agency or user of information which'' and inserting ''(a) IN GENERAL.—Any person who''.

(b) MINIMUM CIVIL LIABILITY FOR WILLFUL NONCOMPLIANCE.—Section 616(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681n(1)), as so designated by subsection (a) of this section, is amended to read as follows:

''(1)(A) any actual damages sustained by the consumer as a result of the failure or damages of not less than $100 and not more than $1,000; or

''(B) in the case of liability of a natural person for obtaining a consumer report under false pretenses or knowingly without a permissible purpose, actual damages sustained by the consumer as a result of the failure or $1,000, whichever is greater;''.

(c) CIVIL LIABILITY FOR KNOWING NONCOMPLIANCE.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by adding at the end the following new subsection:

''(b) CIVIL LIABILITY FOR KNOWING NONCOMPLIANCE.—Any person who obtains a consumer report from a consumer reporting agency under false pretenses or knowingly without a permissible purpose shall be liable to the consumer reporting agency for actual damages sustained by the consumer reporting agency or $1,000, whichever is greater.''.

(d) CIVIL LIABILITY FOR NEGLIGENT NONCOMPLIANCE.—Section 617 of the Fair Credit Reporting Act (15 U.S.C. 1681o) is amended by striking ''Any consumer reporting agency or user of information which'' and inserting ''(a) IN GENERAL.—Any person who''.

(e) ATTORNEY'S FEES.—

(1) WILLFUL NONCOMPLIANCE.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by adding at the end the following new subsection:

''(c) ATTORNEY'S FEES.—Upon a finding by the court that an unsuccessful pleading, motion, or other paper filed in connection with an action under this section was filed in bad faith or for purposes of harassment, the court shall award to the prevailing party attorney's fees reasonable in relation to the work expended in responding to the pleading, motion, or other paper.''.

(2) NEGLIGENT NONCOMPLIANCE.—Section 617 of the Fair Credit Reporting Act (15 U.S.C. 1681o) is amended by adding at the end the following new subsection:

''(b) ATTORNEY'S FEES.—On a finding by the court that an unsuccessful pleading, motion, or other paper filed in connection with an action under this section was filed in bad faith or for purposes of harassment, the court shall award to the prevailing party attorney's fees reasonable in relation to the work expended in responding to the pleading, motion, or other paper.''.

SEC. 2413. RESPONSIBILITIES OF PERSONS WHO FURNISH INFORMATION TO CONSUMER REPORTING AGENCIES.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended—

(1) by redesignating section 623 as section 624; and

(2) by inserting after section 622 the following:

''SEC. 623. RESPONSIBILITIES OF FURNISHERS OF INFORMATION TO CONSUMER REPORTING AGENCIES.

''(a) DUTY OF FURNISHERS OF INFORMATION TO PROVIDE ACCURATE INFORMATION.—

''(1) PROHIBITION.—

''(A) REPORTING INFORMATION WITH ACTUAL KNOWLEDGE OF ERRORS.—A person shall not furnish any information relating to a consumer to any consumer reporting agency if the person knows or consciously avoids knowing that the information is inaccurate.

''(B) REPORTING INFORMATION AFTER NOTICE AND CONFIRMATION OF ERRORS.—A person shall not furnish information relating to a consumer to any consumer reporting agency if—

''(i) the person has been notified by the consumer, at the address specified by the person for such notices, that specific information is inaccurate; and

''(ii) the information is, in fact, inaccurate.

''(C) NO ADDRESS REQUIREMENT.—A person who clearly and conspicuously specifies to the consumer an address for notices referred to in subparagraph (B) shall not be subject to subparagraph (A); however, nothing in subparagraph (B) shall require a person to specify such an address.

''(2) DUTY TO CORRECT AND UPDATE INFORMATION.—A person who—

''(A) regularly and in the ordinary course of business furnishes information to one or more consumer reporting agencies about the person's transactions or experiences with any consumer; and

''(B) has furnished to a consumer reporting agency information that the person determines is not complete or accurate,

shall promptly notify the consumer reporting agency of that determination and provide to the agency any corrections to that information, or any additional information, that is necessary to make the information provided by the person to the agency complete and accurate, and shall not thereafter furnish to the agency any of the information that remains not complete or accurate.

''(3) DUTY TO PROVIDE NOTICE OF DISPUTE.—If the completeness or accuracy of any information furnished by any person to any consumer reporting agency is disputed to such person by a

consumer, the person may not furnish the information to any consumer reporting agency without notice that such information is disputed by the consumer.

''(4) DUTY TO PROVIDE NOTICE OF CLOSED ACCOUNTS.—A person who regularly and in the ordinary course of business furnishes information to a consumer reporting agency regarding a consumer who has a credit account with that person shall notify the agency of the voluntary closure of the account by the consumer, in information regularly furnished for the period in which the account is closed.

''(5) DUTY TO PROVIDE NOTICE OF DELINQUENCY OF ACCOUNTS.—A person who furnishes information to a consumer reporting agency regarding a delinquent account being placed for collection, charged to profit or loss, or subjected to any similar action shall, not later than 90 days after furnishing the information, notify the agency of the month and year of the commencement of the delinquency that immediately preceded the action.

''(b) DUTIES OF FURNISHERS OF INFORMATION UPON NOTICE OF DISPUTE.—

''(1) IN GENERAL.—After receiving notice pursuant to section 611(a)(2) of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer reporting agency, the person shall—

''(A) conduct an investigation with respect to the disputed information;

''(B) review all relevant information provided by the consumer reporting agency pursuant to section 611(a)(2);

''(C) report the results of the investigation to the consumer reporting agency; and

''(D) if the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information and that compile and maintain files on consumers on a nationwide basis.

''(2) DEADLINE.—A person shall complete all investigations, reviews, and reports required under paragraph (1) regarding information provided by the person to a consumer reporting agency, before the expiration of the period under section 611(a)(1) within which the consumer reporting agency is required to complete actions required by that section regarding that information.

''(c) LIMITATION ON LIABILITY.—Sections 616 and 617 do not apply to any failure to comply with subsection (a), except as provided in section 621(c)(1)(B).

''(d) LIMITATION ON ENFORCEMENT.—Subsection (a) shall be enforced exclusively under section 621 by the Federal agencies and officials and the State officials identified in that section.''.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended by striking the item relating to section 623 and inserting the following:

''623. Responsibilities of furnishers of information to consumer reporting agencies.

''624. Relation to State laws.''.

SEC. 2414. INVESTIGATIVE CONSUMER REPORTS.

Section 606 of the Fair Credit Reporting Act (15 U.S.C. 1681d) is amended—

(1) in subsection (a)(1), by striking ''or'' at the end and inserting ''and'';

(2) by striking subsection (a)(2) and inserting the following:

''(2) the person certifies or has certified to the consumer reporting agency that—

''(A) the person has made the disclosures to the consumer required by paragraph (1); and

''(B) the person will comply with subsection (b).'';

(3) in subsection (b), by striking ''shall'' the second place such term appears; and

(4) by adding at the end the following new subsection:

''(d) PROHIBITIONS.—

''(1) CERTIFICATION.—A consumer reporting agency shall not prepare or furnish an investigative consumer report unless the agency has received a certification under subsection (a)(2) from the person who requested the report.

''(2) INQUIRIES.—A consumer reporting agency shall not make an inquiry for the purpose of preparing an investigative consumer report on a consumer for employment purposes if the making of the inquiry by an employer or prospective employer of the consumer would violate any applicable Federal or State equal employment opportunity law or regulation.

''(3) CERTAIN PUBLIC RECORD INFORMATION.—Except as otherwise provided in section 613, a consumer reporting agency shall not furnish an investigative consumer report that includes information that is a matter of public record and that relates to an arrest, indictment, conviction, civil judicial action, tax lien, or outstanding judgment, unless the agency has verified the accuracy of the information during the 30-day period ending on the date on which the report is furnished.

''(4) CERTAIN ADVERSE INFORMATION.—A consumer reporting agency shall not prepare or furnish an investigative consumer report on a consumer that contains information that is adverse to the interest of the consumer and that is obtained through a personal interview with a neighbor, friend, or associate of the consumer or with another person with whom the consumer is acquainted or who has knowledge of such item of information, unless—

''(A) the agency has followed reasonable procedures to obtain confirmation of the information, from an additional source that has independent and direct knowledge of the information; or

''(B) the person interviewed is the best possible source of the information.''.

SEC. 2415. INCREASED CRIMINAL PENALTIES FOR OBTAINING INFORMATION UNDER FALSE PRETENSES.

(a) OBTAINING INFORMATION UNDER FALSE PRETENSES.—Section 619 of the Fair Credit Reporting Act (15 U.S.C. 1681q) is amended by striking ''fined not more than $5,000 or imprisoned not more than one year, or both'' and inserting ''fined under title 18, United States Code, imprisoned for not more than 2 years, or both''.

(b) UNAUTHORIZED DISCLOSURES BY OFFICERS OR EMPLOYEES.—Section 620 of the Fair Credit Reporting Act (15 U.S.C. 1681r) is amended by striking ''fined not more than $5,000 or imprisoned not more than one year, or both'' and inserting ''fined under title 18, United States Code, imprisoned for not more than 2 years, or both''.

SEC. 2416. ADMINISTRATIVE ENFORCEMENT.

(a) AVAILABLE ENFORCEMENT POWERS.—Section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a)) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by adding at the end the following new paragraph:

''(2)(A) In the event of a knowing violation, which constitutes a pattern or practice of violations of this title, the Commission may commence a civil action to recover a civil penalty in a district court of the United States against any person that violates this title. In such action, such person shall be liable for a civil penalty of not more than $2,500 per violation.

''(B) In determining the amount of a civil penalty under subparagraph (A), the court shall take into account the degree of culpability, any history of prior such conduct, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

''(3) Notwithstanding paragraph (2), a court may not impose any civil penalty on a person for a violation of section 623(a)(1) unless the person has been enjoined from committing the violation, or ordered not to commit the violation, in an action or proceeding brought by or on behalf of the Federal Trade Commission, and has violated the injunction or order, and the court may not impose any civil penalty for any violation occurring before the date of the violation of the injunction or order.

''(4) Neither the Commission nor any other agency referred to in subsection (b) may prescribe trade regulation rules or other regulations with respect to this title.''.

(b) AGENCIES RESPONSIBLE FOR ENFORCEMENT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (a), by inserting ''ENFORCEMENT BY FEDERAL TRADE COMMISSION.—'' before ''Compliance with the requirements'';

(2) in subsection (b), by striking the matter preceding paragraph (1) and inserting the following:

''(b) ENFORCEMENT BY OTHER AGENCIES.—Compliance with the requirements imposed under this title with respect to consumer reporting agencies, persons who use consumer reports from such agencies, persons who furnish information to such agencies, and users of information that are subject to subsection (d) or (e) of section 615 shall be enforced under—''; and

(3) in subsection (c), by adding at the end the following: ''Notwithstanding the preceding, no agency referred to in subsection (b) may conduct an examination of a bank, savings association, or credit union regarding compliance with the provisions of this title, except in response to a complaint (or if the agency otherwise has knowledge) that the bank, savings association, or credit union has violated a provision of this title, in which case, the agency may conduct an examination as necessary to investigate the complaint. If an agency determines during an investigation in response to a complaint that a violation of this title has occurred, the agency may, during its next 2 regularly scheduled examinations of the bank, savings association, or credit union, examine for compliance with this title.''.

SEC. 2417. STATE ENFORCEMENT OF FAIR CREDIT REPORTING ACT.

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) STATE ACTION FOR VIOLATIONS.—

''(1) AUTHORITY OF STATES.—In addition to such other remedies as are provided under State law, if the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State—

''(A) may bring an action to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction;

''(B) subject to paragraph (5), may bring an action on behalf of the residents of the State to recover—

''(i) damages for which the person is liable to such residents under sections 616 and 617 as a result of the violation;

''(ii) in the case of a violation of section 623(a), damages for which the person would, but for section 623(c), be liable to such residents as a result of the violation; or

''(iii) damages of not more than $1,000 for each willful or negligent violation; and

''(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

''(2) RIGHTS OF FEDERAL REGULATORS.—The State shall serve prior written notice of any action under paragraph (1) upon the Federal Trade Commission or the appropriate Federal regulator determined under subsection (b) and provide the Commission or appropriate Federal regulator with a copy of its complaint, except in any case in which such prior notice is not feasible, in which case the State shall serve such

notice immediately upon instituting such action. The Federal Trade Commission or appropriate Federal regulator shall have the right—

''(A) to intervene in the action;

''(B) upon so intervening, to be heard on all matters arising therein;

''(C) to remove the action to the appropriate United States district court; and

''(D) to file petitions for appeal.

''(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the chief law enforcement officer, or an official or agency designated by a State, from exercising the powers conferred on the chief law enforcement officer or such official by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

''(4) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION PENDING.—If the Federal Trade Commission or the appropriate Federal regulator has instituted a civil action or an administrative action under section 8 of the Federal Deposit Insurance Act for a violation of this title, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission or the appropriate Federal regulator for any violation of this title that is alleged in that complaint.

''(5) LIMITATIONS ON STATE ACTIONS FOR VIOLATION OF SECTION 623(a)(1).—

''(A) VIOLATION OF INJUNCTION REQUIRED.—A State may not bring an action against a person under paragraph (1)(B) for a violation of section 623(a)(1), unless—

''(i) the person has been enjoined from committing the violation, in an action brought by the State under paragraph (1)(A); and

''(ii) the person has violated the injunction.

''(B) LIMITATION ON DAMAGES RECOVERABLE.—In an action against a person under paragraph (1)(B) for a violation of section 623(a)(1), a State may not recover any damages incurred before the date of the violation of an injunction on which the action is based.''.

SEC. 2418. FEDERAL RESERVE BOARD AUTHORITY.

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by adding at the end the following new subsection:

''(e) INTERPRETIVE AUTHORITY.—The Board of Governors of the Federal Reserve System may issue interpretations of any provision of this title as such provision may apply to any persons identified under paragraph (1), (2), and (3) of subsection (b), or to the holding companies and affiliates of such persons, in consultation with Federal agencies identified in paragraphs (1), (2), and (3) of subsection (b).''.

SEC. 2419. PREEMPTION OF STATE LAW.

Section 624 of the Fair Credit Reporting Act (as redesignated by section 2413(a) of this chapter) is amended—

(1) by striking ''This title'' and inserting ''(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title''; and

(2) by adding at the end the following new subsection:

''(b) GENERAL EXCEPTIONS.—No requirement or prohibition may be imposed under the laws of any State—

''(1) with respect to any subject matter regulated under—

''(A) subsection (c) or (e) of section 604, relating to the prescreening of consumer reports;

''(B) section 611, relating to the time by which a consumer reporting agency must take any action, including the provision of notification to a consumer or other person, in any procedure related to the disputed accuracy of information in a consumer's file, except that this subparagraph shall not apply to any State law in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996;

''(C) subsections (a) and (b) of section 615, relating to the duties of a person who takes any adverse action with respect to a consumer;

''(D) section 615(d), relating to the duties of persons who use a consumer report of a consumer in connection with any credit or insurance transaction that is not initiated by the consumer and that consists of a firm offer of credit or insurance;

''(E) section 605, relating to information contained in consumer reports, except that this subparagraph shall not apply to any State law in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996; or

''(F) section 623, relating to the responsibilities of persons who furnish information to consumer reporting agencies, except that this paragraph shall not apply—

''(i) with respect to section 54A(a) of chapter 93 of the Massachusetts Annotated Laws (as in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996); or

''(ii) with respect to section 1785.25(a) of the California Civil Code (as in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996);

''(2) with respect to the exchange of information among persons affiliated by common ownership or common corporate control, except that this paragraph shall not apply with respect to subsection (a) or (c)(1) of section 2480e of title 9, Vermont Statutes Annotated (as in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996); or

''(3) with respect to the form and content of any disclosure required to be made under section 609(c).

''(c) DEFINITION OF FIRM OFFER OF CREDIT OR INSURANCE.—Notwithstanding any definition of the term 'firm offer of credit or insurance' (or any equivalent term) under the laws of any State, the definition of that term contained in section 603(l) shall be construed to apply in the enforcement and interpretation of the laws of any State governing consumer reports.

''(d) LIMITATIONS.—Subsections (b) and (c)—

''(1) do not affect any settlement, agreement, or consent judgment between any State Attorney General and any consumer reporting agency in effect on the date of enactment of the Consumer Credit Reporting Reform Act of 1996; and

''(2) do not apply to any provision of State law (including any provision of a State constitution) that—

''(A) is enacted after January 1, 2004;

''(B) states explicitly that the provision is intended to supplement this title; and

''(C) gives greater protection to consumers than is provided under this title.''.

SEC. 2420. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise specifically provided in this chapter, the amendments made by this chapter shall become effective 365 days after the date of enactment of this Act.

(b) EARLY COMPLIANCE.—Any person or other entity that is subject to the requirements of this chapter may, at its option, comply with any provision of this chapter before the date on which that provision becomes effective under this chapter, in which case, each of the corresponding provisions of this chapter shall be fully applicable to such person or entity.

SEC. 2421. RELATIONSHIP TO OTHER LAW.

Nothing in this chapter or the amendments made by this chapter shall be considered to supersede or otherwise affect section 2721 of title 18, United States Code, with respect to motor vehicle records for surveys, marketing, or solicitations.

SEC. 2422. FEDERAL RESERVE BOARD STUDY.

(a) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) and the Federal Trade Commission, shall conduct a study of whether organizations which, as of the date of the enactment of this Act, are not subject to the Fair Credit Reporting Act as consumer reporting agencies (as defined in section 603 of such Act) are engaged in the business of making sensitive consumer identification information, including social security numbers, mothers' maiden names, prior addresses, and dates of birth, available to the general public.

(b) DETERMINATION OF POTENTIAL FOR FRAUD.—If the Board of Governors of the Federal Reserve System determines that organizations referred to in subsection (a) are engaged in the business of making sensitive consumer identification information available to the general public, the Board shall determine—

(1) whether such activities create undue potential for fraud and risk of loss to insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act); and

(2) if so, whether changes in Federal law are necessary to address such risks of fraud and loss.

(c) REPORT TO CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall submit a report to the Congress containing—

(1) the findings and conclusion of the Board in connection with the study required under subsections (a) and (b); and

(2) recommendations for such legislative or administrative action as the Board determines to be appropriate.

CHAPTER 2—CREDIT REPAIR ORGANIZATIONS

SEC. 2451. REGULATION OF CREDIT REPAIR ORGANIZATIONS.

Title IV of the Consumer Credit Protection Act (Public Law 90–321, 82 Stat. 164) is amended to read as follows:

''TITLE IV—CREDIT REPAIR ORGANIZATIONS

''Sec.
''401. Short title.
''402. Findings and purposes.
''403. Definitions.
''404. Prohibited practices.
''405. Disclosures.
''406. Credit repair organizations contracts.
''407. Right to cancel contract.
''408. Noncompliance with this title.
''409. Civil liability.
''410. Administrative enforcement.
''411. Statute of limitations.
''412. Relation to State law.
''413. Effective date.

''SEC. 401. SHORT TITLE.

''This title may be cited as the 'Credit Repair Organizations Act'.

''SEC. 402. FINDINGS AND PURPOSES.

''(a) FINDINGS.—The Congress makes the following findings:

''(1) Consumers have a vital interest in establishing and maintaining their credit worthiness and credit standing in order to obtain and use credit. As a result, consumers who have experienced credit problems may seek assistance from credit repair organizations which offer to improve the credit standing of such consumers.

''(2) Certain advertising and business practices of some companies engaged in the business of credit repair services have worked a financial hardship upon consumers, particularly those of limited economic means and who are inexperienced in credit matters.

''(b) PURPOSES.—The purposes of this title are—

''(1) to ensure that prospective buyers of the services of credit repair organizations are provided with the information necessary to make an informed decision regarding the purchase of such services; and

''(2) to protect the public from unfair or deceptive advertising and business practices by credit repair organizations.

"SEC. 403. DEFINITIONS.

''For purposes of this title, the following definitions apply:

''(1) CONSUMER.—The term 'consumer' means an individual.

''(2) CONSUMER CREDIT TRANSACTION.—The term 'consumer credit transaction' means any transaction in which credit is offered or extended to an individual for personal, family, or household purposes.

''(3) CREDIT REPAIR ORGANIZATION.—The term 'credit repair organization'—

''(A) means any person who uses any instrumentality of interstate commerce or the mails to sell, provide, or perform (or represent that such person can or will sell, provide, or perform) any service, in return for the payment of money or other valuable consideration, for the express or implied purpose of—

''(i) improving any consumer's credit record, credit history, or credit rating; or

''(ii) providing advice or assistance to any consumer with regard to any activity or service described in clause (i); and

''(B) does not include—

''(i) any nonprofit organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

''(ii) any creditor (as defined in section 103 of the Truth in Lending Act), with respect to any consumer, to the extent the creditor is assisting the consumer to restructure any debt owed by the consumer to the creditor; or

''(iii) any depository institution (as that term is defined in section 3 of the Federal Deposit Insurance Act) or any Federal or State credit union (as those terms are defined in section 101 of the Federal Credit Union Act), or any affiliate or subsidiary of such a depository institution or credit union.

''(4) CREDIT.—The term 'credit' has the meaning given to such term in section 103(e) of this Act.

"SEC. 404. PROHIBITED PRACTICES.

''(a) IN GENERAL.—No person may—

''(1) make any statement, or counsel or advise any consumer to make any statement, which is untrue or misleading (or which, upon the exercise of reasonable care, should be known by the credit repair organization, officer, employee, agent, or other person to be untrue or misleading) with respect to any consumer's credit worthiness, credit standing, or credit capacity to—

''(A) any consumer reporting agency (as defined in section 603(f) of this Act); or

''(B) any person—

''(i) who has extended credit to the consumer; or

''(ii) to whom the consumer has applied or is applying for an extension of credit;

''(2) make any statement, or counsel or advise any consumer to make any statement, the intended effect of which is to alter the consumer's identification to prevent the display of the consumer's credit record, history, or rating for the purpose of concealing adverse information that is accurate and not obsolete to—

''(A) any consumer reporting agency;

''(B) any person—

''(i) who has extended credit to the consumer; or

''(ii) to whom the consumer has applied or is applying for an extension of credit;

''(3) make or use any untrue or misleading representation of the services of the credit repair organization; or

''(4) engage, directly or indirectly, in any act, practice, or course of business that constitutes or results in the commission of, or an attempt to commit, a fraud or deception on any person in connection with the offer or sale of the services of the credit repair organization.

''(b) PAYMENT IN ADVANCE.—No credit repair organization may charge or receive any money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed.

"SEC. 405. DISCLOSURES.

''(a) DISCLOSURE REQUIRED.—Any credit repair organization shall provide any consumer with the following written statement before any contract or agreement between the consumer and the credit repair organization is executed:

"'Consumer Credit File Rights Under State and Federal Law

'''You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly. However, neither you nor any ''credit repair'' company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report. The credit bureau must remove accurate, negative information from your report only if it is over 7 years old. Bankruptcy information can be reported for 10 years.

'''You have a right to obtain a copy of your credit report from a credit bureau. You may be charged a reasonable fee. There is no fee, however, if you have been turned down for credit, employment, insurance, or a rental dwelling because of information in your credit report within the preceding 60 days. The credit bureau must provide someone to help you interpret the information in your credit file. You are entitled to receive a free copy of your credit report if you are unemployed and intend to apply for employment in the next 60 days, if you are a recipient of public welfare assistance, or if you have reason to believe that there is inaccurate information in your credit report due to fraud.

'''You have a right to sue a credit repair organization that violates the Credit Repair Organization Act. This law prohibits deceptive practices by credit repair organizations.

'''You have the right to cancel your contract with any credit repair organization for any reason within 3 business days from the date you signed it.

'''Credit bureaus are required to follow reasonable procedures to ensure that the information they report is accurate. However, mistakes may occur.

'''You may, on your own, notify a credit bureau in writing that you dispute the accuracy of information in your credit file. The credit bureau must then reinvestigate and modify or remove inaccurate or incomplete information. The credit bureau may not charge any fee for this service. Any pertinent information and copies of all documents you have concerning an error should be given to the credit bureau.

'''If the credit bureau's reinvestigation does not resolve the dispute to your satisfaction, you may send a brief statement to the credit bureau, to be kept in your file, explaining why you think the record is inaccurate. The credit bureau must include a summary of your statement about disputed information with any report it issues about you.

'''The Federal Trade Commission regulates credit bureaus and credit repair organizations. For more information contact:

'''The Public Reference Branch

'''Federal Trade Commission

'''Washington, D.C. 20580'.

''(b) SEPARATE STATEMENT REQUIREMENT.—The written statement required under this section shall be provided as a document which is separate from any written contract or other agreement between the credit repair organization and the consumer or any other written material provided to the consumer.

''(c) RETENTION OF COMPLIANCE RECORDS.—

''(1) IN GENERAL.—The credit repair organization shall maintain a copy of the statement signed by the consumer acknowledging receipt of the statement.

''(2) MAINTENANCE FOR 2 YEARS.—The copy of any consumer's statement shall be maintained in the organization's files for 2 years after the date on which the statement is signed by the consumer.

"SEC. 406. CREDIT REPAIR ORGANIZATIONS CONTRACTS.

''(a) WRITTEN CONTRACTS REQUIRED.—No services may be provided by any credit repair organization for any consumer—

''(1) unless a written and dated contract (for the purchase of such services) which meets the requirements of subsection (b) has been signed by the consumer; or

''(2) before the end of the 3-business-day period beginning on the date the contract is signed.

''(b) TERMS AND CONDITIONS OF CONTRACT.—No contract referred to in subsection (a) meets the requirements of this subsection unless such contract includes (in writing)—

''(1) the terms and conditions of payment, including the total amount of all payments to be made by the consumer to the credit repair organization or to any other person;

''(2) a full and detailed description of the services to be performed by the credit repair organization for the consumer, including—

''(A) all guarantees of performance; and

''(B) an estimate of—

''(i) the date by which the performance of the services (to be performed by the credit repair organization or any other person) will be complete; or

''(ii) the length of the period necessary to perform such services;

''(3) the credit repair organization's name and principal business address; and

''(4) a conspicuous statement in bold face type, in immediate proximity to the space reserved for the consumer's signature on the contract, which reads as follows: 'You may cancel this contract without penalty or obligation at any time before midnight of the 3rd business day after the date on which you signed the contract. See the attached notice of cancellation form for an explanation of this right.'.

"SEC. 407. RIGHT TO CANCEL CONTRACT.

''(a) IN GENERAL.—Any consumer may cancel any contract with any credit repair organization without penalty or obligation by notifying the credit repair organization of the consumer's intention to do so at any time before midnight of the 3rd business day which begins after the date on which the contract or agreement between the consumer and the credit repair organization is executed or would, but for this subsection, become enforceable against the parties.

''(b) CANCELLATION FORM AND OTHER INFORMATION.—Each contract shall be accompanied by a form, in duplicate, which has the heading 'Notice of Cancellation' and contains in bold face type the following statement:

'''You may cancel this contract, without any penalty or obligation, at any time before midnight of the 3rd day which begins after the date the contract is signed by you.

'''To cancel this contract, mail or deliver a signed, dated copy of this cancellation notice, or any other written notice to [name of credit repair organization] at [address of credit repair organization] before midnight on [date]

'''I hereby cancel this transaction,

[date]

[purchaser's signature].'.

''(c) CONSUMER COPY OF CONTRACT REQUIRED.—Any consumer who enters into any contract with any credit repair organization shall be given, by the organization—

''(1) a copy of the completed contract and the disclosure statement required under section 405; and

''(2) a copy of any other document the credit repair organization requires the consumer to sign,

at the time the contract or the other document is signed.

"SEC. 408. NONCOMPLIANCE WITH THIS TITLE.

''(a) CONSUMER WAIVERS INVALID.—Any waiver by any consumer of any protection provided by or any right of the consumer under this title—

''(1) shall be treated as void; and

''(2) may not be enforced by any Federal or State court or any other person.

''(b) ATTEMPT TO OBTAIN WAIVER.—Any attempt by any person to obtain a waiver from any consumer of any protection provided by or any right of the consumer under this title shall be treated as a violation of this title.

''(c) CONTRACTS NOT IN COMPLIANCE.—Any contract for services which does not comply with the applicable provisions of this title—

''(1) shall be treated as void; and

''(2) may not be enforced by any Federal or State court or any other person.

''SEC. 409. CIVIL LIABILITY.

''(a) LIABILITY ESTABLISHED.—Any person who fails to comply with any provision of this title with respect to any other person shall be liable to such person in an amount equal to the sum of the amounts determined under each of the following paragraphs:

''(1) ACTUAL DAMAGES.—The greater of—

''(A) the amount of any actual damage sustained by such person as a result of such failure; or

''(B) any amount paid by the person to the credit repair organization.

''(2) PUNITIVE DAMAGES.—

''(A) INDIVIDUAL ACTIONS.—In the case of any action by an individual, such additional amount as the court may allow.

''(B) CLASS ACTIONS.—In the case of a class action, the sum of—

''(i) the aggregate of the amount which the court may allow for each named plaintiff; and

''(ii) the aggregate of the amount which the court may allow for each other class member, without regard to any minimum individual recovery.

''(3) ATTORNEYS' FEES.—In the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with reasonable attorneys' fees.

''(b) FACTORS TO BE CONSIDERED IN AWARDING PUNITIVE DAMAGES.—In determining the amount of any liability of any credit repair organization under subsection (a)(2), the court shall consider, among other relevant factors—

''(1) the frequency and persistence of noncompliance by the credit repair organization;

''(2) the nature of the noncompliance;

''(3) the extent to which such noncompliance was intentional; and

''(4) in the case of any class action, the number of consumers adversely affected.

''SEC. 410. ADMINISTRATIVE ENFORCEMENT.

''(a) IN GENERAL.—Compliance with the requirements imposed under this title with respect to credit repair organizations shall be enforced under the Federal Trade Commission Act by the Federal Trade Commission.

''(b) VIOLATIONS OF THIS TITLE TREATED AS VIOLATIONS OF FEDERAL TRADE COMMISSION ACT.—

''(1) IN GENERAL.—For the purpose of the exercise by the Federal Trade Commission of the Commission's functions and powers under the Federal Trade Commission Act, any violation of any requirement or prohibition imposed under this title with respect to credit repair organizations shall constitute an unfair or deceptive act or practice in commerce in violation of section 5(a) of the Federal Trade Commission Act.

''(2) ENFORCEMENT AUTHORITY UNDER OTHER LAW.—All functions and powers of the Federal Trade Commission under the Federal Trade Commission Act shall be available to the Commission to enforce compliance with this title by any person subject to enforcement by the Federal Trade Commission pursuant to this subsection, including the power to enforce the provisions of this title in the same manner as if the violation had been a violation of any Federal Trade Commission trade regulation rule, without regard to whether the credit repair organization—

''(A) is engaged in commerce; or

''(B) meets any other jurisdictional tests in the Federal Trade Commission Act.

''(c) STATE ACTION FOR VIOLATIONS.—

''(1) AUTHORITY OF STATES.—In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State—

''(A) may bring an action to enjoin such violation;

''(B) may bring an action on behalf of its residents to recover damages for which the person is liable to such residents under section 409 as a result of the violation; and

''(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

''(2) RIGHTS OF COMMISSION.—

''(A) NOTICE TO COMMISSION.—The State shall serve prior written notice of any civil action under paragraph (1) upon the Federal Trade Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action.

''(B) INTERVENTION.—The Commission shall have the right—

''(i) to intervene in any action referred to in subparagraph (A);

''(ii) upon so intervening, to be heard on all matters arising in the action; and

''(iii) to file petitions for appeal.

''(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the chief law enforcement officer, or an official or agency designated by a State, from exercising the powers conferred on the chief law enforcement officer or such official by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

''(4) LIMITATION.—Whenever the Federal Trade Commission has instituted a civil action for violation of this title, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission for any violation of this title that is alleged in that complaint.

''SEC. 411. STATUTE OF LIMITATIONS.

''Any action to enforce any liability under this title may be brought before the later of—

''(1) the end of the 5-year period beginning on the date of the occurrence of the violation involved; or

''(2) in any case in which any credit repair organization has materially and willfully misrepresented any information which—

''(A) the credit repair organization is required, by any provision of this title, to disclose to any consumer; and

''(B) is material to the establishment of the credit repair organization's liability to the consumer under this title,

the end of the 5-year period beginning on the date of the discovery by the consumer of the misrepresentation.

''SEC. 412. RELATION TO STATE LAW.

''This title shall not annul, alter, affect, or exempt any person subject to the provisions of this title from complying with any law of any State except to the extent that such law is inconsistent with any provision of this title, and then only to the extent of the inconsistency.

''SEC. 413. EFFECTIVE DATE.

''This title shall apply after the end of the 6-month period beginning on the date of the enactment of the Credit Repair Organizations Act, except with respect to contracts entered into by a credit repair organization before the end of such period.''.

SEC. 2452. CREDIT WORTHINESS.

It is the sense of the Senate that—

(1) individuals should generally be judged for credit worthiness based on their own credit worthiness and not on the zip code or neighborhood in which they live; and

(2) the Federal Trade Commission, after consultation with the appropriate Federal banking agency, should report to the Committee on Banking, Housing, and Urban Affairs of the Senate as to whether and how the location of the residence of an applicant for unsecured credit is considered by many companies and financial institutions in deciding whether an applicant should be granted credit.

Subtitle E—Asset Conservation, Lender Liability, and Deposit Insurance Protection

SEC. 2501. SHORT TITLE.

This subtitle may be cited as the ''Asset Conservation, Lender Liability, and Deposit Insurance Protection Act of 1996''.

SEC. 2502. CERCLA LENDER AND FIDUCIARY LIABILITY LIMITATIONS AMENDMENTS.

(a) IN GENERAL.—Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following:

''(n) LIABILITY OF FIDUCIARIES.—

''(1) IN GENERAL.—The liability of a fiduciary under any provision of this Act for the release or threatened release of a hazardous substance at, from, or in connection with a vessel or facility held in a fiduciary capacity shall not exceed the assets held in the fiduciary capacity.

''(2) EXCLUSION.—Paragraph (1) does not apply to the extent that a person is liable under this Act independently of the person's ownership of a vessel or facility as a fiduciary or actions taken in a fiduciary capacity.

''(3) LIMITATION.—Paragraphs (1) and (4) do not limit the liability pertaining to a release or threatened release of a hazardous substance if negligence of a fiduciary causes or contributes to the release or threatened release.

''(4) SAFE HARBOR.—A fiduciary shall not be liable in its personal capacity under this Act for—

''(A) undertaking or directing another person to undertake a response action under subsection (d)(1) or under the direction of an on scene coordinator designated under the National Contingency Plan;

''(B) undertaking or directing another person to undertake any other lawful means of addressing a hazardous substance in connection with the vessel or facility;

''(C) terminating the fiduciary relationship;

''(D) including in the terms of the fiduciary agreement a covenant, warranty, or other term or condition that relates to compliance with an environmental law, or monitoring, modifying or enforcing the term or condition;

''(E) monitoring or undertaking 1 or more inspections of the vessel or facility;

''(F) providing financial or other advice or counseling to other parties to the fiduciary relationship, including the settlor or beneficiary;

''(G) restructuring, renegotiating, or otherwise altering the terms and conditions of the fiduciary relationship;

''(H) administering, as a fiduciary, a vessel or facility that was contaminated before the fiduciary relationship began; or

''(I) declining to take any of the actions described in subparagraphs (B) through (H).

''(5) DEFINITIONS.—As used in this Act:

''(A) FIDUCIARY.—The term 'fiduciary'—

''(i) means a person acting for the benefit of another party as a bona fide—

''(I) trustee;

''(II) executor;

''(III) administrator;

''(IV) custodian;

''(V) guardian of estates or guardian ad litem;

''(VI) receiver;

''(VII) conservator;

''(VIII) committee of estates of incapacitated persons;

''(IX) personal representative;

''(X) trustee (including a successor to a trustee) under an indenture agreement, trust agreement, lease, or similar financing agreement, for debt securities, certificates of interest or certificates of participation in debt securities, or other forms of indebtedness as to which the trustee is not, in the capacity of trustee, the lender; or

''(XI) representative in any other capacity that the Administrator, after providing public notice, determines to be similar to the capacities described in subclauses (I) through (X); and

''(ii) does not include—

''(I) a person that is acting as a fiduciary with respect to a trust or other fiduciary estate that was organized for the primary purpose of, or is engaged in, actively carrying on a trade or business for profit, unless the trust or other fiduciary estate was created as part of, or to facilitate, 1 or more estate plans or because of the incapacity of a natural person; or

''(II) a person that acquires ownership or control of a vessel or facility with the objective purpose of avoiding liability of the person or of any other person.

''(B) FIDUCIARY CAPACITY.—The term 'fiduciary capacity' means the capacity of a person in holding title to a vessel or facility, or otherwise having control of or an interest in the vessel or facility, pursuant to the exercise of the responsibilities of the person as a fiduciary.

''(6) SAVINGS CLAUSE.—Nothing in this subsection—

''(A) affects the rights or immunities or other defenses that are available under this Act or other law that is applicable to a person subject to this subsection; or

''(B) creates any liability for a person or a private right of action against a fiduciary or any other person.

''(7) NO EFFECT ON CERTAIN PERSONS.—Nothing in this subsection applies to a person if the person—

''(A)(i) acts in a capacity other than that of a fiduciary or in a beneficiary capacity; and

''(ii) in that capacity, directly or indirectly benefits from a trust or fiduciary relationship; or

''(B)(i) is a beneficiary and a fiduciary with respect to the same fiduciary estate; and

''(ii) as a fiduciary, receives benefits that exceed customary or reasonable compensation, and incidental benefits, permitted under other applicable law.

''(8) LIMITATION.—This subsection does not preclude a claim under this Act against—

''(A) the assets of the estate or trust administered by the fiduciary; or

''(B) a nonemployee agent or independent contractor retained by a fiduciary.''.

(b) DEFINITION OF OWNER OR OPERATOR.—Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)) is amended by adding at the end the following:

''(E) EXCLUSION OF LENDERS NOT PARTICIPANTS IN MANAGEMENT.—

''(i) INDICIA OF OWNERSHIP TO PROTECT SECURITY.—The term 'owner or operator' does not include a person that is a lender that, without participating in the management of a vessel or facility, holds indicia of ownership primarily to protect the security interest of the person in the vessel or facility.

''(ii) FORECLOSURE.—The term 'owner or operator' does not include a person that is a lender that did not participate in management of a vessel or facility prior to foreclosure, notwithstanding that the person—

''(I) forecloses on the vessel or facility; and

''(II) after foreclosure, sells, re-leases (in the case of a lease finance transaction), or liquidates the vessel or facility, maintains business activities, winds up operations, undertakes a response action under section 107(d)(1) or under the direction of an on-scene coordinator appointed under the National Contingency Plan, with respect to the vessel or facility, or takes any other measure to preserve, protect, or prepare the vessel or facility prior to sale or disposition,

if the person seeks to sell, re-lease (in the case of a lease finance transaction), or otherwise divest the person of the vessel or facility at the earliest practicable, commercially reasonable time, on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements.

''(F) PARTICIPATION IN MANAGEMENT.—For purposes of subparagraph (E)—

''(i) the term 'participate in management'—

''(I) means actually participating in the management or operational affairs of a vessel or facility; and

''(II) does not include merely having the capacity to influence, or the unexercised right to control, vessel or facility operations;

''(ii) a person that is a lender and that holds indicia of ownership primarily to protect a security interest in a vessel or facility shall be considered to participate in management only if, while the borrower is still in possession of the vessel or facility encumbered by the security interest, the person—

''(I) exercises decisionmaking control over the environmental compliance related to the vessel or facility, such that the person has undertaken responsibility for the hazardous substance handling or disposal practices related to the vessel or facility; or

''(II) exercises control at a level comparable to that of a manager of the vessel or facility, such that the person has assumed or manifested responsibility—

''(aa) for the overall management of the vessel or facility encompassing day-to-day decisionmaking with respect to environmental compliance; or

''(bb) over all or substantially all of the operational functions (as distinguished from financial or administrative functions) of the vessel or facility other than the function of environmental compliance;

''(iii) the term 'participate in management' does not include performing an act or failing to act prior to the time at which a security interest is created in a vessel or facility; and

''(iv) the term 'participate in management' does not include—

''(I) holding a security interest or abandoning or releasing a security interest;

''(II) including in the terms of an extension of credit, or in a contract or security agreement relating to the extension, a covenant, warranty, or other term or condition that relates to environmental compliance;

''(III) monitoring or enforcing the terms and conditions of the extension of credit or security interest;

''(IV) monitoring or undertaking 1 or more inspections of the vessel or facility;

''(V) requiring a response action or other lawful means of addressing the release or threatened release of a hazardous substance in connection with the vessel or facility prior to, during, or on the expiration of the term of the extension of credit;

''(VI) providing financial or other advice or counseling in an effort to mitigate, prevent, or cure default or diminution in the value of the vessel or facility;

''(VII) restructuring, renegotiating, or otherwise agreeing to alter the terms and conditions of the extension of credit or security interest, exercising forbearance;

''(VIII) exercising other remedies that may be available under applicable law for the breach of a term or condition of the extension of credit or security agreement; or

''(IX) conducting a response action under section 107(d) or under the direction of an on-scene coordinator appointed under the National Contingency Plan,

if the actions do not rise to the level of participating in management (within the meaning of clauses (i) and (ii)).

''(G) OTHER TERMS.—As used in this Act:

''(i) EXTENSION OF CREDIT.—The term 'extension of credit' includes a lease finance transaction—

''(I) in which the lessor does not initially select the leased vessel or facility and does not during the lease term control the daily operations or maintenance of the vessel or facility; or

''(II) that conforms with regulations issued by the appropriate Federal banking agency or the appropriate State bank supervisor (as those terms are defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813) or with regulations issued by the National Credit Union Administration Board, as appropriate.

''(ii) FINANCIAL OR ADMINISTRATIVE FUNCTION.—The term 'financial or administrative function' includes a function such as that of a credit manager, accounts payable officer, accounts receivable officer, personnel manager, comptroller, or chief financial officer, or a similar function.

''(iii) FORECLOSURE; FORECLOSE.—The terms 'foreclosure' and 'foreclose' mean, respectively, acquiring, and to acquire, a vessel or facility through—

''(I)(aa) purchase at sale under a judgment or decree, power of sale, or nonjudicial foreclosure sale;

''(bb) a deed in lieu of foreclosure, or similar conveyance from a trustee; or

''(cc) repossession,

if the vessel or facility was security for an extension of credit previously contracted;

''(II) conveyance pursuant to an extension of credit previously contracted, including the termination of a lease agreement; or

''(III) any other formal or informal manner by which the person acquires, for subsequent disposition, title to or possession of a vessel or facility in order to protect the security interest of the person.

''(iv) LENDER.—The term 'lender' means—

''(I) an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813));

''(II) an insured credit union (as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752));

''(III) a bank or association chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.);

''(IV) a leasing or trust company that is an affiliate of an insured depository institution;

''(V) any person (including a successor or assignee of any such person) that makes a bona fide extension of credit to or takes or acquires a security interest from a nonaffiliated person;

''(VI) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or any other entity that in a bona fide manner buys or sells loans or interests in loans;

''(VII) a person that insures or guarantees against a default in the repayment of an extension of credit, or acts as a surety with respect to an extension of credit, to a nonaffiliated person; and

''(VIII) a person that provides title insurance and that acquires a vessel or facility as a result of assignment or conveyance in the course of underwriting claims and claims settlement.

''(v) OPERATIONAL FUNCTION.—The term 'operational function' includes a function such as that of a facility or plant manager, operations manager, chief operating officer, or chief executive officer.

''(vi) SECURITY INTEREST.—The term 'security interest' includes a right under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, or lease and any other right accruing to a person to secure the repayment of money, the performance of a duty, or any other obligation by a nonaffiliated person.''.

SEC. 2503. CONFORMING AMENDMENT.

Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended by striking paragraph (9) and inserting the following:

''(9) DEFINITION OF OWNER OR OPERATOR.—

''(A) IN GENERAL.—As used in this subtitle, the terms 'owner' and 'operator' do not include a person that, without participating in the management of an underground storage tank and otherwise not engaged in petroleum production, refining, or marketing, holds indicia of ownership primarily to protect the person's security interest.

''(B) SECURITY INTEREST HOLDERS.—The provisions regarding holders of security interests in subparagraphs (E) through (G) of section 101(20) and the provisions regarding fiduciaries at section 107(n) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 shall apply in determining a person's liability as an owner or operator of an underground storage tank for the purposes of this subtitle.

''(C) EFFECT ON RULE.—Nothing in subparagraph (B) shall be construed as modifying or affecting the final rule issued by the Administrator on September 7, 1995 (60 Fed. Reg. 46,692), or as limiting the authority of the Administrator to amend the final rule, in accordance with applicable law. The final rule in effect on the date of enactment of this subparagraph shall prevail over any inconsistent provision regarding holders of security interests in subparagraphs (E) through (G) of section 101(20) or any inconsistent provision regarding fiduciaries in section 107(n) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. Any amendment to the final rule shall be consistent with the provisions regarding holders of security interests in subparagraphs (E) through (G) of section 101(20) and the provisions regarding fiduciaries in section 107(n) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. This subparagraph does not preclude judicial review of any amendment of the final rule made after the date of enactment of this subparagraph.''.

SEC. 2504. LENDER LIABILITY RULE.

(a) IN GENERAL.—Effective on the date of enactment of this Act, the portion of the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992 (57 Fed. Reg. 18,344), prescribing section 300.1105 of title 40, Code of Federal Regulations, shall be deemed to have been validly issued under authority of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and to have been effective according to the terms of the final rule. No additional judicial proceedings shall be necessary or may be held with respect to such portion of the final rule. Any reference in that portion of the final rule to section 300.1100 of title 40, Code of Federal Regulations, shall be deemed to be a reference to the amendments made by this subtitle.

(b) JUDICIAL REVIEW.—Notwithstanding section 113(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(a)), no court shall have jurisdiction to review the portion of the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992 (57 Fed. Reg. 18,344) that prescribed section 300.1105 of title 40, Code of Federal Regulations.

(c) AMENDMENT.—No provision of this section shall be construed as limiting the authority of the President or a delegee of the President to amend the portion of the final rule issued by the Administrator of the Environmental Protection Agency on April 29, 1992 (57 Fed. Reg. 18,344), prescribing section 300.1105 of title 40, Code of Federal Regulations, consistent with the amendments made by this subtitle and other applicable law.

(d) JUDICIAL REVIEW.—No provision of this section shall be construed as precluding judicial review of any amendment of section 300.1105 of title 40, Code of Federal Regulations, made after the date of enactment of this Act.

SEC. 2505. EFFECTIVE DATE.

The amendments made by this subtitle shall be applicable with respect to any claim that has not been finally adjudicated as of the date of enactment of this Act.

Subtitle F—Miscellaneous

SEC. 2601. FEDERAL RESERVE BOARD STUDY.

(a) STUDY OF ELECTRONIC STORED VALUE PRODUCTS.—

(1) STUDY.—The Board shall conduct a study of electronic stored value products which evaluates whether provisions of the Electronic Fund Transfer Act could be applied to such products without adversely impacting the cost, development, and operation of such products.

(2) CONSIDERATIONS.—In conducting its study under paragraph (1), the Board shall consider whether alternatives to regulation under the Electronic Fund Transfer Act, such as allowing competitive market forces to shape the development and operation of electronic stored value products, could more efficiently achieve the objectives embodied in that Act.

(b) REPORT.—The Board shall submit a report of its study under subsection (a) to the Congress not later than 6 months after the date of enactment of this Act.

(c) ACTION TO FINALIZE.—The Board shall take no action to finalize any amendments to regulations under the Electronic Fund Transfer Act that would regulate electronic stored value products until the later of—

(1) 3 months after the date on which the report is submitted to the Congress under subsection (b); or

(2) 9 months after the date of enactment of this Act.

SEC. 2602. TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE RECEIVER OR CONSERVATOR.

Section 11(d) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)) is amended by adding at the end the following new paragraph:

''(20) TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE RECEIVER OR CONSERVATOR.—Notwithstanding any other provision of this subsection, any final and unappealable judgment for monetary damages entered against a receiver or conservator for an insured depository institution for the breach of an agreement executed or approved by such receiver or conservator after the date of its appointment shall be paid as an administrative expense of the receiver or conservator. Nothing in this paragraph shall be construed to limit the power of a receiver or conservator to exercise any rights under contract or law, including to terminate, breach, cancel, or otherwise discontinue such agreement.''.

SEC. 2603. CRIMINAL SANCTIONS FOR FICTITIOUS FINANCIAL INSTRUMENTS AND COUNTERFEITING.

(a) INCREASED PENALTIES FOR COUNTERFEITING VIOLATIONS.—Sections 474 and 474A of title 18, United States Code, are amended by striking ''class C felony'' each place that term appears and inserting ''class B felony''.

(b) CRIMINAL PENALTY FOR PRODUCTION, SALE, TRANSPORTATION, POSSESSION OF FICTITIOUS FINANCIAL INSTRUMENTS PURPORTING TO BE THOSE OF THE STATES, OF POLITICAL SUBDIVISIONS, AND OF PRIVATE ORGANIZATIONS.—

(1) IN GENERAL.—Chapter 25 of title 18, United States Code, is amended by inserting after section 513, the following new section:

''§ 514. Fictitious obligations

''(a) Whoever, with the intent to defraud—

''(1) draws, prints, processes, produces, publishes, or otherwise makes, or attempts or causes the same, within the United States;

''(2) passes, utters, presents, offers, brokers, issues, sells, or attempts or causes the same, or with like intent possesses, within the United States; or

''(3) utilizes interstate or foreign commerce, including the use of the mails or wire, radio, or other electronic communication, to transmit, transport, ship, move, transfer, or attempts or causes the same, to, from, or through the United States,

any false or fictitious instrument, document, or other item appearing, representing, purporting, or contriving through scheme or artifice, to be an actual security or other financial instrument issued under the authority of the United States, a foreign government, a State or other political subdivision of the United States, or an organization, shall be guilty of a class B felony.

''(b) For purposes of this section, any term used in this section that is defined in section 513(c) has the same meaning given such term in section 513(c).

''(c) The United States Secret Service, in addition to any other agency having such authority, shall have authority to investigate offenses under this section.''.

(2) TECHNICAL AMENDMENT.—The analysis for chapter 25 of title 18, United States Code, is amended by inserting after the item relating to section 513 the following:

''514. Fictitious obligations.''.

SEC. 2604. AMENDMENTS TO THE TRUTH IN SAVINGS ACT.

(a) REPEAL.—Effective as of the end of the 5-year period beginning on the date of the enactment of this Act, section 271 of the Truth in Savings Act (12 U.S.C. 4310) is repealed.

(b) ON-PREMISES DISPLAYS.—Section 263(c) of the Truth in Savings Act (12 U.S.C. 4302(c)) is amended—

(1) by striking paragraph (2);

(2) by striking ''(1) IN GENERAL.—''; and

(3) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately.

(c) DEPOSITORY INSTITUTION DEFINITION.—Section 274(6) of the Truth in Savings Act (12 U.S.C. 4313(6)) is amended by inserting before the period '', but does not include any nonautomated credit union that was not required to comply with the requirements of this title as of the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996, pursuant to the determination of the National Credit Union Administration Board''.

(d) TIME DEPOSITS.—Section 266(a)(3) of the Truth in Savings Act (12 U.S.C. 4305(a)(3)) is amended by inserting ''has a maturity of more than 30 days'' after ''deposit which''.

SEC. 2605. CONSUMER LEASING ACT AMENDMENTS.

(a) CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSES.—

(1) FINDINGS.—The Congress finds that—

(A) competition among the various financial institutions and other firms engaged in the business of consumer leasing is greatest when there is informed use of leasing;

(B) the informed use of leasing results from an awareness of the cost of leasing by consumers; and

(C) there has been a continued trend toward leasing automobiles and other durable goods for consumer use as an alternative to installment credit sales and that leasing product advances have occurred such that lessors have been unable to provide consistent industry-wide disclosures to fully account for the competitive progress that has occurred.

(2) PURPOSES.—The purposes of this section are—

(A) to assure a simple, meaningful disclosure of leasing terms so that the consumer will be able to compare more readily the various leasing terms available to the consumer and avoid the uninformed use of leasing, and to protect the consumer against inaccurate and unfair leasing practices;

(B) to provide for adequate cost disclosures that reflect the marketplace without impairing competition and the development of new leasing products; and

(C) to provide the Board with the regulatory authority to assure a simplified, meaningful definition and disclosure of the terms of certain

leases of personal property for personal, family, or household purposes so as to—

(i) enable the lessee to compare more readily the various lease terms available to the lessee;

(ii) enable comparison of lease terms with credit terms, as appropriate; and

(iii) assure meaningful and accurate disclosures of lease terms in advertisements.

(b) REGULATIONS.—

(1) IN GENERAL.—Chapter 5 of the Truth in Lending Act (15 U.S.C. 1667 et seq.) is amended by adding at the end the following new section:

"SEC. 187. REGULATIONS.

''(a) REGULATIONS AUTHORIZED.—

''(1) IN GENERAL.—The Board shall prescribe regulations to update and clarify the requirements and definitions applicable to lease disclosures and contracts, and any other issues specifically related to consumer leasing, to the extent that the Board determines such action to be necessary—

''(A) to carry out this chapter;

''(B) to prevent any circumvention of this chapter; or

''(C) to facilitate compliance with the requirements of the chapter.

''(2) CLASSIFICATIONS, ADJUSTMENTS.—Any regulations prescribed under paragraph (1) may contain classifications and differentiations, and may provide for adjustments and exceptions for any class of transactions, as the Board considers appropriate.

''(b) MODEL DISCLOSURE.—

''(1) PUBLICATION.—The Board shall establish and publish model disclosure forms to facilitate compliance with the disclosure requirements of this chapter and to aid the consumer in understanding the transaction to which the subject disclosure form relates.

''(2) USE OF AUTOMATED EQUIPMENT.—In establishing model forms under this subsection, the Board shall consider the use by lessors of data processing or similar automated equipment.

''(3) USE OPTIONAL.—A lessor may utilize a model disclosure form established by the Board under this subsection for purposes of compliance with this chapter, at the discretion of the lessor.

''(4) EFFECT OF USE.—Any lessor who properly uses the material aspects of any model disclosure form established by the Board under this subsection shall be deemed to be in compliance with the disclosure requirements to which the form relates.''.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—Any regulation of the Board, or any amendment or interpretation of any regulation of the Board issued pursuant to section 187 of the Truth in Lending Act (as added by paragraph (1) of this subsection), shall become effective on the first October 1 that follows the date of promulgation of that regulation, amendment, or interpretation by not less than 6 months.

(B) LONGER PERIOD.—The Board may, at the discretion of the Board, extend the time period referred to in subparagraph (A) in accordance with subparagraph (C), to permit lessors to adjust their disclosure forms to accommodate the requirements of section 127 of the Truth in Lending Act (as added by paragraph (1) of this subsection).

(C) SHORTER PERIOD.—The Board may shorten the time period referred to in subparagraph (A), if the Board makes a specific finding that such action is necessary to comply with the findings of a court or to prevent an unfair or deceptive practice.

(D) COMPLIANCE BEFORE EFFECTIVE DATE.—Any lessor may comply with any means of disclosure provided for in section 127 of the Truth in Lending Act (as added by paragraph (1) of this subsection) before the effective date of such requirement.

(E) DEFINITIONS.—For purposes of this subsection, the term ''lessor'' has the same meaning as in section 181 of the Truth in Lending Act.

(3) CLERICAL AMENDMENT.—The table of sections for chapter 5 of title I of the Truth in Lending Act (15 U.S.C. 1601 et seq.) is amended by inserting after the item relating to section 186 the following new item:

''187. Regulations.''.

(c) CONSUMER LEASE ADVERTISING.—Section 184 of the Truth in Lending Act (15 U.S.C. 1667c) is amended—

(1) by striking subsections (a) and (c);

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting before subsection (c), as so redesignated, the following:

''(a) IN GENERAL.—If an advertisement for a consumer lease includes a statement of the amount of any payment or a statement that any or no initial payment is required, the advertisement shall clearly and conspicuously state, as applicable—

''(1) the transaction advertised is a lease;

''(2) the total amount of any initial payments required on or before consummation of the lease or delivery of the property, whichever is later;

''(3) that a security deposit is required;

''(4) the number, amount, and timing of scheduled payments; and

''(5) with respect to a lease in which the liability of the consumer at the end of the lease term is based on the anticipated residual value of the property, that an extra charge may be imposed at the end of the lease term.

''(b) ADVERTISING MEDIUM NOT LIABLE.—No owner or employee of any entity that serves as a medium in which an advertisement appears or through which an advertisement is disseminated, shall be liable under this section.''.

SEC. 2606. STUDY OF CORPORATE CREDIT UNIONS.

(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) ADMINISTRATION.—The term ''Administration'' means the National Credit Union Administration.

(2) BOARD.—The term ''Board'' means the National Credit Union Administration Board.

(3) CORPORATE CREDIT UNION.—The term ''corporate credit union'' has the meaning given such term by rule or regulation of the Board.

(4) FUND.—The term ''Fund'' means the National Credit Union Share Insurance Fund established under section 203 of the Federal Credit Union Act.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(b) STUDY.—

(1) IN GENERAL.—The Secretary, in consultation with the Board, the Corporation, the Comptroller of the Currency, and the Administration, shall conduct a study and evaluation of—

(A) the oversight and supervisory practices of the Administration concerning the Fund, including the treatment of amounts deposited in the Fund pursuant to section 202(c) of the Federal Credit Union Act, including analysis of—

(i) whether those amounts should be—

(I) refundable; or

(II) treated as expenses; and

(ii) the use of those amounts in determining equity capital ratios;

(B) the potential for, and potential effects of, administration of the Fund by an entity other than the Administration;

(C) the 10 largest corporate credit unions in the United States, conducted in cooperation with appropriate employees of other Federal agencies with expertise in the examination of federally insured financial institutions, including—

(i) the investment practices of those credit unions; and

(ii) the financial stability, financial operations, and financial controls of those credit unions;

(D) the regulations of the Administration; and

(E) the supervision of corporate credit unions by the Administration.

(c) REPORT.—Not later than 12 months after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of the Congress, a report that includes the results of the study and evaluation conducted under subsection (b), together with any recommendations that the Secretary considers to be appropriate.

SEC. 2607. REPORT ON THE RECONCILIATION OF DIFFERENCES BETWEEN REGULATORY ACCOUNTING PRINCIPLES AND GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

Not later than 180 days after the date of enactment of this Act, each appropriate Federal banking agency shall submit to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report describing both the actions that have been taken by the agency and the actions that will be taken by the agency to eliminate or conform inconsistent or duplicative accounting and reporting requirements applicable to reports or statements filed with any such agency by insured depository institutions, as required by section 121 of the Federal Deposit Insurance Corporation Improvement Act of 1991.

SEC. 2608. STATE-BY-STATE AND METROPOLITAN AREA-BY-METROPOLITAN AREA STUDY OF BANK FEES.

Section 1002(b)(2)(A) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note) is amended to read as follows:

''(A) a description of any discernible trend, in the Nation as a whole, in each of the 50 States, and in each consolidated metropolitan statistical area or primary metropolitan statistical area (as defined by the Director of the Office of Management and Budget), in the cost and availability of retail banking services (including fees imposed for providing such services), that delineates differences between insured depository institutions on the basis of both the size of the institution and any engagement of the institution in multistate activity; and''.

SEC. 2609. PROSPECTIVE APPLICATION OF GOLD CLAUSES IN CONTRACTS.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following: ''This paragraph shall apply to any obligation issued on or before October 27, 1977, notwithstanding any assignment or novation of such obligation after October 27, 1977, unless all parties to the assignment or novation specifically agree to include a gold clause in the new agreement. Nothing in the preceding sentence shall be construed to affect the enforceability of a Gold Clause contained in any obligation issued after October 27, 1977 if the enforceability of that Gold Clause has been finally adjudicated before the date of enactment of the Economic Growth and Regulatory Paperwork Reduction Act of 1996.''.

SEC. 2610. QUALIFIED FAMILY PARTNERSHIPS.

Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended—

(1) in subsection (b), by inserting '', and shall not include a qualified family partnership'' after ''by any State''; and

(2) in subsection (o), by adding at the end the following:

''(10) QUALIFIED FAMILY PARTNERSHIP.—The term 'qualified family partnership' means a general or limited partnership that the Board determines—

''(A) does not directly control any bank, except through a registered bank holding company;

''(B) does not control more than 1 registered bank holding company;

''(C) does not engage in any business activity, except indirectly through ownership of other business entities;

''(D) has no investments other than those permitted for a bank holding company pursuant to section 4(c);

''(E) is not obligated on any debt, either directly or as a guarantor;

''(F) has partners, all of whom are either—

''(i) individuals related to each other by blood, marriage (including former marriage), or adoption; or

''(ii) trusts for the primary benefit of individuals related as described in clause (i); and

''(G) has filed with the Board a statement that includes—

''(i) the basis for the eligibility of the partnership under subparagraph (F);

''(ii) a list of the existing activities and investments of the partnership;

''(iii) a commitment to comply with this paragraph;

''(iv) a commitment to comply with section 7 of the Federal Deposit Insurance Act with respect to any acquisition of control of an insured depository institution occurring after date of enactment of this paragraph; and

''(v) a commitment to be subject, to the same extent as if the qualified family partnership were a bank holding company—

''(I) to examination by the Board to assure compliance with this paragraph; and

''(II) to section 8 of the Federal Deposit Insurance Act.''.

SEC. 2611. COOPERATIVE EFFORTS BETWEEN DEPOSITORY INSTITUTIONS AND FARMERS AND RANCHERS IN DROUGHT-STRICKEN AREAS.

(a) FINDINGS.—The Congress hereby finds the following:

(1) Severe drought is being experienced in the Plains and the Southwest portions of our country.

(2) Soil erosion is becoming a critical issue as the dry season approaches and summer winds may rob these fields of nutrient-rich topsoil.

(3) Without immediate assistance, ranchers and farmers would be forced to cull their herds bringing tremendous volatility in the beef market.

(4) The American people will feel the impact of this drought in their pocketbooks through higher prices for grain products.

(5) The communities in drought-stricken areas are suffering and borrowers may have difficulty meeting their obligations to financial institutions.

(6) Congress has already passed the Depository Institutions Disaster Relief Act of 1992 which allows financial institutions to make emergency exceptions to the appraisal requirement in times of national disasters.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that financial institutions and Federal bank regulators should work cooperatively with farmers and ranchers in communities affected by drought conditions to allow financial obligations to be met without imposing undue burdens.

SEC. 2612. STREAMLINING PROCESS FOR DETERMINING NEW NONBANKING ACTIVITIES.

Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended by striking ''and opportunity for hearing'' and inserting the following: ''(and opportunity for hearing in the case of an acquisition of a savings association)''.

SEC. 2613. AUTHORIZING BANK SERVICE COMPANIES TO ORGANIZE AS LIMITED LIABILITY COMPANIES.

(a) AMENDMENT TO SHORT TITLE.—Section 1 of the Bank Service Corporation Act (12 U.S.C. 1861(a)) is amended by striking subsection (a) and inserting the following new subsection:

''(a) SHORT TITLE.—This Act may be cited as the 'Bank Service Company Act'.'';

(b) AMENDMENTS TO DEFINITIONS.—Section 1(b) of the Bank Service Corporation Act (12 U.S.C. 1861(b)) is amended—

(1) by striking paragraph (2) and inserting the following new paragraph:

''(2) the term 'bank service company' means—

''(A) any corporation—

''(i) which is organized to perform services authorized by this Act; and

''(ii) all of the capital stock of which is owned by 1 or more insured banks; and

''(B) any limited liability company—

''(i) which is organized to perform services authorized by this Act; and

''(ii) all of the members of which are 1 or more insured banks.'';

(2) in paragraph (6)—

(A) by striking ''corporation'' and inserting ''company''; and

(B) by striking ''and'' after the semicolon;

(3) by redesignating paragraph (7) as paragraph (8) and inserting after paragraph (6) the following new paragraph:

''(7) the term 'limited liability company' means any company, partnership, trust, or similar business entity organized under the law of a State (as defined in section 3 of the Federal Deposit Insurance Act) which provides that a member or manager of such company is not personally liable for a debt, obligation, or liability of the company solely by reason of being, or acting as, a member or manager of such company; and''; and

(4) in paragraph (8) (as so redesignated)—

(A) by striking ''corporation'' each place such term appears and inserting ''company''; and

(B) by striking ''capital stock'' and inserting ''equity''.

(c) AMENDMENTS TO SECTION 2.—Section 2 of the Bank Service Corporation Act (12 U.S.C. 1862) is amended—

(1) by striking ''corporation'' and inserting ''company'';

(2) by striking ''corporations'' and inserting ''companies''; and

(3) in the heading for such section, by striking ''CORPORATION'' and inserting ''COMPANY''.

(d) AMENDMENTS TO SECTION 3.—Section 3 of the Bank Service Corporation Act (12 U.S.C. 1863) is amended—

(1) by striking ''corporation'' each place such term appears and inserting ''company''; and

(2) in the heading for such section, by striking ''CORPORATION'' and inserting ''COMPANY''.

(e) AMENDMENTS TO SECTION 4.—Section 4 of the Bank Service Corporation Act (12 U.S.C. 1864) is amended—

(1) by striking ''corporation'' each place such term appears and inserting ''company'';

(2) in subsection (b), by inserting ''or members'' after ''shareholders'' each place such term appears;

(3) in subsections (c) and (d), by inserting ''or member'' after ''shareholder'' each place such term appears;

(4) in subsection (e)—

(A) by inserting ''or members'' after ''national bank and State bank shareholders'';

(B) by striking ''its national bank shareholder or shareholders'' and inserting ''any shareholder or member of the company which is a national bank'';

(C) by striking ''its State bank shareholder or shareholders'' and inserting ''any shareholder or member of the company which is a State bank'';

(D) by striking ''such State bank or banks'' and inserting ''any such State bank''; and

(E) by inserting ''or members'' after ''State bank and national bank shareholders''; and

(5) in the heading for such section, by striking ''CORPORATION'' and inserting ''COMPANY''.

(f) AMENDMENTS TO SECTION 5.—Section 5 of the Bank Service Corporation Act (12 U.S.C. 1865) is amended—

(1) by striking ''corporation'' each place such term appears and inserting ''company''; and

(2) in the heading for such section, by striking ''CORPORATIONS'' and inserting ''COMPANIES''.

(g) AMENDMENTS TO SECTION 6.—Section 6 of the Bank Service Corporation Act (12 U.S.C. 1866) is amended—

(1) by striking ''corporation'' each place such term appears and inserting ''company'';

(2) by inserting ''or is not a member of'' after ''does not own stock in'';

(3) by striking ''the nonstockholding institution'' and inserting ''such depository institution'';

(4) by inserting ''or is a member of'' after ''that owns stock in'';

(5) in paragraphs (1) and (2), by inserting ''or nonmember'' after ''nonstockholding''; and

(6) in the heading for such section by inserting ''OR NONMEMBERS'' after ''NONSTOCKHOLDERS''.

(h) AMENDMENTS TO SECTION 7.—Section 7 of the Bank Service Corporation Act (12 U.S.C. 1867) is amended—

(1) by striking ''corporation'' each place such term appears and inserting ''company'';

(2) in subsection (a)—

(A) by inserting ''or principal member'' after ''principal shareholder''; and

(B) by inserting ''or member'' after ''other shareholder''; and

(3) in the heading for such section, by striking ''CORPORATIONS'' and inserting ''COMPANIES''.

SEC. 2614. RETIREMENT CERTIFICATES OF DEPOSITS.

(a) IN GENERAL.—Section 3(l)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1813(l)(5) is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following new subparagraph:

''(C) any liability of an insured depository institution that arises under an annuity contract, the income of which is tax deferred under section 72 of the Internal Revenue Code of 1986.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any liability of an insured depository that arises under an annuity contract issued on or after the date of enactment of this Act.

SEC. 2615. PROHIBITIONS ON CERTAIN DEPOSITORY INSTITUTION ASSOCIATIONS WITH GOVERNMENT-SPONSORED ENTERPRISES.

(a) CREDIT UNIONS.—Section 201 of the Federal Credit Union Act (12 U.S.C. 1781) is amended by adding at the end the following new subsection:

''(e) PROHIBITION ON CERTAIN ASSOCIATIONS.—

''(1) IN GENERAL.—No insured credit union may be sponsored by or accept financial support, directly or indirectly, from any Government-sponsored enterprise, if the credit union includes the customers of the Government-sponsored enterprise in the field of membership of the credit union.

''(2) ROUTINE BUSINESS FINANCING.—Paragraph (1) shall not apply with respect to advances or other forms of financial assistance generally provided by a Government-sponsored enterprise in the ordinary course of business of the enterprise.

''(3) GOVERNMENT-SPONSORED ENTERPRISE DEFINED.—For purposes of this subsection, the term 'Government-sponsored enterprise' has the meaning given to such term in section 1404(e)(1)(A) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

''(4) EMPLOYEE CREDIT UNION.—No provision of this subsection shall be construed as prohibiting any employee of a Government-sponsored enterprise from becoming a member of a credit union whose field of membership is the employees of such enterprise.''.

(b) BANKS AND SAVINGS ASSOCIATIONS.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

''(s) PROHIBITION ON CERTAIN AFFILIATIONS.—

''(1) IN GENERAL.—No depository institution may be an affiliate of, be sponsored by, or accept financial support, directly or indirectly, from any Government-sponsored enterprise.

''(2) EXCEPTION FOR MEMBERS OF A FEDERAL HOME LOAN BANK.—Paragraph (1) shall not apply with respect to the membership of a depository institution in a Federal home loan bank.

''(3) ROUTINE BUSINESS FINANCING.—Paragraph (1) shall not apply with respect to advances or other forms of financial assistance

provided by a Government-sponsored enterprise pursuant to the statutes governing such enterprise.

''(4) GOVERNMENT-SPONSORED ENTERPRISE DEFINED.—For purposes of this subsection, the term 'Government-sponsored enterprise' has the meaning given to such term in section 1404(e)(1)(A) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply on and after January 1, 1996.

Subtitle G—Deposit Insurance Funds

SEC. 2701. SHORT TITLE.

This subtitle may be cited as the ''Deposit Insurance Funds Act of 1996''.

SEC. 2702. SPECIAL ASSESSMENT TO CAPITALIZE SAIF.

(a) IN GENERAL.—Except as provided in subsection (f), the Board of Directors of the Federal Deposit Insurance Corporation shall impose a special assessment on the SAIF-assessable deposits of each insured depository institution in accordance with assessment regulations of the Corporation at a rate applicable to all such institutions that the Board of Directors, in its sole discretion, determines (after taking into account the adjustments described in subsections (g), (h), and (j)) will cause the Savings Association Insurance Fund to achieve the designated reserve ratio on the first business day of the 1st month beginning after the date of the enactment of this Act.

(b) FACTORS TO BE CONSIDERED.—In carrying out subsection (a), the Board of Directors shall base its determination on—

(1) the monthly Savings Association Insurance Fund balance most recently calculated;

(2) data on insured deposits reported in the most recent reports of condition filed not later than 70 days before the date of enactment of this Act by insured depository institutions; and

(3) any other factors that the Board of Directors deems appropriate.

(c) DATE OF DETERMINATION.—For purposes of subsection (a), the amount of the SAIF-assessable deposits of an insured depository institution shall be determined as of March 31, 1995.

(d) DATE PAYMENT DUE.—Except as provided in subsection (g), the special assessment imposed under this section shall be—

(1) due on the first business day of the 1st month beginning after the date of the enactment of this Act; and

(2) paid to the Corporation on the later of—

(A) the first business day of the 1st month beginning after such date of enactment; or

(B) such other date as the Corporation shall prescribe, but not later than 60 days after the date of enactment of this Act.

(e) ASSESSMENT DEPOSITED IN SAIF.—Notwithstanding any other provision of law, the proceeds of the special assessment imposed under this section shall be deposited in the Savings Association Insurance Fund.

(f) EXEMPTIONS FOR CERTAIN INSTITUTIONS.—

(1) EXEMPTION FOR WEAK INSTITUTIONS.—The Board of Directors may, by order, in its sole discretion, exempt any insured depository institution that the Board of Directors determines to be weak, from paying the special assessment imposed under this section if the Board of Directors determines that the exemption would reduce risk to the Savings Association Insurance Fund.

(2) GUIDELINES REQUIRED.—Not later than 30 days after the date of enactment of this Act, the Board of Directors shall prescribe guidelines setting forth the criteria that the Board of Directors will use in exempting institutions under paragraph (1). Such guidelines shall be published in the Federal Register.

(3) EXEMPTION FOR CERTAIN NEWLY CHARTERED AND OTHER DEFINED INSTITUTIONS.—

(A) IN GENERAL.—In addition to the institutions exempted from paying the special assessment under paragraph (1), the Board of Directors shall exempt any insured depository institution from payment of the special assessment if the institution—

(i) was in existence on October 1, 1995, and held no SAIF-assessable deposits before January 1, 1993;

(ii) is a Federal savings bank which—

(I) was established de novo in April 1994 in order to acquire the deposits of a savings association which was in default or in danger of default; and

(II) received minority interim capital assistance from the Resolution Trust Corporation under section 21A(w) of the Federal Home Loan Bank Act in connection with the acquisition of any such savings association; or

(iii) is a savings association, the deposits of which are insured by the Savings Association Insurance Fund, which—

(I) before January 1, 1987, was chartered as a Federal savings bank insured by the Federal Savings and Loan Insurance Corporation for the purpose of acquiring all or substantially all of the assets and assuming all or substantially all of the deposit liabilities of a national bank in a transaction consummated after July 1, 1986; and

(II) as of the date of that transaction, had assets of less than $150,000,000.

(B) DEFINITION.—For purposes of this paragraph, an institution shall be deemed to have held SAIF-assessable deposits before January 1, 1993, if—

(i) it directly held SAIF-assessable deposits before that date; or

(ii) it succeeded to, acquired, purchased, or otherwise holds any SAIF-assessable deposits as of the date of enactment of this Act that were SAIF-assessable deposits before January 1, 1993.

(4) EXEMPT INSTITUTIONS REQUIRED TO PAY ASSESSMENTS AT FORMER RATES.—

(A) PAYMENTS TO SAIF AND DIF.—Any insured depository institution that the Board of Directors exempts under this subsection from paying the special assessment imposed under this section shall pay semiannual assessments—

(i) during calendar years 1996, 1997, and 1998, into the Savings Association Insurance Fund, based on SAIF-assessable deposits of that institution, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; and

(ii) during calendar year 1999—

(I) into the Deposit Insurance Fund, based on SAIF-assessable deposits of that institution as of December 31, 1998, at assessment rates calculated under the schedule in effect for Savings Association Insurance Fund members on June 30, 1995; or

(II) in accordance with clause (i), if the Bank Insurance Fund and the Savings Association Insurance Fund are not merged into the Deposit Insurance Fund.

(B) OPTIONAL PRO RATA PAYMENT OF SPECIAL ASSESSMENT.—This paragraph shall not apply with respect to any insured depository institution (or successor insured depository institution) that has paid, during any calendar year from 1997 through 1999, upon such terms as the Corporation may announce, an amount equal to the product of—

(i) 16.7 percent of the special assessment that the institution would have been required to pay under subsection (a), if the Board of Directors had not exempted the institution; and

(ii) the number of full semiannual periods remaining between the date of the payment and December 31, 1999.

(g) SPECIAL ELECTION FOR CERTAIN INSTITUTIONS FACING HARDSHIP AS A RESULT OF THE SPECIAL ASSESSMENT.—

(1) ELECTION AUTHORIZED.—If—

(A) an insured depository institution, or any depository institution holding company which, directly or indirectly, controls such institution, is subject to terms or covenants in any debt obligation or preferred stock outstanding on September 13, 1995; and

(B) the payment of the special assessment under subsection (a) would pose a significant risk of causing such depository institution or holding company to default or violate any such term or covenant,

the depository institution may elect, with the approval of the Corporation, to pay such special assessment in accordance with paragraphs (2) and (3) in lieu of paying such assessment in the manner required under subsection (a).

(2) 1ST ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay an assessment in an amount equal to 50 percent of the amount of the special assessment that would otherwise apply under subsection (a), by the date on which such special assessment is payable under subsection (d).

(3) 2D ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a 2d assessment, by the date established by the Board of Directors in accordance with paragraph (4), in an amount equal to the product of 51 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment and the SAIF-assessable deposits of the institution on March 31, 1996, or such other date in calendar year 1996 as the Board of Directors determines to be appropriate.

(4) DUE DATE OF 2D ASSESSMENT.—The date established by the Board of Directors for the payment of the assessment under paragraph (3) by a depository institution shall be the earliest practicable date which the Board of Directors determines to be appropriate, which is at least 15 days after the date used by the Board of Directors under paragraph (3).

(5) SUPPLEMENTAL SPECIAL ASSESSMENT.—An insured depository institution which makes an election under paragraph (1) shall pay a supplemental special assessment, at the same time the payment under paragraph (3) is made, in an amount equal to the product of—

(A) 50 percent of the rate determined by the Board of Directors under subsection (a) for determining the amount of the special assessment; and

(B) 95 percent of the amount by which the SAIF-assessable deposits used by the Board of Directors for determining the amount of the 1st assessment under paragraph (2) exceeds, if any, the SAIF-assessable deposits used by the Board for determining the amount of the 2d assessment under paragraph (3).

(h) ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN BANK INSURANCE FUND MEMBER BANKS.—

(1) IN GENERAL.—For purposes of computing the special assessment imposed under this section with respect to a Bank Insurance Fund member bank, the amount of any deposits of any insured depository institution which section 5(d)(3) of the Federal Deposit Insurance Act treats as insured by the Savings Association Insurance Fund shall be reduced by 20 percent—

(A) if the adjusted attributable deposit amount of the Bank Insurance Fund member bank is less than 50 percent of the total domestic deposits of that member bank as of June 30, 1995; or

(B) if, as of June 30, 1995, the Bank Insurance Fund member—

(i) had an adjusted attributable deposit amount equal to less than 75 percent of the total assessable deposits of that member bank;

(ii) had total assessable deposits greater than $5,000,000,000; and

(iii) was owned or controlled by a bank holding company that owned or controlled insured depository institutions having an aggregate amount of deposits insured or treated as insured by the Bank Insurance Fund greater than the aggregate amount of deposits insured or treated as insured by the Savings Association Insurance Fund.

(2) ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—For purposes of this subsection, the ''adjusted attributable deposit amount'' shall be determined in accordance with section 5(d)(3)(C) of the Federal Deposit Insurance Act.

(i) ADJUSTMENT TO THE ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT FOR CERTAIN BANK INSURANCE FUND MEMBER BANKS.—Section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1815(d)(3)) is amended—

(1) in subparagraph (C), by striking ''The adjusted attributable deposit amount'' and inserting ''Except as provided in subparagraph (K), the adjusted attributable deposit amount''; and

(2) by adding at the end the following new subparagraph:

''(K) ADJUSTMENT OF ADJUSTED ATTRIBUTABLE DEPOSIT AMOUNT.—The amount determined under subparagraph (C)(i) for deposits acquired by March 31, 1995, shall be reduced by 20 percent for purposes of computing the adjusted attributable deposit amount for the payment of any assessment for any semiannual period that begins after the date of the enactment of the Deposit Insurance Funds Act of 1996 (other than the special assessment imposed under section 2702(a) of such Act), for a Bank Insurance Fund member bank that, as of June 30, 1995—

''(i) had an adjusted attributable deposit amount that was less than 50 percent of the total deposits of that member bank; or

''(ii)(I) had an adjusted attributable deposit amount equal to less than 75 percent of the total assessable deposits of that member bank;

''(II) had total assessable deposits greater than $5,000,000,000; and

''(III) was owned or controlled by a bank holding company that owned or controlled insured depository institutions having an aggregate amount of deposits insured or treated as insured by the Bank Insurance Fund greater than the aggregate amount of deposits insured or treated as insured by the Savings Association Insurance Fund.''.

(j) ADJUSTMENT OF SPECIAL ASSESSMENT FOR CERTAIN SAVINGS ASSOCIATIONS.—

(1) SPECIAL ASSESSMENT REDUCTION.—For purposes of computing the special assessment imposed under this section, in the case of any converted association, the amount of any deposits of such association which were insured by the Savings Association Insurance Fund as of March 31, 1995, shall be reduced by 20 percent.

(2) CONVERTED ASSOCIATION.—For purposes of this subsection, the term ''converted association'' means—

(A) any Federal savings association—

(i) that is a member of the Savings Association Insurance Fund and that has deposits subject to assessment by that fund which did not exceed $4,000,000,000, as of March 31, 1995; and

(ii) that had been, or is a successor by merger, acquisition, or otherwise to an institution that had been, a State savings bank, the deposits of which were insured by the Federal Deposit Insurance Corporation before August 9, 1989, that converted to a Federal savings association pursuant to section 5(i) of the Home Owners' Loan Act before January 1, 1985;

(B) a State depository institution that is a member of the Savings Association Insurance Fund that had been a State savings bank before October 15, 1982, and was a Federal savings association on August 9, 1989;

(C) an insured bank that—

(i) was established de novo in order to acquire the deposits of a savings association in default or in danger of default;

(ii) did not open for business before acquiring the deposits of such savings association; and

(iii) was a Savings Association Insurance Fund member before the date of enactment of this Act; and

(D) an insured bank that—

(i) resulted from a savings association before December 19, 1991, in accordance with section 5(d)(2)(G) of the Federal Deposit Insurance Act; and

(ii) had an increase in its capital in conjunction with the conversion in an amount equal to more than 75 percent of the capital of the institution on the day before the date of the conversion.

SEC. 2703. FINANCING CORPORATION FUNDING.

(a) IN GENERAL.—Section 21 of the Federal Home Loan Bank Act (12 U.S.C. 1441) is amended—

(1) in subsection (f)(2)—

(A) in the matter immediately preceding subparagraph (A)—

(i) by striking ''To the extent the amounts available pursuant to paragraph (1) are insufficient to cover the amount of interest payments, issuance costs, and custodial fees,'' and inserting ''In addition to the amounts obtained pursuant to paragraph (1),'';

(ii) by striking ''Savings Association Insurance Fund member'' and inserting ''insured depository institution''; and

(iii) by striking ''members'' and inserting ''institutions''; and

(B) by striking '', except that—'' and all that follows through the end of the paragraph and inserting '', except that—

''(A) the assessments imposed on insured depository institutions with respect to any BIF-assessable deposit shall be assessed at a rate equal to ⅕ of the rate of the assessments imposed on insured depository institutions with respect to any SAIF-assessable deposit; and

''(B) no limitation under clause (i) or (iii) of section 7(b)(2)(A) of the Federal Deposit Insurance Act shall apply for purposes of this paragraph.''; and

(2) in subsection (k)—

(A) by striking ''section—'' and inserting ''section, the following definitions shall apply:'';

(B) by striking paragraph (1);

(C) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(D) by adding at the end the following new paragraphs:

''(3) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act

''(4) DEPOSIT TERMS.—

''(A) BIF-ASSESSABLE DEPOSITS.—The term 'BIF-assessable deposit' means a deposit that is subject to assessment for purposes of the Bank Insurance Fund under the Federal Deposit Insurance Act (including a deposit that is treated as a deposit insured by the Bank Insurance Fund under section 5(d)(3) of the Federal Deposit Insurance Act).

''(B) SAIF-ASSESSABLE DEPOSIT.—The term 'SAIF-assessable deposit' has the meaning given to such term in section 2710 of the Deposit Insurance Funds Act of 1996.''.

(b) CONFORMING AMENDMENT.—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsections (a) and (c) and the amendments made by such subsections shall apply with respect to semiannual periods which begin after December 31, 1996.

(2) TERMINATION OF CERTAIN ASSESSMENT RATES.—Subparagraph (A) of section 21(f)(2) of the Federal Home Loan Bank Act (as amended by subsection (a)) shall not apply after the earlier of—

(A) December 31, 1999; or

(B) the date as of which the last savings association ceases to exist.

(d) PROHIBITION ON DEPOSIT SHIFTING.—

(1) IN GENERAL.—Effective as of the date of the enactment of this Act and ending on the date provided in subsection (c)(2) of this section, the Comptroller of the Currency, the Board of Directors of the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Director of the Office of Thrift Supervision shall take appropriate actions, including enforcement actions, denial of applications, or imposition of entrance and exit fees as if such transactions qualified as conversion transactions pursuant to section 5(d) of the Federal Deposit Insurance Act, to prevent insured depository institutions and depository institution holding companies from facilitating or encouraging the shifting of deposits from SAIF-assessable deposits to BIF-assessable deposits (as defined in section 21(k) of the Federal Home Loan Bank Act) for the purpose of evading the assessments imposed on insured depository institutions with respect to SAIF-assessable deposits under section 7(b) of the Federal Deposit Insurance Act and section 21(f)(2) of the Federal Home Loan Bank Act.

(2) REGULATIONS.—The Board of Directors of the Federal Deposit Insurance Corporation may issue regulations, including regulations defining terms used in paragraph (1), to prevent the shifting of deposits described in such paragraph.

(3) RULE OF CONSTRUCTION.—No provision of this subsection shall be construed as prohibiting conduct or activity of any insured depository institution which—

(A) is undertaken in the ordinary course of business of such depository institution; and

(B) is not directed towards the depositors of an insured depository institution affiliate (as defined in section 2(k) of the Bank Holding Company Act of 1956) of such depository institution.

SEC. 2704. MERGER OF BIF AND SAIF.

(a) IN GENERAL.—

(1) MERGER.—The Bank Insurance Fund and the Savings Association Insurance Fund shall be merged into the Deposit Insurance Fund established by section 11(a)(4) of the Federal Deposit Insurance Act, as amended by this section.

(2) DISPOSITION OF ASSETS AND LIABILITIES.—All assets and liabilities of the Bank Insurance Fund and the Savings Association Insurance Fund shall be transferred to the Deposit Insurance Fund.

(3) NO SEPARATE EXISTENCE.—The separate existence of the Bank Insurance Fund and the Savings Association Insurance Fund shall cease.

(b) SPECIAL RESERVE OF THE DEPOSIT INSURANCE FUND.—

(1) IN GENERAL.—Immediately before the merger of the Bank Insurance Fund and the Savings Association Insurance Fund, if the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, the amount by which that reserve ratio exceeds the designated reserve ratio shall be placed in the Special Reserve of the Deposit Insurance Fund, established under section 11(a)(5) of the Federal Deposit Insurance Act, as amended by this section.

(2) DEFINITION.—For purposes of this subsection, the term ''reserve ratio'' means the ratio of the net worth of the Savings Association Insurance Fund to the aggregate estimated amount of deposits insured by the Savings Association Insurance Fund.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on January 1, 1999, if no insured depository institution is a savings association on that date.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEPOSIT INSURANCE FUND.—Section 11(a)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)) is amended—

(A) by redesignating subparagraph (B) as subparagraph (C);

(B) by striking subparagraph (A) and inserting the following:

''(A) ESTABLISHMENT.—There is established the Deposit Insurance Fund, which the Corporation shall—

''(i) maintain and administer;

''(ii) use to carry out its insurance purposes in the manner provided by this subsection; and

''(iii) invest in accordance with section 13(a).

''(B) USES.—The Deposit Insurance Fund shall be available to the Corporation for use with respect to Deposit Insurance Fund members.''; and

(C) by striking ''(4) GENERAL PROVISIONS RELATING TO FUNDS.—'' and inserting the following:

''(4) ESTABLISHMENT OF THE DEPOSIT INSURANCE FUND.—''.

(2) OTHER REFERENCES.—Section 11(a)(4)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)(C), as redesignated by paragraph (1) of this subsection) is amended by striking ''Bank Insurance Fund and the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''.

(3) DEPOSITS INTO FUND.—Section 11(a)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)) is amended by adding at the end the following new subparagraph:

''(D) DEPOSITS.—All amounts assessed against insured depository institutions by the Corporation shall be deposited in the Deposit Insurance Fund.''.

(4) SPECIAL RESERVE OF DEPOSITS.—Section 11(a)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(5)) is amended to read as follows:

''(5) SPECIAL RESERVE OF DEPOSIT INSURANCE FUND.—

''(A) ESTABLISHMENT.—

''(i) IN GENERAL.—There is established a Special Reserve of the Deposit Insurance Fund, which shall be administered by the Corporation and shall be invested in accordance with section 13(a).

''(ii) LIMITATION.—The Corporation shall not provide any assessment credit, refund, or other payment from any amount in the Special Reserve.

''(B) EMERGENCY USE OF SPECIAL RESERVE.—Notwithstanding subparagraph (A)(ii), the Corporation may, in its sole discretion, transfer amounts from the Special Reserve to the Deposit Insurance Fund, for the purposes set forth in paragraph (4), only if—

''(i) the reserve ratio of the Deposit Insurance Fund is less than 50 percent of the designated reserve ratio; and

''(ii) the Corporation expects the reserve ratio of the Deposit Insurance Fund to remain at less than 50 percent of the designated reserve ratio for each of the next 4 calendar quarters.

''(C) EXCLUSION OF SPECIAL RESERVE IN CALCULATING RESERVE RATIO.—Notwithstanding any other provision of law, any amounts in the Special Reserve shall be excluded in calculating the reserve ratio of the Deposit Insurance Fund under section 7.''.

(5) FEDERAL HOME LOAN BANK ACT.—Section 21B(f)(2)(C)(ii) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(C)(ii)) is amended—

(A) in subclause (I), by striking ''to Savings Associations Insurance Fund members'' and inserting ''to insured depository institutions, and their successors, which were Savings Association Insurance Fund members on September 1, 1995''; and

(B) in subclause (II), by striking ''to Savings Associations Insurance Fund members'' and inserting ''to insured depository institutions, and their successors, which were Savings Association Insurance Fund members on September 1, 1995''.

(6) REPEALS.—

(A) SECTION 3.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) is amended to read as follows:

''(y) DEFINITIONS RELATING TO THE DEPOSIT INSURANCE FUND.—

''(1) DEPOSIT INSURANCE FUND.—The term 'Deposit Insurance Fund' means the fund established under section 11(a)(4).

''(2) RESERVE RATIO.—The term 'reserve ratio' means the ratio of the net worth of the Deposit Insurance Fund to aggregate estimated insured deposits held in all insured depository institutions.

''(3) DESIGNATED RESERVE RATIO.—The designated reserve ratio of the Deposit Insurance Fund for each year shall be—

''(A) 1.25 percent of estimated insured deposits; or

''(B) a higher percentage of estimated insured deposits that the Board of Directors determines to be justified for that year by circumstances raising a significant risk of substantial future losses to the fund.

(B) SECTION 7.—Section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817) is amended—

(i) by striking subsection (l);

(ii) by redesignating subsections (m) and (n) as subsections (l) and (m), respectively;

(iii) in subsection (b)(2), by striking subparagraphs (B) and (F), and by redesignating subparagraphs (C), (E), (G), and (H) as subparagraphs (B) through (E), respectively.

(C) SECTION 11.—Section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended—

(i) by striking paragraphs (6) and (7); and

(ii) by redesignating paragraph (8) as paragraph (6).

(7) SECTION 5136 OF THE REVISED STATUTES.—The paragraph designated the ''Eleventh'' of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended in the 5th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(8) INVESTMENTS PROMOTING PUBLIC WELFARE; LIMITATIONS ON AGGREGATE INVESTMENTS.—The 23d undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 338a) is amended in the 4th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(9) ADVANCES TO CRITICALLY UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—Section 10B(b)(3)(A)(ii) of the Federal Reserve Act (12 U.S.C. 347b(b)(3)(A)(ii)) is amended by striking ''any deposit insurance fund in'' and inserting ''the Deposit Insurance Fund of''.

(10) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(A) by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(B) by striking ''Federal Deposit Insurance Corporation, Savings Association Insurance Fund;''.

(11) FURTHER AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(A) in section 11(k) (12 U.S.C. 1431(k))—

(i) in the subsection heading, by striking ''SAIF'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(ii) by striking ''Savings Association Insurance Fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(B) in section 21A(b)(4)(B) (12 U.S.C. 1441a(b)(4)(B)), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(C) in section 21A(b)(6)(B) (12 U.S.C. 1441a(b)(6)(B))—

(i) in the subparagraph heading, by striking ''SAIF-INSURED BANKS'' and inserting ''CHARTER CONVERSIONS''; and

(ii) by striking ''Savings Association Insurance Fund member'' and inserting ''savings association'';

(D) in section 21A(b)(10)(A)(iv)(II) (12 U.S.C. 1441a(b)(10)(A)(iv)(II)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(E) in section 21B(e) (12 U.S.C. 1441b(e))—

(i) in paragraph (5), by inserting ''as of the date of funding'' after ''Savings Association Insurance Fund members'' each place such term appears;

(ii) by striking paragraph (7); and

(iii) by redesignating paragraph (8) as paragraph (7); and

(F) in section 21B(k) (12 U.S.C. 1441b(k))—

(i) by striking paragraph (8); and

(ii) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

(12) AMENDMENTS TO THE HOME OWNERS' LOAN ACT.—The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is amended—

(A) in section 5—

(i) in subsection (c)(5)(A), by striking ''that is a member of the Bank Insurance Fund'';

(ii) in subsection (c)(6), by striking ''As used in this subsection—'' and inserting ''For purposes of this subsection, the following definitions shall apply:'';

(iii) in subsection (o)(1), by striking ''that is a Bank Insurance Fund member'';

(iv) in subsection (o)(2)(A), by striking ''a Bank Insurance Fund member until such time as it changes its status to a Savings Association Insurance Fund member'' and inserting ''insured by the Deposit Insurance Fund'';

(v) in subsection (t)(5)(D)(iii)(II), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(vi) in subsection (t)(7)(C)(i)(I), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''; and

(vii) in subsection (v)(2)(A)(i), by striking '', the Savings Association Insurance Fund'' and inserting ''or the Deposit Insurance Fund''; and

(B) in section 10—

(i) in subsection (e)(1)(A)(iii)(VII), by adding ''or'' at the end;

(ii) in subsection (e)(1)(A)(iv), by adding ''and'' at the end;

(iii) in subsection (e)(1)(B), by striking ''Savings Association Insurance Fund or Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(iv) in subsection (e)(2), by striking ''Savings Association Insurance Fund or the Bank Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(v) in subsection (m)(3), by striking subparagraph (E), and by redesignating subparagraphs (F), (G), and (H) as subparagraphs (E), (F), and (G), respectively.

(13) AMENDMENTS TO THE NATIONAL HOUSING ACT.—The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(A) in section 317(b)(1)(B) (12 U.S.C. 1723i(b)(1)(B)), by striking ''Bank Insurance Fund for banks or through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''; and

(B) in section 526(b)(1)(B)(ii) (12 U.S.C. 1735f–14(b)(1)(B)(ii)), by striking ''Bank Insurance Fund for banks and through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''.

(14) FURTHER AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(A) in section 3(a)(1) (12 U.S.C. 1813(a)(1)), by striking subparagraph (B) and inserting the following:

''(B) includes any former savings association.'';

(B) in section 5(b)(5) (12 U.S.C. 1815(b)(5)), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund;'' and inserting ''Deposit Insurance Fund,'';

(C) in section 5(d) (12 U.S.C. 1815(d)), by striking paragraphs (2) and (3);

(D) in section 5(d)(1) (12 U.S.C. 1815(d)(1))—

(i) in subparagraph (A), by striking ''reserve ratios in the Bank Insurance Fund and the Savings Association Insurance Fund'' and inserting ''the reserve ratio of the Deposit Insurance Fund'';

(ii) by striking subparagraph (B) and inserting the following:

''(2) FEE CREDITED TO THE DEPOSIT INSURANCE FUND.—The fee paid by the depository institution under paragraph (1) shall be credited to the Deposit Insurance Fund.'';

(iii) by striking ''(1) UNINSURED INSTITUTIONS.—''; and

(iv) by redesignating subparagraphs (A) and (C) as paragraphs (1) and (3), respectively, and moving the margins 2 ems to the left;

(E) in section 5(e) (12 U.S.C. 1815(e))—

(i) in paragraph (5)(A), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(ii) by striking paragraph (6); and

(iii) by redesignating paragraphs (7), (8), and (9) as paragraphs (6), (7), and (8), respectively;

(F) in section 6(5) (12 U.S.C. 1816(5)), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(G) in section 7(b) (12 U.S.C. 1817(b))—

(i) in paragraph (1)(D), by striking ''each deposit insurance fund'' and inserting ''the Deposit Insurance Fund'';

(ii) in clauses (i)(I) and (iv) of paragraph (2)(A), by striking ''each deposit insurance fund'' each place such term appears and inserting ''the Deposit Insurance Fund'';

(iii) in paragraph (2)(A)(iii), by striking ''a deposit insurance fund'' and inserting ''the Deposit Insurance Fund'';

(iv) by striking clause (iv) of paragraph (2)(A);

(v) in paragraph (2)(C) (as redesignated by paragraph (6)(B) of this subsection)—

(I) by striking ''any deposit insurance fund'' and inserting ''the Deposit Insurance Fund''; and

(II) by striking ''that fund'' each place such term appears and inserting ''the Deposit Insurance Fund'';

(vi) in paragraph (2)(D) (as redesignated by paragraph (6)(B) of this subsection)—

(I) in the subparagraph heading, by striking ''FUNDS ACHIEVE'' and inserting ''FUND ACHIEVES''; and

(II) by striking ''a deposit insurance fund'' and inserting ''the Deposit Insurance Fund'';

(vii) in paragraph (3)—

(I) in the paragraph heading, by striking ''FUNDS'' and inserting ''FUND'';

(II) by striking ''members of that fund'' where such term appears in the portion of subparagraph (A) which precedes clause (i) of such subparagraph and inserting ''insured depository institutions'';

(III) by striking ''that fund'' each place such term appears (other than in connection with term amended in subclause (II) of this clause) and inserting ''the Deposit Insurance Fund'';

(IV) in subparagraph (A), by striking ''Except as provided in paragraph (2)(F), if'' and inserting ''If'';

(V) in subparagraph (A), by striking ''any deposit insurance fund'' and inserting ''the Deposit Insurance Fund''; and

(VI) by striking subparagraphs (C) and (D) and inserting the following:

''(C) AMENDING SCHEDULE.—The Corporation may, by regulation, amend a schedule prescribed under subparagraph (B).''; and

(viii) in paragraph (6)—

(I) by striking ''any such assessment'' and inserting ''any such assessment is necessary'';

(II) by striking ''(A) is necessary—'';

(III) by striking subparagraph (B);

(IV) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and moving the margins 2 ems to the left; and

(V) in subparagraph (C) (as redesignated), by striking ''; and'' and inserting a period;

(H) in section 11(f)(1) (12 U.S.C. 1821(f)(1)), by striking '', except that—'' and all that follows through the end of the paragraph and inserting a period;

(I) in section 11(i)(3) (12 U.S.C. 1821(i)(3))—

(i) by striking subparagraph (B);

(ii) by redesignating subparagraph (C) as subparagraph (B); and

(iii) in subparagraph (B) (as redesignated), by striking ''subparagraphs (A) and (B)'' and inserting ''subparagraph (A)'';

(J) in section 11A(a) (12 U.S.C. 1821a(a))—

(i) in paragraph (2), by striking ''LIABILITIES.—'' and all that follows through ''Except'' and inserting ''LIABILITIES.—Except'';

(ii) by striking paragraph (2)(B); and

(iii) in paragraph (3), by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''the Deposit Insurance Fund'';

(K) in section 11A(b) (12 U.S.C. 1821a(b)), by striking paragraph (4);

(L) in section 11A(f) (12 U.S.C. 1821a(f)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(M) in section 13 (12 U.S.C. 1823)—

(i) in subsection (a)(1), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund, the Special Reserve of the Deposit Insurance Fund,'';

(ii) in subsection (c)(4)(E)—

(I) in the subparagraph heading, by striking ''FUNDS'' and inserting ''FUND''; and

(II) in clause (i), by striking ''any insurance fund'' and inserting ''the Deposit Insurance Fund'';

(iii) in subsection (c)(4)(G)(ii)—

(I) by striking ''appropriate insurance fund'' and inserting ''Deposit Insurance Fund'';

(II) by striking ''the members of the insurance fund (of which such institution is a member)'' and inserting ''insured depository institutions'';

(III) by striking ''each member's'' and inserting ''each insured depository institution's''; and

(IV) by striking ''the member's'' each place such term appears and inserting ''the institution's'';

(iv) in subsection (c), by striking paragraph (11);

(v) in subsection (h), by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(vi) in subsection (k)(4)(B)(i), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(vii) in subsection (k)(5)(A), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(N) in section 14(a) (12 U.S.C. 1824(a)) in the 5th sentence—

(i) by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(ii) by striking ''each such fund'' and inserting ''the Deposit Insurance Fund'';

(O) in section 14(b) (12 U.S.C. 1824(b)), by striking ''Bank Insurance Fund or Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(P) in section 14(c) (12 U.S.C. 1824(c)), by striking paragraph (3);

(Q) in section 14(d) (12 U.S.C. 1824(d))—

(i) by striking ''BIF'' each place such term appears and inserting ''DIF''; and

(ii) by striking ''Bank Insurance Fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(R) in section 15(c)(5) (12 U.S.C. 1825(c)(5))—

(i) by striking ''the Bank Insurance Fund or Savings Association Insurance Fund, respectively'' each place such term appears and inserting ''the Deposit Insurance Fund''; and

(ii) in subparagraph (B), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund, respectively'' and inserting ''the Deposit Insurance Fund'';

(S) in section 17(a) (12 U.S.C. 1827(a))—

(i) in the subsection heading, by striking ''BIF, SAIF,'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(ii) in paragraph (1), by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place such term appears and inserting ''the Deposit Insurance Fund'';

(T) in section 17(d) (12 U.S.C. 1827(d)), by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place such term appears and inserting ''the Deposit Insurance Fund'';

(U) in section 18(m)(3) (12 U.S.C. 1828(m)(3))—

(i) by striking ''Savings Association Insurance Fund'' each place such term appears and inserting ''Deposit Insurance Fund''; and

(ii) in subparagraph (C), by striking ''or the Bank Insurance Fund'';

(V) in section 18(p) (12 U.S.C. 1828(p)), by striking ''deposit insurance funds'' and inserting ''Deposit Insurance Fund'';

(W) in section 24 (12 U.S.C. 1831a) in subsections (a)(1) and (d)(1)(A), by striking ''appropriate deposit insurance fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(X) in section 28 (12 U.S.C. 1831e), by striking ''affected deposit insurance fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(Y) by striking section 31 (12 U.S.C. 1831h);

(Z) in section 36(i)(3) (12 U.S.C. 1831m(i)(3)) by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(AA) in section 38(a) (12 U.S.C. 1831o(a)) in the subsection heading, by striking ''FUNDS'' and inserting ''FUND'';

(BB) in section 38(k) (12 U.S.C. 1831o(k))—

(i) in paragraph (1), by striking ''a deposit insurance fund'' and inserting ''the Deposit Insurance Fund''; and

(ii) in paragraph (2)(A)—

(I) by striking ''A deposit insurance fund'' and inserting ''The Deposit Insurance Fund''; and

(II) by striking ''the deposit insurance fund's outlays'' and inserting ''the outlays of the Deposit Insurance Fund''; and

(CC) in section 38(o) (12 U.S.C. 1831o(o))—

(i) by striking ''ASSOCIATIONS.—'' and all that follows through ''Subsections (e)(2)'' and inserting ''ASSOCIATIONS.—Subsections (e)(2)'';

(ii) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and moving the margins 2 ems to the left; and

(iii) in paragraph (1) (as redesignated), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the left.

(15) AMENDMENTS TO THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.—The Financial Institutions Reform, Recovery, and Enforcement Act is amended—

(A) in section 951(b)(3)(B) (12 U.S.C. 1833a(b)(3)(B)), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund''; and

(B) in section 1112(c)(1)(B) (12 U.S.C. 3341(c)(1)(B)), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund''.

(16) AMENDMENT TO THE BANK ENTERPRISE ACT OF 1991.—Section 232(a)(1) of the Bank Enterprise Act of 1991 (12 U.S.C. 1834(a)(1)) is amended by striking ''section 7(b)(2)(H)'' and inserting ''section 7(b)(2)(G)''.

(17) AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956.—Section 2(j)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(j)(2)) is amended by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''.

SEC. 2705. CREATION OF SAIF SPECIAL RESERVE.

Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by adding at the end the following new subparagraph:

''(L) ESTABLISHMENT OF SAIF SPECIAL RESERVE.—

''(i) ESTABLISHMENT.—If, on January 1, 1999, the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, there is established a Special Reserve of the Savings Association Insurance Fund, which shall be administered by the Corporation and shall be invested in accordance with section 13(a).

''(ii) AMOUNTS IN SPECIAL RESERVE.—If, on January 1, 1999, the reserve ratio of the Savings Association Insurance Fund exceeds the designated reserve ratio, the amount by which the reserve ratio exceeds the designated reserve ratio shall be placed in the Special Reserve of the Savings Association Insurance Fund established by clause (i).

''(iii) LIMITATION.—The Corporation shall not provide any assessment credit, refund, or other payment from any amount in the Special Reserve of the Savings Association Insurance Fund.

''(iv) EMERGENCY USE OF SPECIAL RESERVE.—Notwithstanding clause (iii), the Corporation may, in its sole discretion, transfer amounts from the Special Reserve of the Savings Association Insurance Fund to the Savings Association Insurance Fund for the purposes set forth in paragraph (4), only if—

''(I) the reserve ratio of the Savings Association Insurance Fund is less than 50 percent of the designated reserve ratio; and

''(II) the Corporation expects the reserve ratio of the Savings Association Insurance Fund to remain at less than 50 percent of the designated reserve ratio for each of the next 4 calendar quarters.

''(v) EXCLUSION OF SPECIAL RESERVE IN CALCULATING RESERVE RATIO.—Notwithstanding any other provision of law, any amounts in the Special Reserve of the Savings Association Insurance Fund shall be excluded in calculating the reserve ratio of the Savings Association Insurance Fund.''.

SEC. 2706. REFUND OF AMOUNTS IN DEPOSIT INSURANCE FUND IN EXCESS OF DESIGNATED RESERVE AMOUNT.

Subsection (e) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(e)) is amended to read as follows:

''(e) REFUNDS.—

''(1) OVERPAYMENTS.—In the case of any payment of an assessment by an insured depository institution in excess of the amount due to the Corporation, the Corporation may—

''(A) refund the amount of the excess payment to the insured depository institution; or

''(B) credit such excess amount toward the payment of subsequent semiannual assessments until such credit is exhausted.

''(2) BALANCE IN INSURANCE FUND IN EXCESS OF DESIGNATED RESERVE.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), if, as of the end of any semiannual assessment period beginning after the date of the enactment of the Deposit Insurance Funds Act of 1996, the amount of the actual reserves in—

''(i) the Bank Insurance Fund (until the merger of such fund into the Deposit Insurance Fund pursuant to section 2704 of the Deposit Insurance Funds Act of 1996); or

''(ii) the Deposit Insurance Fund (after the establishment of such fund),

exceeds the balance required to meet the designated reserve ratio applicable with respect to such fund, such excess amount shall be refunded to insured depository institutions by the Corporation on such basis as the Board of Directors determines to be appropriate, taking into account the factors considered under the risk-based assessment system.

''(B) REFUND NOT TO EXCEED PREVIOUS SEMIANNUAL ASSESSMENT.—The amount of any refund under this paragraph to any member of a deposit insurance fund for any semiannual assessment period may not exceed the total amount of assessments paid by such member to the insurance fund with respect to such period.

''(C) REFUND LIMITATION FOR CERTAIN INSTITUTIONS.—No refund may be made under this paragraph with respect to the amount of any assessment paid for any semiannual assessment period by any insured depository institution described in clause (v) of subsection (b)(2)(A).''.

SEC. 2707. ASSESSMENT RATES FOR SAIF MEMBERS MAY NOT BE LESS THAN ASSESSMENT RATES FOR BIF MEMBERS.

Section 7(b)(2)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(E), as redesignated by section 2704(d)(6) of this subtitle) is amended—

(1) by striking ''and'' at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting ''; and''; and

(3) by adding at the end the following new clause:

''(iii) notwithstanding any other provision of this subsection, during the period beginning on the date of enactment of the Deposit Insurance Funds Act of 1996, and ending on December 31, 1998, the assessment rate for a Savings Association Insurance Fund member may not be less than the assessment rate for a Bank Insurance Fund member that poses a comparable risk to the deposit insurance fund.''.

SEC. 2708. ASSESSMENTS AUTHORIZED ONLY IF NEEDED TO MAINTAIN THE RESERVE RATIO OF A DEPOSIT INSURANCE FUND.

(a) IN GENERAL.—Section 7(b)(2)(A)(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(i)) is amended in the matter preceding subclause (I) by inserting ''when necessary, and only to the extent necessary'' after ''insured depository institutions''.

(b) LIMITATION ON ASSESSMENT.—Section 7(b)(2)(A)(iii) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(iii)) is amended to read as follows:

''(iii) LIMITATION ON ASSESSMENT.—Except as provided in clause (v), the Board of Directors shall not set semiannual assessments with respect to a deposit insurance fund in excess of the amount needed—

''(I) to maintain the reserve ratio of the fund at the designated reserve ratio; or

''(II) if the reserve ratio is less than the designated reserve ratio, to increase the reserve ratio to the designated reserve ratio.''.

(c) EXCEPTION TO LIMITATION ON ASSESSMENTS.—Section 7(b)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)) is amended by adding at the end the following new clause:

''(v) EXCEPTION TO LIMITATION ON ASSESSMENTS.—The Board of Directors may set semiannual assessments in excess of the amount permitted under clauses (i) and (iii) with respect to insured depository institutions that exhibit financial, operational, or compliance weaknesses ranging from moderately severe to unsatisfactory, or are not well capitalized, as that term is defined in section 38.''.

SEC. 2709. TREASURY STUDY OF COMMON DEPOSITORY INSTITUTION CHARTER.

(a) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study of all issues which the Secretary considers to be relevant with respect to the development of a common charter for all insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) and the abolition of separate and distinct charters between banks and savings associations.

(b) REPORT TO THE CONGRESS.—

(1) IN GENERAL.—The Secretary of the Treasury shall submit a report to the Congress on or before March 31, 1997, containing the findings and conclusions of the Secretary in connection with the study conducted pursuant to subsection (a).

(2) DETAILED ANALYSIS AND RECOMMENDATIONS.—The report under paragraph (1) shall include—

(A) a detailed analysis of each issue the Secretary considered relevant to the subject of the study;

(B) recommendations of the Secretary with regard to the establishment of a common charter for insured depository institutions (as defined in section 3 of the Federal Deposit Insurance Act); and

(C) such recommendations for legislative and administrative action as the Secretary determines to be appropriate to implement the recommendations of the Secretary under subparagraph (B).

SEC. 2710. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) BANK INSURANCE FUND.—The term ''Bank Insurance Fund'' means the fund established pursuant to section (11)(a)(5)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act.

(2) BIF MEMBER, SAIF MEMBER.—The terms ''Bank Insurance Fund member'' and ''Savings Association Insurance Fund member'' have the same meanings as in section 7(l) of the Federal Deposit Insurance Act.

(3) VARIOUS BANKING TERMS.—The terms ''bank'', ''Board of Directors'', ''Corporation'', ''deposit'', ''insured depository institution'', ''Federal savings association'', ''savings association'', ''State savings bank'', and ''State depository institution'' have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(4) DEPOSIT INSURANCE FUND.—The term ''Deposit Insurance Fund'' means the fund established under section 11(a)(4) of the Federal Deposit Insurance Act (as amended by section 2704(d) of this subtitle).

(5) DEPOSITORY INSTITUTION HOLDING COMPANY.—The term ''depository institution holding company'' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(6) DESIGNATED RESERVE RATIO.—The term ''designated reserve ratio'' has the same meaning as in section 7(b)(2)(A)(iv) of the Federal Deposit Insurance Act.

(7) SAIF.—The term ''Savings Association Insurance Fund'' means the fund established pursuant to section 11(a)(6)(A) of the Federal Deposit Insurance Act, as that section existed on the day before the date of enactment of this Act.

(8) SAIF-ASSESSABLE DEPOSIT.—The term ''SAIF-assessable deposit''—

(A) means a deposit that is subject to assessment for purposes of the Savings Association Insurance Fund under the Federal Deposit Insurance Act (including a deposit that is treated as insured by the Savings Association Insurance Fund under section 5(d)(3) of the Federal Deposit Insurance Act); and

(B) includes any deposit described in subparagraph (A) which is assumed after March 31, 1995, if the insured depository institution, the deposits of which are assumed, is not an insured depository institution when the special assessment is imposed under section 2702(a).

SEC. 2711. DEDUCTION FOR SPECIAL ASSESSMENTS.

For purposes of subtitle A of the Internal Revenue Code of 1986—

(1) the amount allowed as a deduction under section 162 of such Code for a taxable year shall include any amount paid during such year by reason of an assessment under section 2702 of this subtitle, and

(2) section 172(f) of such Code shall not apply to any deduction described in paragraph (1).

TITLE III—SPECTRUM ALLOCATION PROVISIONS

SEC. 3001. COMPETITIVE BIDDING FOR SPECTRUM.

(a) COMMISSION OBLIGATION TO MAKE ADDITIONAL SPECTRUM AVAILABLE.—The Federal Communications Commission shall—

(1) reallocate the use of frequencies at 2305–2320 megahertz and 2345–2360 megahertz to wireless services that are consistent with international agreement concerning spectrum allocations: and

(2) assign the use of such frequencies by competitive bidding pursuant to section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)).

(b) ADDITIONAL REQUIREMENTS.—In making the bands of frequencies described in subsection (a) available for competitive bidding, the Commission shall—

(1) seek to promote the most efficient use of the spectrum: and

(2) take into account the needs of public safety radio services.

(c) EXPEDITED PROCEDURES.—The Commission shall commence the competitive bidding for the assignment of the frequencies described in subsection (a)(1) no later than April 15, 1997. The

rule governing such frequencies shall be effective immediately upon publication in the Federal Register notwithstanding section 553(d). 801(a)(3). and 806(a) of title 5. United States Code. Chapter 6 of such title, and sections 3507 and 3512 of title 44. United States Code, shall not apply to the rules and competitive bidding procedures governing such frequencies. Notwithstanding section 309(b) of the Communications Act of 1934 (47 U.S.C. 309(b)), no application for an instrument of authorization for such frequencies shall be granted by the Commission earlier than 7 days following issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereto. Notwithstanding section 309(d)(1) of such Act (47 U.S.C. 309(d)(1)), the Commission may specify a period (no less than 5 days following issuance of such public notice) for the filing of petitions to deny any application for an instrument of authorization for such frequencies.

(d) DEADLINE FOR COLLECTION.—The Commission shall conduct the competitive bidding under subsection (a)(2) in a manner that ensures that all proceeds of the bidding are deposited in accordance with section 309(j)(8) of the Communications Act of 1934 not later September 30, 1997.

TITLE IV—ADJUSTMENT OF PAYCO BALANCES

SEC. 4001. ADJUSTMENT OF PAYGO BALANCES.

For purpose of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, on the calendar day after the Director of the Office of Management and budget issues the final sequestration report for fiscal year 1997, the Director and the Director of the Congressional Budget Office shall change the balances (as computed pursuant to section 252(b) of that Act) of direct spending and receipts legislation—

(1) for fiscal year 1997 to zero if such balance for the fiscal year is not an increase in the deficit.

TITLE V—ADDITIONAL APPROPRIATIONS

CHAPTER 1—DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

EXTENSION ACTIVITIES

For an additional amount for payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326, 328) and Tuskegee University, $753,000.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount to repair damages to the waterways and watersheds resulting from the effects of Hurricanes Fran and Hortense and other natural disasters, $63,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

For an additional amount for emergency expenses resulting from the effects of Hurricanes Fran and Hortense and other natural disasters, $25,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CHAPTER 2

DISTRICT OF COLUMBIA

EDUCATION FACILITIES IMPROVEMENT IN THE DISTRICT OF COLUMBIA

(BY TRANSFER)

SEC. 5201. The District of Columbia Financial Responsibility and Management Assistance Authority (referred to in this section as the ''Authority'') shall have the authority to contract with a private entity (or entities) to carry out a program of school facility repair of public schools and public charter schools located in public school facilities in the District of Columbia, in consultation with the General Services Administration: Provided, That an amount estimated to be $40,700,000 is hereby transferred and otherwise made available to the Authority until expended for contracting as provided under this section, to be derived from transfers and reallocations as follows: (1) funds made available under the heading ''PUBLIC EDUCATION SYSTEM'' in Public Law 104–194 for school repairs in a restricted line item; (2) all capital financing authority made available from public school capital improvements in Public Law 104–194; and (3) all capital financing authority made available for public school capital improvements which are or remain available from Public Law 104–134 or any previous appropriations Act for the District of Columbia: Provided further, That the General Services Administration, in consultation with the District of Columbia Public Schools and the District of Columbia Council and subject to the approval of the Authority and the Committees on Appropriations of the Senate and the House of Representatives, shall provide program management services to assist in the short-term management of the repairs and capital improvements: Provided further, That contracting authorized under this section shall be conducted in accordance with Federal procurement rules and regulations and guidelines or such guidelines as prescribed by the Authority.

SPECIAL RULES REGARDING GENERAL OBLIGATION BOND ACT

SEC. 5202. WAIVER OF CONGRESSIONAL REVIEW.—Notwithstanding section 7602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act (sec. 1–233(c)(1), D.C. Code), the General Obligation Bond Act of 1996 (D.C. Bill 11–840), if enacted by the Council of the District of Columbia, shall take effect on the date of the enactment of such Act or the date of the enactment of this Act, whichever is later.

AMENDMENTS TO FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE ACT

SEC. 5203. (a) CALUCULATION OF 7-DAY REVIEW PERIOD FOR COUNCIL ACTS.—Section 203(a)(5) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (sec. 47–392.3(a)(5), D.C. Code) is amended—

(1) by inserting ''(excluding Saturdays, Sundays, and legal holidays)'' after ''7-day period'' the first place it appears; and

(2) by striking ''the date the Council submits the Act to the Authority'' and inserting ''the first day (excluding Saturdays, Sundays, and legal holidays) after the Authority receives the Act from the Council''.

(b) SPECIFICATION OF PENALTY FOR PROHIBITED ACTS.—Section 103(i)(1) of such Act (sec. 47–391.3(i)(1), D.C. Code) is amended by striking the period at the end and inserting the following: '', and shall be fined not more than $1,000, imprisoned for not more than 1 year, or both.''.

(c) WAIVER OF PRIVACY ACT REQUIREMENTS FOR OBTAINING OFFICIAL DATA.—Section 103(c)(1) of such Act (sec. 47–391.3(c)(1), D.C. Code) is amended by striking ''Act) and 552b'' and inserting ''Act), 552a (the Privacy Act of 1974), and 552b''.

(d) PERMITTING AUTHORITY REVIEW OF RULEMAKING.—Section 203(b) of such Act (sec. 47–392.3(b), D.C. Code) is amended by adding at the end the following new paragraph:

''(5) APPLICATION TO RULES AND REGULATIONS.—The provisions of this subsection shall apply with respect to a rule or regulation issued or proposed to be issued by the Mayor (or the head of any department or agency of the District government) in the same manner as such provisions apply to a contract or lease.''.

(e) DEPOSIT OF ALL DISTRICT BORROWING WITH AUTHORITY.—

(1) IN GENERAL.—Section 204 of such Act (sec. 47–392.4, D.C. Code) is amended—

(A) by redesignating subsections (d) and (e) as subsections (e) and (f); and

(B) by inserting after subsection (c) the following new subsection:

''(d) DEPOSIT OF BORROWED FUNDS WITH AUTHORITY.—If the District government borrows funds during a control year, the funds shall be deposited into an escrow account held by the Authority, to be allocated by the Authority to the Mayor at such intervals and in accordance with such terms and conditions as it considers appropriate, consistent with the financial plan and budget for the year and with any other withholding of funds by the Authority pursuant to this Act.''.

(2) CONFORMING AMENDMENTS.—(A) Section 204(e) of such Act, as redesignated by paragraph (1)(A), is amended by inserting after ''(b)(1)'' the following: ''or the escrow account described in subsection (d)''.

(B) Section 206(d)(1) of such Act is amended by striking ''204(b)'' and inserting ''204(b), section 204(d),''.

(f) GRANTING AUTHORITY POWER TO ISSUE GENERAL ORDERS.—Section 207 of such Act (sec. 47–392.7, D.C. Code) is amended by adding at the end the following new subsection:

''(d) ADDITIONAL POWER TO ISSUE ORDERS, RULES, AND REGULATIONS.—

''(1) IN GENERAL.—In addition to the authority described in subsection (c), the Authority may at any time issue such orders, rules, or regulations as it considers appropriate to carry out the purposes of this Act and the amendments made by this Act, to the extent that the issuance of such an order, rule, or regulation is within the authority of the Mayor or the head of any department or agency of the District government, and any such order, rule, or regulation shall be legally binding to the same extent as if issued by the Mayor or the head of any such department or agency.

''(2) NOTIFICATION.—Upon issuing an order, rule, or regulation pursuant to this subsection, the Authority shall notify the Mayor, the Council, the President, and Congress.

''(3) NO JUDICIAL REVIEW OR DECISION TO ISSUE ORDER.—The decision by the Authority to issue an order, rule, or regulation pursuant to this subsection shall be final and shall not be subject to judicial review.''.

PROHIBITING FUNDING FOR TERMINATED EMPLOYEES OR CONTRACTORS

SEC. 5204. (a) IN GENERAL.—Except as provided in subsection (b), none of the funds made available to the District of Columbia during any fiscal year (beginning with fiscal year 1996) may be used to pay the salary or wages of any individual whose employment by the District government is no longer required as determined by the District of Columbia Financial Responsibility and Management Assistance Authority, or to pay any expenses associated with a contractor or consultant of the District government whose contract or arrangement with the District government is no longer required as determined by the Authority.

(b) EXCEPTION FOR PAYMENTS FOR SERVICES ALREADY PROVIDED.—Funds made available to the District of Columbia may be used to pay an individual for employment already performed at the time of the Authority's determination, or to

pay a contractor or consultant for services already provided at the time of the Authority's determination, to the extent permitted by the District of Columbia Financial Responsibility and Management Assistance Authority.

(c) DISTRICT GOVERNMENT DEFINED.—In this section, the term ''District government'' has the meaning given such term in section 305(5) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

AMENDMENTS TO DISTRICT OF COLUMBIA SCHOOL REFORM ACT OF 1995

SEC. 5205. (a) PROCESS FOR FILING CHARTER PETITIONS.—Section 2201 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; 110 Stat. 1321–115) is amended by adding at the end the following:

''(d) LIMITATIONS ON FILING.—

''(1) MULTIPLE CHARTERING AUTHORITIES.—An eligible applicant may not file the same petition to establish a public charter school with more than 1 eligible chartering authority during a calendar year.

''(2) MULTIPLE PETITIONS.—An eligible applicant may not file more than 1 petition to establish a public charter school during a calendar year.''.

(b) CONTENTS OF PETITION.—Section 2202(6)(B) of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–116) is amended to read as follows:

''(B) either—

''(i)(I) an identification of a facility for the school, including a description of the site where the school will be located, any buildings on the site, and any buildings proposed to be constructed on the site, and (II) information demonstrating that the eligible applicant has acquired title to, or otherwise secured the use of, the facility; or

''(ii) a timetable by which an identification described in clause (i)(I) will be made, and the information described in clause (i)(II) will be submitted, to the eligible chartering authority;''.

(c) PROCESS FOR APPROVING OR DENYING PUBLIC CHARTER SCHOOL PETITIONS.—Section 2203 of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–118) is amended—

(1) by amending subsection (d) to read as follows:

''(d) APPROVAL.—

''(1) IN GENERAL.—Subject to subsection (i) and paragraph (2), an eligible chartering authority shall approve a petition to establish a public charter school, if—

''(A) the eligible chartering authority determines that the petition satisfies the requirements of this subtitle;

''(B) the eligible applicant who filed the petition agrees to satisfy any condition or requirement, consistent with this subtitle and other applicable law, that is set forth in writing by the eligible chartering authority as an amendment to the petition:

''(C) the eligible chartering authority determines that the public charter school has the ability to meet the educational objectives outlined in the petition; and

''(D) the approval will not cause the eligible chartering authority to exceed a limit under subsection (i).

''(2) CONDITIONAL APPROVAL.—

''(A) IN GENERAL.—In the case of a petition that does not contain the identification and information required under section 2202(6)(B)(i), but does contain the timetable required under section 2202(6)(B)(ii), an eligible chartering authority may only approve the petition on a conditional basis, subject to the eligible applicant's submitting the identification and information described in section 2202(6)(B)(i) in accordance with such timetable, or any other timetable specified in writing by the eligible chartering authority in an amendment to the petition.

''(B) EFFECT OF CONDITIONAL APPROVAL.—For purposes of subsections (e), (h), (i), and (j), a petition conditionally approved under this paragraph shall be treated the same as a petition approved under paragraph (1), except that on the date that such a conditionally approved petition ceases to be conditionally approved because the eligible applicant has not timely submitted the identification and information described in section 2202(6)(B)(i), the approval of the petition shall cease to be counted for purposes of subsection (i).'';

(2) in subsection (h), by striking ''(d)(2),'' each place such term appears and inserting ''(d),'';

(3) by amending subsection (i) to read as follows:

''(i) NUMBER OF PETITIONS.—

''(1) FIRST YEAR.—During calendar year 1996, not more than 10 petitions to establish public charter schools may be approved under this subtitle.

''(2) SUBSEQUENT YEARS.—

''(A) IN GENERAL.—Subject to subparagraph (B), during calendar year 1997, and during each subsequent calendar year, each eligible chartering authority shall not approve more than 10 petitions to establish a public charter school under this subtitle. Any such petition shall be approved during the period that beings on January 1 and ends on April 1.

''(B) EXCEPTION.—If, by April 1 of any calendar year after 1996, an eligible chartering authority has approved fewer than 10 petitions during such calendar year, any other eligible chartering authority may approve more than 10 petitions during such calendar year, but only if—

''(i) the eligible chartering authority completes the approval of any such additional petition before June 1 of the year; and

''(ii) the approval of any such additional petition will not cause the total number of petitions approved by all eligible chartering authorities during the calendar year to exceed 20.''; and

(4) by amending subsection (j) to read as follows:

''(j) AUTHORITY OF ELIGIBLE CHARTERING AUTHORITY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), and except for officers or employees of the eligible chartering authority with which a petition to establish a public charter school is filed, no governmental entity, elected official, or employee of the District of Columbia shall make, participate in making, or intervene in the making of, the decision to approve or deny such a petition.

''(2) AVAILABILITY OF REVIEW.—A decision by an eligible chartering authority to deny a petition to establish a public charter school shall be subject to judicial review by an appropriate court of the District of Columbia,''.

(d) DISTRICT OF COLUMBIA PUBLIC SCHOOL SERVICES TO PUBLIC CHARTER SCHOOLS.—Section 2209 of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–125) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The Superintendent''; and

(2) by adding at the end the following:

''(b) PREFERENCE IN LEASING OR PURCHASING PUBLIC SCHOOL FACILITIES.—

''(1) FORMER PUBLIC SCHOOL PROPERTY.—

''(A) IN GENERAL.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in subparagraph (B), the Mayor and the District of Columbia Government shall give preference to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, with respect to the purchase or lease of a facility or property described in subparagraph (B), provided that doing so will not result in a significant loss of revenue that might be obtained from other dispositions or uses of the facility or property.

''(B) PROPERTY DESCRIBED.—A facility or property referred to in subparagraph (A) is a facility, or real property—

''(i) that formerly was under the jurisdiction of the Board of Education;

''(ii) that the Board of Education has determined is no longer needed for purposes of operating a District of Columbia public school; and

''(iii) with respect to which the Board of Education has transferred jurisdiction to the Mayor.

''(2) CURRENT PUBLIC SCHOOL PROPERTY.—

''(A) IN GENERAL.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in subparagraph (B), the Mayor and the District of Columbia Government shall give preference to an eligible applicant whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2), or a Board of Trustees, in leasing, or otherwise contracting for the use of, a facility or property described in subparagraph (B).

''(B) PROPERTY DESCRIBED.—A facility or property referred to in subparagraph (A) is a facility, real property, or a designated area of a facility or real property, that—

''(i) is under the jurisdiction of the Board of Education; and

''(ii) is available for use because the Board of Education is not using, for educational, administrative, or other purposes, the facility, real property, or designated area.''.

(e) CHARTER RENEWAL.—Section 2212 of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–129) is amended—

(1) by amending subsection (a) to read as follows:

''(a) TERMS.—

''(1) INITIAL TERM.—A charter granted to a public charter school shall remain in force for a 15-year period.

''(2) RENEWALS.—A charter may be renewed for an unlimited number of times, each time for a 15-year period.

''(3) REVIEW.—An eligible chartering authority that grants or renews a charter pursuant to paragraph (1) or (2) shall review the charter—

''(A) at least once every 5 years to determine whether the charter should be revoked for the reasons described in subsection (a)(1)(A) or (b) of section 2213 in accordance with the procedures for such revocation established under section 2213(c); and

''(B) once every 5 years, beginning on the date that is 5 years after the date on which the charter is granted or renewed, to determine whether the charter should be revoked for the reasons described in section 2213(a)(1)(B) in accordance with the procedures for such revocation established under section 2213(c).''; and

(2) by amending subsection (d)(6) to read as follows:

''(6) JUDICIAL REVIEW.—A decision by an eligible chartering authority to deny an application to renew a charter shall be subject to judicial review by an appropriate court of the District of Columbia.''.

(f) CHARTER REVOCATION.—Section 2213(a) of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–130) is amended to read as follows:

''(a) CHARTER OR LAW VIOLATIONS; FAILURE TO MEET GOALS.—

''(1) IN GENERAL.—Subject to paragraph (2), an eligible chartering authority that has granted a charter to a public charter school may revoke the charter if the eligible chartering authority determines that the school—

''(A) committed a violation of applicable laws or a material violation of the conditions, terms, standards, or procedures set forth in the charter, including violations relating to the education of children with disabilities; or

''(B) failed to meet the goals and student academic achievement expectations set fort in the charter.

''(2) SPEICAL RULE.—An eligible chartering authority may not revoke a charter under paragraph (1)(B), except pursuant to a determination made through a review conducted under section 2212(a)(3)(B).''.

(g) PUBLIC CHARTER SCHOOL BOARD.—Paragraphs (3) and (4) of section 2214(a) of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–132) are amended to read as follows:

''(3) VACANCIES.—

''(A) OTHER THAN FROM EXPIRATION OF TERM.—Where a vacancy occurs in the membership of the Board for reasons other than the expiration of the term of a member of the Board, the Secretary of Education, not later than 30 days after the vacancy occurs, shall present to the Mayor a list of 3 people the Secretary determines are qualified to serve on the Board. The Mayor, in consultation with the District of Columbia Council shall, appoint 1 person from the list to serve on the Board. The Secretary shall recommend, and the Mayor shall appoint, such member of the Board taking into consideration the criteria described in paragraph (2). Any member appointed to fill a vacancy occurring prior to the expiration of the term of a predecessor shall be appointed only for the remainder of the term.

(h) TECHNICAL AMENDMENT.—Section 2561(b) of the District of Columbia School Reform Act of 1995 (Public Law 104–134), as amended by section 148 of the District of Columbia Appropriations Act, 1997 (Public Law 104–194), is amended to read as follows:

''(b) LIMITATION.—A waiver under subsection (a) shall not apply to the Davis-Bacon Act (40 U.S.C. 276a et seq.) or Executive Order 11246 or other civil rights standards.''.

(B) EXPIRATION OF TERM.—Not later than the date that is 60 days before the expiration of the term of a member of the Board, the Secretary of Education shall present to the Mayor, with respect to each such impending vacancy, a list of 3 people the Secretary determines are qualified to serve on the Board. The Mayor, in consultation with the District of Columbia Council, shall appoint 1 person from each such list to serve on the Board. The Secretary shall recommend, and the mayor shall appoint, any member of the Board taking into consideration the criteria described in paragraph (2).

''(4) TIME LIMIT FOR APPOINTMENTS.—If, at any time, the Mayor does not appoint members to the Board sufficient to bring the Board's membership to 7 within 30 days after receiving a recommendation from the Secretary of Education under paragraph (2) or (3), the Secretary, not later than 10 days after the final date for such mayoral appointment, shall make such appointments as are necessary to bring the membership of the Board to 7.''.

DISPOSITION OF CERTAIN SCHOOL PROPERTY BY AUTHORITY

SEC. 5206. (a) IN GENERAL.—Subtitle C of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 is amended by adding at the end the following new section:

''SEC. 225. DISPOSITION OF CERTAIN SCHOOL PROPERTY.

''(a) POWER TO DISPOSER.—Notwithstanding any other provision of law relating to the disposition of a facility or property described in subsection (d), the Authority may dispose (by sale, lease, or otherwise) of any facility or property described in subsection (d).

''(b) PREFERENCE FOR PUBLIC CHARTER SCHOOL.—In disposing of a facility or property under this section, the Authority shall give preference to an eligible applicant (as defined in section 2002 of the District of Columbia School Reform Act of 1995) whose petition to establish a public charter school has been conditionally approved under section 2203(d)(2) of such Act, or a Board of Trustees (as defined in section 2002 of such Act) of such a public charter school, if doing so will not result in a significant loss of revenue that might be obtained from other dispositions or uses of the facility or property.

''(c) USE OF PROCEEDS FROM DISPOSITION FOR SCHOOL REPAIR AND MAINTENANCE.—

''(1) IN GENERAL.—The Authority shall deposit any proceeds of the disposition of a facility or property under this section in the Board of Education Real Property Maintenance and Improvement Fund (as established by the Real Property Disposal Act of 1990), to be used for the construction, maintenance, improvement, rehabilitation, or repair of buildings and grounds which are used for educational purposes for public and public charter school students in the District of Columbia.

''(2) CONSULTATION.—In disposing of a facility or property under this section, the Authority shall consult with the Superintendent of Schools of the District of Columbia, the Mayor, the Council, the Administrator of General Services, and education and community leaders involved in planning for an agency or authority that will design and administer a comprehensive long-term program for repair and improvement of District of Columbia public school facilities (as described in section 2552(a) of the District of Columbia School Reform Act of 1995).

''(3) LEGAL EFFECT OF SALE.—The Authority may dispose of a facility or property under this section by executing a proper deed and any other legal instrument for conveyance of title to the facility or property, and such deed shall convey good and valid title to the purchaser of the facility or property.

''(d) FACILITY OR PROPERTY DESCRIBED.—A facility or property described in this subsection is a facility or property which is described in section 2209(b)(1)(B) of the District of Columbia School Reform Act of 1995 and with respect to which the Authority has made the following determinations:

''(1) The property is no longer needed for purposes of operating a District of Columbia public school as defined in section 2002 of the District of Columbia School Reform Act of 1995).

''(2) The disposition of the property is in the best interests of education in the District of Columbia.

''(3) The Mayor (or any other department or agency of the District government) has failed to make substantial progress toward disposing the property during the 90-day period which begins on the date the Board of Education transfers jurisdiction over the property to the Mayor (or, in the case of property which is described in section 2209(b)(1)(B) of such Act as of the date of the enactment of this section, during the 90-day period which begins on the date of the enactment of this section).''.

(b) CONTROL OVER BOARD OF EDUCATION REAL PROPERTY MAINTENANCE AND IMPROVEMENT FUND.—

(1) IN GENERAL.—Section 2(b) of the Board of Education Real Property Disposal Act of 1990 (sec. 9–402(b), D.C. Code) is amended—

(A) by amending the second sentence to read as follows: ''Subject to paragraph (6), the District of Columbia Financial Responsibility and Management Assistance Authority shall administer the Fund and receive all payments in to the Fund that are required by law.''; and

(B) by adding at the end the following new paragraph:

''(6) Upon the establishment of an agency or authority within the district of Columbia government to administer a public schools facilities revitalization plan pursuant to section 2552(a)(2) of the District of Columbia School Reform Act of 1995, such agency or authority shall administer the Fund and receive all payments into the Fund that are required by law.''.

(2) CONFORMING AMENDMENTS.—Section 2(b) of the Board of Education Real Property Disposal Act of 1990 (sec. 9–402(b), D.C. Code) is amended—

(A) in the third sentence of paragraph (1), by striking ''; provided that the Board'' and all that follows and inserting a period; and

(B) by striking paragraph (5).

(c) CLERICAL AMENDMENT.—The table of contents of subtitle C of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 is amended by adding at the end the following new item:

''Sec. 225: Disposition of certain school property.''.

CHAPTER 3

ENERGY AND WATER DEVELOPMENT

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATION AND MAINTENANCE, GENERAL

For an additional amount for ''Operation and Maintenance, General'' for emergency expenses resulting from Hurricane Fran and other natural disasters of 1996, $19,000,000 to remain available until expended: Provided: That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

GENERAL PROVISION

SEC. 5301. None of the funds appropriated in the Energy and Water Department Appropriations Act, 1997 may be made available to the Tennessee Valley Authority if the Tennessee Valley Authority is imposing a performance deposit in connection with residential shoreline alteration permits.

CHAPTER 4

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

SALARIES AND EXPENSES

(RESCISSION)

Immediately upon enactment of this Act, of the funds appropriated in the Legislative Branch Appropriations Act, 1996, for the House of Representatives under the heading ''SALARIES AND EXPENSES'', there is rescinded $500,000, specified for the following heading and account:

(1) ''ALLOWANCES AND EXPENSES'', $500,000, as follows: (A) ''Government contributions to employees' life insurance fund, retirement funds, Social Security fund, Medicare fund, health benefits fund, and worker's and unemployment compensation.''

JOINT ITEMS

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

(RESCISSION)

Immediately upon enactment of this Act, of the funds appropriated under this heading in Public Law 104–53, $3,000,000 are rescinded.

GENERAL EXPENSES

For an additional amount for the Capitol Police Board for necessary expenses for the design and installation of security systems for the Capitol buildings and grounds, $3,250,000, which shall remain available until expended.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For an additional amount for ''Capitol Buildings and Grounds, Capitol Buildings'', $250,000, to remain available until expended, for architectural and engineering services related to the design and installation of security systems for Capitol buildings and grounds.

SENATE OFFICE BUILDINGS

Of the funds appropriated under the heading, ''ARCHITECT OF THE CAPITOL, Capitol Buildings and Grounds, Senate office buildings'' in Public Law 104-53, $650,000 shall remain available until September 30, 1997 for furniture, furnishings, and equipment for the Senate employees' child care center.

GENERAL PROVISIONS

CONGRESSIONAL AWARD ACT AMENDMENTS OF 1996

SEC. 5401. (a) EXTENSION OF REQUIREMENTS REGARDING FINANCIAL OPERATIONS OF CONGRESSIONAL AWARD PROGRAM; NONCOMPLIANCE WITH

REQUIREMENTS.—Section 5(c)(2)(A) of the Congressional Award Act (2 U.S.C. 804(c)(2)(A)) is amended by striking ''and 1994'' and inserting ''1994, 1995, 1996, 1997, and 1998''.

(b) TERMINATION.—Section 9 of the Congressional Award Act (2 U.S.C. 808) is amended by striking ''October 1, 1995'' and inserting ''October 1, 1999''.

(c) SAVING PROVISIONS.—During the period of October 1, 1995, through the date of the enactment of this section, all actions and functions of the Congressional Award Board under the Congressional Award Act shall have the same effect as though no lapse or termination of the Congressional Award Board ever occurred.

BILL EMERSON HALL IN THE HOUSE OF REPRESENTATIVES PAGE SCHOOL

SEC. 5402. The Founders Hall instructional area in the House of Representatives Page School, located in the Thomas Jefferson Building of the Library of Congress, shall be known and designated as ''Bill Emerson Hall''.

CHAPTER 5

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(AIRPORT AND AIRWAY TRUST FUND)

For additional operating expenses of the Federal Aviation Administration for airport security activities $57,900,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1998: Provided, That of the funds provided, $8,900,000 shall be for establishment of additional explosive detection K–9 teams at airports; $5,500,000 shall be for airport vulnerability assessments; $18,000,000 shall be for the hire of additional aviation security personnel: and $25,500,000 shall be for the hire of additional aviation safety inspectors and contract weather observers, air traffic controller training, and implementation of recommendations of the Federal Aviation Administration's ''Ninety Day Safety Review'', dated September 16, 1996: Provided further, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For additional necessary expenses for ''Facilities and Equipment'', $147,700,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: Provided, That of the funds provided, $144,200,000 shall only be for non-competitive contracts or cooperative agreements with air carriers and airport authorities, which provide for the Federal Aviation Administration to purchase and assist in installation of advanced security equipment for the use of such entities and $3,500,000 shall be for accelerated development and deployment of the Online Aviation Safety Information System: Provided further, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For an additional amount for ''Research, Engineering, and Development'', $21,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: Provided, That the funds provided shall only be for aviation security research and operational testing of document trace scanners and explosive detection portals for airport passengers: Provided further, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this heading, $50,000,000 are rescinded.

FEDERAL HIGHWAY ADMINISTRATION

HIGHWAY-RELATED SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this heading, $9,100,000 are rescinded.

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

For an additional amount for ''Emergency Relief Program'' for emergency expenses resulting from Hurricanes Fran and Hortense and for other disasters, as authorized by 23 U.S.C. 125, $82,000,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

MOTOR CARRIER SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this heading, $12,300,000 are rescinded.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

HIGHWAY TRAFFIC SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the available contract authority balances under this heading, $11,800,000 are rescinded.

FEDERAL RAILROAD ADMINISTRATION

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

For additional necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and 49 U.S.C. 24909, $60,000,000, to remain available until September 30, 1999.

DIRECT LOAN FINANCING PROGRAM

Notwithstanding any other provision of law, $58,680,000, for direct loans not to exceed $400,000,000 consistent with the purposes of section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825) as in effect on September 30, 1988, to the Alameda Corridor Transportation Authority to continue the Alameda Corridor Project, including replacement of at-grade rail lines with a below-grade corridor and widening of the adjacent major highway: Provided, That loans not to exceed the following amounts shall be made on or after the first day of the fiscal year indicated:

Fiscal year 1997	$140,000,000
Fiscal year 1998	$140,000,000
Fiscal year 1999	$120,000,000

Provided further, That any loan authorized under this section shall be structured with a maximum 30-year repayment after completion of construction at an annual interest rate of not to exceed the 30-year United States Treasury rate and on such terms and conditions as deemed appropriate by the Secretary of Transportation: Provided further, That specific provisions of section 505 (a), (b) and (d) through (h) shall not apply: Provided further, That the Alameda Corridor Transportation Authority shall be deemed to be a financially responsible person for purposes of section 505 of the Act.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For additional expenses necessary for ''Grants to the National Railroad Passenger Corporation'', $22,500,000 for operating losses, to remain available until September 30, 1997: Provided, That amounts made available shall only be used to continue service on routes the National Railroad Passenger Corporation currently plans to terminate.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For additional expenses necessary for ''Research and Special Programs'' to conduct vulnerability and threat assessments of the nation's transportation system, $3,000,000, to remain available until September 30, 1999; Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'', $6,000,000, to reimburse other federal agencies for previously incurred costs of recovering wreckage from TWA flight 800, and for other costs related to the TWA 800 accident investigation: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

EMERGENCY FUND

For necessary expenses of the National Transportation Safety Board for accident investigations, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS–18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902), $1,000,000: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

GENERAL PROVISIONS

SEC. 5501. In fiscal year 1997, the Administrator of the Federal Aviation Administration may establish at individual airports such consortia of government and aviation industry representatives as the Administrator may designate to provide advice on matters related to aviation security and safety: Provided, That such consortia shall not be considered Federal advisory committees.

Sec. 5502. In cases where an emergency ocean condition causes erosion of a bank protecting a scenic highway or byway, fiscal year 1996 or fiscal year 1997 Federal Highway Administration Emergency Relief funds can be used to halt the erosion and stabilize the bank if such action is necessary to protect the highway from imminent failure and is less expensive than highway relocation.

Sec. 5503. Of the funds deducted under 23 U.S.C. subsection 104(a) for fiscal year 1997, $30,000,000 shall be available for allocation to States authorized by section 1069(y) of Public Law 102–240.

SEC. 5504. CONVEYANCE OF PROPERTY IN TRAVERSE CITY, MICHIGAN. (a) AUTHORITY TO CONVEY.—The Secretary of Transportation (or any other official having control over the property described in subsection (b)) shall expeditiously convey to the Traverse City Area Public School District in Traverse City, Michigan, without consideration, all right, title, and interest of the United States in and to the property identified, described, and determined by the Secretary under subsection (b), subject to all easements and other interests in the property held by any other person.

(b) IDENTIFICATION OF PROPERTY.—The Secretary shall identify, describe, and determine the property to be conveyed pursuant to this section.

(c) REVERSIONARY INTEREST.—In addition to any term or condition established pursuant to

subsection (a) or (d), any conveyance of property described in subsection (b) shall be subject to the condition that all right, title, and interest in and to the property so conveyed shall immediately revert to the United States if the property, or any part thereof, ceases to be used by the Traverse City Area Public School District.

(d) TERMS OF CONVEYANCE.—The conveyance of property under this section shall be subject to such conditions as the Secretary considers to be necessary to assure that—

(1) the pump room located on the property shall continue to be operated and maintained by the United States for as long as it is needed for this purpose;

(2) the United States shall have an easement of access to the property for the purpose of operating and maintaining the pump room; and

(3) the United States shall have the right, at any time, to enter the property without notice for the purpose of operating and maintaining the pump room.

SEC. 5505. AUTHORITY TO CONVEY WHITEFISH POINT LIGHT STATION LAND. (a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Except as otherwise provided in this section, the Secretary of the Interior (in this section referred to as the ''Secretary'') may convey, by an appropriate means of conveyance, all right, title, and interest of the United States in 1 of the 3 parcels comprising the land on which the United States Coast Guard Whitefish Point Light Station is situated (in this section referred to as the ''Property''), to each of the Great Lakes Shipwreck Historical Society, located in Sault Ste. Marie, Michigan, the United States Fish and Wildlife Service, and the Michigan Audubon Society (each of which is referred to in this section as a ''recipient''), subject to all easements, conditions, reservations, exceptions, and restrictions contained in prior conveyances of record.

(2) LIMITATION.—Notwithstanding paragraph (1), the Secretary shall retain for the United States all right, title, and interest in—

(A) any historical artifact, including any lens or lantern, and

(B) the light, antennas, sound signal, towers, associated lighthouse equipment, and any electronic navigation equipment, which are active aids to navigation,

which is located on the Property, or which related to the Property.

(3) IDENTIFICATION OF THE PROPERTY.—The Secretary may identify, describe, and determine the parcels to be conveyed pursuant to this section.

(4) RIGHTS OF ACCESS.—If necessary to ensure access to a public roadway for a parcel conveyed under this section, the Secretary shall convey with the parcel an appropriate appurtenant easement over another parcel conveyed under this section.

(5) EASEMENT FOR PUBLIC ALONG SHORELINE.—In each conveyance under this section of property located on the shoreline of Lake Superior, the Secretary shall retain for the public, for public walkway purposes, a right-of-way along the shoreline that extends 30 feet inland from the mean high water line.

(b) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Any conveyance pursuant to subsection (a) shall be made—

(A) without payment of consideration; and

(B) subject to such terms and conditions as the Secretary considers appropriate.

(2) MAINTENANCE OF NAVIGATION FUNCTIONS.—The Secretary shall ensure that any conveyance pursuant to this section is subject to such conditions as the Secretary considers to be necessary to assure that—

(A) the light, antennas, sound signal, towers, and associated lighthouse equipment, and any electronic navigation equipment, which are located on the Property and which are active aids to navigation shall continue to be operated and maintained by the United States for as long as they are needed for this purpose;

(B) the recipients may not interfere or allow interference in any manner with such aids to navigation without express written permission from the United States;

(C) there is reserved to the United States the right to relocate, replace, or add any aids to navigation, or make any changes on any portion of the Property as may be necessary for navigation purposes;

(D) the United States shall have the right, at any time, to enter the Property without notice for the purpose of maintaining aids to navigation;

(E) the United States shall have—

(i) an easement of access to and across the Property for the purpose of maintaining the aids to navigation and associated equipment in use on the Property; and

(ii) an easement for an arc of visibility; and

(F) the United States shall not be responsible for the cost and expense of maintenance, repair, and upkeep of the Property.

(3) MAINTENANCE OBLIGATION.—The recipients shall not have any obligation to maintain any active aid to navigation equipment on any parcel conveyed pursuant to this section.

(c) PROPERTY TO BE MAINTAINED IN ACCORDANCE WITH CERTAIN LAWS.—Each recipient shall maintain the parcel conveyed to the recipient pursuant to subsection (a) in accordance with the provisions of the National Historic Preservation Act (16 U.S.C. 470 et seq.), and other applicable laws.

(d) MAINTENANCE STANDARD.—Each recipient shall maintain the parcel conveyed to the recipient pursuant to subsection (a), at its own cost and expense, in a proper, substantial, and workmanlike manner, including the easements of access, the easement for an arc of visibility, the nuisance easement, and the underground easement.

(e) SHARED USE AND OCCUPANCY AGREEMENT.—The Secretary shall require, as a condition of each conveyance of property under this section, that all of the recipients have entered into the same agreement governing the shared use and occupancy of the existing Whitefish Point Light Station facilities. The agreement shall be drafted by the recipients and shall include—

(1) terms governing building occupancy and access of recipient staff and public visitors to public restrooms, the auditorium, and the parking lot; and

(2) terms requiring that each recipient shall be responsible for paying a pro rata share of the costs of operating and maintaining the existing Whitefish Point Light Station facilities, that is based on the level of use and occupancy of the facilities by the recipient.

(f) LIMITATIONS ON DEVELOPING AND IMPAIRING USES.—It shall be a term of each conveyance under this section that—

(1) no development of new facilities or expansion of existing facilities or infrastructure on property conveyed under this section may occur, except for purposes of implementing the Whitefish Point Comprehensive Plan of October 1992 or for a gift shop, unless—

(A) each of the recipients consents to the development or expansion in writing;

(B) there has been a reasonable opportunity for public comment on the development or expansion, and full consideration has been given to such public comment as provided; and

(C) the development or expansion is consistent with preservation of the Property in its predominantly natural, scenic, historic, and forested condition; and

(2) any use of the Property or any structure located on the property which may impair or interfere with the conservation values of the Property is expressly prohibited.

(g) REVISORY INTEREST.—

(1) IN GENERAL.—All right, title, and interests in and to property and interests conveyed under this section shall revert to the United States and thereafter be administered by the Secretary of Interior acting through the Director of the United States Fish and Wildlife Service, if—

(A) in the case of such property and interests conveyed to the Great Lakes Shipwreck Historical Society, the property or interests cease to be used for the purpose of historical interpretation;

(B) in the case of such property and interests conveyed to the Michigan Audubon Society, the property or interests cease to be used for the purpose of environmental protection, research, and interpretation; or

(C) in the case any property and interest conveyed to a recipient referred to in subparagraph (A) or (B)—

(i) there is any violation of any term or condition of the conveyance to that recipient; or

(ii) the recipient has ceased to exist.

(2) AUTHORITY TO ENFORCE REVERSIONARY INTEREST.—The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, shall have the authority—

(A) to determine for the United States whether any act or omission of a recipient results in a revision of property and interests under paragraph (1); and

(B) to initiate a civil action to enforce that revision, after notifying the recipient of the intent of the Secretary of the Interior to initiate that action.

(3) MAINTENANCE OF NAVIGATION FUNCTIONS.—In the event of a revision of property under this subsection, the Secretary of the Interior shall administer the property subject to any conditions the Secretary of Transportation considers to be necessary to maintain the navigation functions.

SEC. 5506. CONVEYANCE OF LIGHTHOUSES. (A) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—The Secretary of Transportation or the Secretary of the Interior, as appropriate, shall convey, by an appropriate means of conveyance, all right, title, and interest of the United States in and to each of the following properties:

(A) Saint Helena Island Light Stanton, located in MacKinac County, Moran Township, Michigan, to the Great Lakes Lighthouse Keepers Association.

(B) Presque Isle Light Stanton, located in Presque Isle Township, Michigan, to Presque Isle Township, Presque Isle County, Michigan.

(2) IDENTIFICATION OF PROPERTY.—The Secretary may identify, describe, and determine the property to be conveyed under this subsection.

(3) EXCEPTION.—The Secretary may not convey any historical artifact, including any lens or lantern, located on the property at or before the time of the conveyance.

(b) TERMS OF CONVEYANCE.—

(1) IN GENERAL.—The conveyance of property under this section shall be made—

(A) without payment of consideration; and

(B) subject to the conditions required by this section and other terms and conditions the Secretary may consider appropriate.

(2) REVERSIONARY INTEREST.—In addition to any term or condition established under this section, the conveyance of property under this subsection shall be subject to the condition that all right, title, and interest in the property shall immediately revert to the United States if—

(A) the property, or any part of the property—

(i) ceases to be used as a nonprofit center for the interpretation and preservation of maritime history;

(ii) ceases to be maintained in a manner that ensures its present or future use as a Coast Guard aid to navigation; or

(iii) ceases to be maintained in a manner consistent with the provisions of the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.); or

(B) at least 30 days before that reversion, the Secretary of Transportation provides written notice to the owner that the property is needed for national security purposes.

(3) MAINTENANCE OF NAVIGATION FUNCTIONS.—A conveyance of property under this section

shall be made subject to the conditions that the Secretary of Transportation considers to be necessary to assure that—

(A) the lights, antennas, sound signal, electronic navigation equipment, and associated lighthouse equipment located on the property conveyed, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as they are needed for this purpose;

(B) the owner of the property may not interfere or allow interference in any manner with aids to navigation without express written permission from the Secretary of Transportation;

(C) there is reserved to the United States the right to relocate, replace or add any aid to navigation or make any changes to the property as may be necessary for navigational purposes;

(D) the United States shall have the right, at any time, to enter the property without notice for the purpose of maintaining aids to navigation; and

(E) the United States shall have an easement of access to and across the property for the purpose of maintaining the aids to navigation in use on the property.

(4) OBLIGATION LIMITATION.—The owner of property conveyed under this section is not required to maintain any active aid to navigation equipment on the property.

(5) PROPERTY TO BE MAINTAINED IN ACCORDANCE WITH CERTAIN LAWS.—The owner of property conveyed under this section shall maintain the property in accordance with the National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.) and other applicable laws.

(c) MAINTENANCE STANDARD.—The owner of any property conveyed under this section, at its own cost and expense, shall maintain the property in a proper, substantial, and workmanlike manner.

(d) DEFINITIONS.—For purposes of this section:

(1) the term ''owner'' means the person identified in subsection a(1)(A) and (B), and includes any successor of assign of that person.

(2) The term ''Presque Isle Light Station'' includes the light tower, attached dwelling, detached dwelling, 3-car garage, and any other improvements on that parcel of land.

CHAPTER 6

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

For an additional amount for ''Community Development Financial Institutions Fund Program Account'' for grants, loans, and technical assistance to qualifying community development lenders, $5,000,000, to remain available until September 30, 1998, of which $850,000 may be used for the cost of direct loans: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For an additional amount for ''Science and Technology'', $10,000,000, to remain available until September 30, 1998, to conduct health effects research to carry out the purposes of the Safe Drinking Water Act Amendments of 1996, Public Law 104–182.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For an additional amount for ''Environmental Programs and Management'', $42,221,000, to remain available until September 30, 1998, of which $30,000,000 is to carry out the purposes of the Safe Drinking Water Act Amendments of 1996, Public Law 104–182, and the purposes of the Food Quality Protection Act of 1996, Public Law 104–170, and of which $10,221,000 is for pesticide residue data collection for use in risk assessment activities.

STATE AND TRIBAL ASSISTANCE GRANTS

For an additional amount for ''State and Tribal Assistance Grants'', $35,000,000, to remain available until expended, for a grant to the City of Boston, Massachusetts, subject to an appropriate cost share as determined by the Administrator, for the construction of wastewater treatment facilities.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

For an additional amount for ''Salaries and Expenses'' to increase Federal, State, and local preparedness for mitigating and responding to the consequences of terrorism, $3,000,000.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For an additional amount for ''Emergency Management Planning and Assistance'' to increase Federal, State, and local preparedness for mitigating and responding to the consequences of terrorism, $12,000,000.

NATIONAL FLOOD INSURANCE FUND

Section 1309(a)(2) of the National Flood Insurance Act (42 U.S.C. 4016(a)(2)), is amended by striking ''$1,000,000,000'' and inserting in lieu thereof ''$1,500,000,000 through September 30, 1997, and $1,000,000,000 thereafter''.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS–18, $1,500,000: Provided, That none of the funds provided under this heading may be made available for any other activities within the Department of Health and Human Services.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SCIENCE, AERONAUTICS AND TECHNOLOGY

For an additional amount for ''Science, Aeronautics and Technology'', $5,000,000, to remain available until September 30, 1998.

CHAPTER 7

INTERNATIONAL SECURITY ASSISTANCE

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For an additional amount for nonproliferation, anti-terrorism and related programs and activities, $18,000,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance.

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $60,000,000.

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.

CHAPTER 8

GENERAL PROVISIONS

SEC. 5801. Of the amounts made available in Title IV of the Department of Defense Appropriations Act, 1997, under the heading ''Research, Development, Test and Evaluation, Defense-Wide'', $56,232,000 shall be made available only for the Corps Surface-to-Air Missile (CORPS SAM) program.

SEC. 5802. There is hereby established on the books of the Treasury an account, ''Support for International Sporting Competitions, Defense'' (hereinafter referred to in this section as the ''Account'') to be available until expended for logistical and security support for international sporting competitions (other than pay and non-travel-related allowances of members of the Armed Forces of the United States, except for members of the reserve components thereof called or ordered to active duty in connection with providing such support): Provided, That there shall be credited to the Account: (a) unobligated balances of the funds appropriated in Public Laws 103–335 and 104–61 under the headings ''Summer Olympics''; (b) any reimbursements received by the Department of Defense in connection with support to the 1993 World University Games; the 1994 World Cup Games; and the 1996 Games of the XXVI Olympiad held in Atlanta, Georgia; (c) any reimbursements received by the Department of Defense after the date of enactment of this act for logistical and security support provided to international sporting competitions; and (d) amounts specifically appropriated to the Account, all to remain available until expended: Provided further, that none of the funds made available to the Account may be obligated until 45 days after the congressional defense committees have been notified in writing by the Secretary of Defense as to the purpose for which these funds will be obligated.

SEC. 5803. In addition to the amounts made available in Title IV of the Department of Defense Appropriations Act, 1997, under the heading ''Research, Development, Test and Evaluation, Defense-Wide'', $100,000,000 is hereby appropriated and made available only for the Dual-Use Applications Program.

DIVISION B—OREGON RESOURCE CONSERVATION ACT OF 1996

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Oregon Resource Conservation act of 1996''.

TITLE I—OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA

SEC. 101. SHORT TITLE.

This title may be cited as the ''Opal Creek Wilderness and Opal Creek Scenic Recreation Area Act of 1996''.

SEC. 102. DEFINITIONS.

In this title:

(1) BULL OF THE WOODS WILDERNESS.—The term ''Bull of the Woods Wilderness'' means the land designated as wilderness by section 3(4) of the Oregon Wilderness Act of 1984 (Public Law 98–328; 16 U.S.C. 1132 note).

(2) OPAL CREEK WILDERNESS.—The term ''Opal Creek Wilderness'' means certain land in the Willamette National Forest in the State of Oregon comprising approximately 12,800 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated July 1996.

(3) SCENIC RECREATION AREA.—The term ''Scenic Recreation Area'' means the Opal Creek Scenic Recreation Area, comprising approximately 13,000 acres, as generally depicted on the map entitled ''Proposed Opal Creek Wilderness and Scenic Recreation Area'', dated July 1996 and established under section 104(a)(3) of this title.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

SEC. 103. PURPOSES.

The purposes of this title are:

(1) to establish a wilderness and scenic recreation area to protect and provide for the enhancement of the natural, scenic, recreational, historic, and cultural resources of the area in the vicinity of Opal Creek;

(2) to protect and support the economy of the communities in the Santiam Canyon; and

(3) to provide increased protection for an important drinking water source for communities served by the north Santiam River.

SEC. 104. ESTABLISHMENT OF OPAL CREEK WILDERNESS AND SCENIC RECREATION AREA.

(a) ESTABLISHMENT.—On a determination by the Secretary under subsection (b)—

(1) the Opal Creek Wilderness, as depicted on the map described in section 102(2), is hereby designated as wilderness, subject to the provisions of the Wilderness Act of 1964, shall become a component of the National Wilderness System, and shall be known as the Opal Creek Wilderness;

(2) the part of the Bull of the Woods Wilderness that is located in the Willamette National

Forest shall be incorporated into the Opal Creek Wildnerness; and

(3) the Secretary shall establish the Opal Creek Scenic Recreation Area in the Willamette National Forest in the State of Oregon, comprising approximately 13,000 acres, as generally depicted on the map described in section 102(3).

(b) CONDITIONS.—The designations in subsection (a) shall not take effect unless the Secretary makes a determination, not later that 2 years after the date of enactment of this title, that the following conditions have been met:

(1) the following have been donated to the United States in an acceptable condition and without encumbrances—

(A) all right, title, and interest in the following patented parcels of land—

(i) Santiam number 1, mineral survey number 992, as described in patent number 39–92–0002, dated December 11, 1991;

(ii) Ruth Quartz Mine number 2, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991;

(iii) Morning Star Lode, mineral survey number 993, as described in patent number 36–91–0011, dated February 12, 1991;

(B) all right, title, and interest held by any entity other than the Times Mirror Land and Timber Company, its successors and assigns, in and to lands located in section 18, township 8 south, range 5 east, Marion County, Oregon, Eureka numbers 6, 7, 8, and 13 mining claims; and

(C) an easement across the Hewitt, Starvation, and Poor Boy Mill Sites, mineral survey number 990, as described in patent number 36–91–0017, dated May 9, 1991. In the sole discretion of the Secretary, such easement may be limited to administrative use if an alternative access route, adequate and appropriate for public use, is provided.

(2) a binding agreement has been executed by the Secretary and the owners of record as of March 29, 1996, of the following interests, specifying the terms and conditions for the disposition of such interests to the United States Government—

(A) the lode mining claims know as Princess Lode, Black Prince Lode, and King number 4 Lode, embracing portions of sections 29 and 32, township 8 south, range 5 east, Willamette Meridian, Marion County, Oregon, the claims being more particularly described in the field notes and depicted on the plat of mineral survey number 887, Oregon; and

(B) Ruth Quartz Mine number 1, mineral survey number 994, as described in patent number 39–91–0012, dated February 12, 1991.

(c) ADDITIONS TO THE WILDERNESS AND SCENIC RECREATION AREAS.—

(1) Lands or interests in lands conveyed to the United States under this section shall be included in and become part of, as appropriate, Opal Creek Wilderness or the Opal Creek Scenic Recreation Area.

(2) On acquiring all or substantially all of the land located in section 36, township 8 south, range 4 east, of the Willamette Meridian, Marion County, Oregon, commonly known as the Rosboro section, by exchange, purchase from a willing seller, or by donation, the Secretary shall expand the boundary of the Scenic Recreation Area to include such land.

(3) On acquiring all or substantially all of the land located in section 18, township 8 south, range 5 east, Marion, Oregon, commonly known as the Times Mirror property, by exchange, purchase from a willing seller, or by donation, such land shall be included in and become a part of the Opal Creek Wilderness.

SEC. 105. ADMINISTRATION OF THE SCENIC RECREATION AREA.

(a) IN GENERAL.—The Secretary shall administer the Scenic Recreation Area in accordance with this title and the laws (including regulations) applicable to the National Forest System.

(b) OPAL CREEK MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 2 years after the date of establishment of the Scenic Recreation Area, the Secretary, in consultation with the advisory committee established under section 106(a), shall prepare a comprehensive Opal Creek Management Plan (Management Plan) for the Scenic Recreation Area.

(2) INCORPORATION IN LAND AND RESOURCE MANAGEMENT PLAN.—Upon its completion, the Opal Creek Management Plan shall become part of the land and resource management plan for the Willamette National Forest and supersede any conflicting provision in such land and resource management plan. Nothing in this paragraph shall be construed to supersede the requirements of the Endangered Species Act or the National Forest Management Act or regulations promulgated under those Acts, or any other law.

(3) REQUIREMENTS.—The Opal Creek Management Plan shall provide for a broad range of and uses, including—

(A) recreation;

(B) harvesting of nontraditional forest products, such as gathering mushrooms and material to make baskets; and

(C) educational and research opportunities.

(4) PLAN AMENDMENTS.—The Secretary may amend the Opal Creek Management Plan as the Secretary may determine to be necessary, consistent with the procedures and purposes of this title.

(c) RECREATION.—

(1) RECOGNITION.—Congress recognizes recreation as an appropriate use of the Scenic Recreation Area.

(2) MINIMUM LEVELS.—The management plan shall permit recreation activities at not less than the levels in existence on the date of enactment of this title.

(3) HIGHER LEVELS.—The management plan may provide for levels of recreation use higher than the levels in existence on the date of enactment of this title if such uses are consistent with the protection of the resource values of Scenic Recreation Area.

(4) The management plan may include public trail access through section 28, township 8 south, range 5 east, Willamette Meridian, to Battle Axe Creek, Opal Pool and other areas in the Opal Creek Wilderness and the Opal Creek Scenic Recreation Area.

(d) TRANSPORTATION PLANNING.—

(1) IN GENERAL.—Except as provided in this subparagraph, motorized vehicles shall not be permitted in the Scenic Recreation Area. To maintain reasonable motorized and other access to recreation sites and facilities in existence on the date of enactment of this title, the Secretary shall prepare a transportation plan for the Scenic Recreation Area that:

(A) evaluates the road network within the Scenic Recreation Area to determine which roads should be retained and which roads should be closed;

(B) provides guidelines for transportation and access consistent with this title;

(C) considers the access needs of persons with disabilities in preparing the transportation plan for the Scenic Recreation Area;

(D) allows forest road 2209 beyond the gate to the Scenic Recreation Area, as depicted on the map described in 102(2), to be used by motorized vehicles only for administrative purposes and for access by private inholders, subject to such terms and conditions as the Secretary may determine to be necessary; and

(E) restricts construction on or improvements to forest road 2209 beyond the gate to the Scenic Recreation Area to maintaining the character of the road as it existed upon the date of enactment of this title, which shall not include paving or widening. In order to comply with subsection 107(b) of this title, the Secretary may make improvements to forest road 2209 and its bridge structures consistent with the character of the road as it existed on the date of enactment of this title.

(e) HUNTING AND FISHING.—

(1) IN GENERAL.—Subject to applicable Federal and State law, the Secretary shall permit hunting and fishing in the Scenic Recreation Area.

(2) LIMITATION.—The Secretary may designate zones in which, and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administration, or public use and enjoyment of the Scenic Recreation Area.

(3) CONSULTATION.—Except during an emergency, as determined by the Secretary, the Secretary shall consult with the Oregon State Department of Fish and Wildlife before issuing any regulation under this subsection.

(f) TIMBER CUTTING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall prohibit the cutting and/or selling of trees in the Scenic Recreation Area.

(2) PERMITTED CUTTING.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may allow the cutting of trees in the Scenic Recreation Area only—

(i) for public safety, such as to control the continued spread of a forest fire in the Scenic Recreation Area or on land adjacent to the Scenic Recreation Area;

(ii) for activities related to administration of the Scenic Recreation Area, consistent with the Opal Creek Management Plan; or

(iii) for removal of hazard trees along trails and roadways.

(B) SALVAGE SALES.—The Secretary may not allow a salvage sale in the Scenic Recreation Area.

(g) WITHDRAWAL.—

(1) Subject to valid existing rights, all lands in the Scenic Recreation Area are withdrawn from—

(i) any form of entry, appropriation, or disposal under the public land laws;

(ii) location, entry, and patent under the mining laws; and

(iii) disposition under the mineral and geothermal leasing laws.

(h) BORNITE PROJECT.—

(1) Nothing in this title shall be construed to interfere with or approve any exploration, mining, or mining-related activity in the Bornite Project Area, depicted on the map described in subsection 102(3), conducted in accordance with applicable laws.

(2) Nothing in this title shall be construed to interfere with the ability of the Secretary to approve and issue, or deny, special use permits in connection with exploration, mining, and mining-related activities in the Bornite Project Area.

(3) Motorized vehicles, roads, structures, and utilities (including but not limited to power lines and water lines) may be allowed inside the Scenic Recreation Area to serve the activities conducted on land within the Bornite Project.

(4) After the date of enactment of this title, no patent or claim shall be issued for any mining claim under the general mining laws located within the Bornite Project Area.

(i) WATER IMPOUNDMENTS.—Notwithstanding the Federal Power Act (16 U.S.C. 791a et seq.), the Federal Energy Regulatory Commission may not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project work in the Scenic Recreation Area, except as may be necessary to comply with the provisions of subsection 105(h) with regard to the Bornite Project.

(j) CULTURAL AND HISTORIC RESOURCE INVENTORY.—

(1) IN GENERAL.—Not later than 1 year after the date of establishment of the Scenic Recreation Area, the Secretary shall review and revise the inventory of the cultural and historic resources on the public land in the Scenic Recreation Area developed pursuant to the Oregon Wilderness act of 1984 (Public Law 98–328; 16 U.S.C. 1132).

(2) INTERPRETATION.—Interpretive activities shall be developed under the management plan in consultation with State and local historic preservation organizations and shall include a balanced and factual interpretation of the cultural, ecological, and industrial history of forestry and mining in the Scenic Recreation Area.

(k) PARTICIPATION.—So that the knowledge, expertise, and views of all agencies and groups may contribute affirmatively to the most sensitive present and future use of the Scenic Recreation Area and its various subareas for the benefit of the public:

(1) ADVISORY COUNCIL.—The Secretary shall consult on a periodic and regular basis with the advisory council established under section 106 with respect to matters relating to management of the Scenic Recreation Area.

(2) PUBLIC PARTICIPATION.—The Secretary shall seek the views of private groups, individuals, and the public concerning the Scenic Recreation Area.

(3) OTHER AGENCIES.—The Secretary shall seek the views and assistance of, and cooperate with, any other Federal, State, or local agency with any responsibility for the zoning, planning, or natural resources of the Scenic Recreation Area.

(4) NONPROFIT AGENCIES AND ORGANIZATIONS.—The Secretary shall seek the views of any nonprofit agency or organization that may contribute information or expertise about the resources and the management of the Scenic Recreation Area.

SEC. 106. ADVISORY COUNCIL.

(a) ESTABLISHMENT.—Not later than 90 days after the establishment of the Scenic Recreation Area, the Secretary shall establish an advisory council for the Scenic Recreation Area.

(b) MEMBERSHIP.—The advisory council shall consist of not more than 13 members, of whom—

(1) 1 member shall represent Marion County, Oregon, and shall be designated by the governing body of the county;

(2) 1 member shall represent the State of Oregon and shall be designated by the Governor of Oregon; and

(3) 1 member shall represent the city of Salem, and shall be designated by the mayor of Salem, Oregon;

(4) 1 member from a city within a 25-mile radius of the Opal Creek Scenic Recreation Area, to be designated by the Governor of the State of Oregon from a list of candidates provided by the mayors of the cities located within a 25-mile radius of the Opal Creek Scenic Recreation Area; and

(5) not more than 9 members shall be appointed by the Secretary from among persons who, individually or through association with a national or local organization, have an interest in the administration of the Scenic Recreation Area, including, but not limited to, representatives of the timber industry, environmental organizations, the mining industry, inholders in the Opal Creek Wilderness and Scenic Recreation Area, economic development interests and Indian Tribes.

(c) STAGGERED TERMS.—Members of the advisory council shall serve for staggered terms of three years.

(d) CHAIRMAN.—The Secretary shall designate one member of the advisory council as chairman.

(e) VACANCIES.—The Secretary shall fill a vacancy on the advisory council in the same manner as the original appointment.

(f) COMPENSATION.—Members of the advisory council shall receive no compensation for service on the advisory council.

SEC. 107. GENERAL PROVISIONS.

(a) LAND ACQUISITION.—

(1) IN GENERAL.—Subject to the other provisions of this title the Secretary may acquire any lands or interests in land in the Scenic Recreation Area or the Opal Creek Wilderness that the Secretary determines are needed to carry out this title.

(2) PUBLIC LAND.—Any lands or interests in land owned by a State or a political subdivision of a State may be acquired only by donation or exchange.

(3) CONDEMNATION.—Within the boundaries of the Opal Creek Wilderness or the Scenic Recreation Area, the Secretary may not acquire any privately owned land or interest in land without the consent of the owner unless the Secretary finds that—

(A) the nature of land use has changed significantly, or the landowner has demonstrated intent to change the land use significantly, from the use that existed on the date of the enactment of this title; and

(B) acquisition by the Secretary of the land or interest in land is essential to ensure use of the land or interest in land in accordance with the purposes of this title or the management plan prepared under section 105(b).

(4) Nothing in this title shall be construed to enhance or diminish the condemnation authority available to the Secretary outside the boundaries of the Opal Creek Wilderness of the Scenic Recreation Area.

(b) ENVIRONMENTAL RESPONSE ACTIONS AND COST RECOVERY.—

(1) RESPONSE ACTIONS.— Nothing in this title shall limit the authority of the Secretary or a responsible party to conduct an environmental response action in the Scenic Recreation Area in connection with the release, threatened release, or cleanup of a hazardous substance, pollutant, or contaminant, including a response action conducted under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.c. 9601 et seq.).

(2) LIABILITY.— Nothing in this title shall limit the authority of the Secretary or a responsible party to recover costs related to the release, threatened release, or cleanup of any hazardous substance or pollutant or contaminant in the Scenic Recreation Area.

(c) MAPS AND DESCRIPTION.—

(1) IN GENERAL.— As soon as practicable after the date of enactment of this title, the Secretary shall file a map and a boundary description for the Opal Creek Wilderness and for the Scenic Recreation Area with the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(2) FORCE AND EFFECT.— The boundary description and map shall have the same force and effect as if the description and map were included in this title, except that the Secretary may correct clerical and typographical errors in the boundary description and map.

(3) AVAILABILITY.— The map and boundary description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

(d) Nothing in this title shall interfere with any activity for which a special use permit has been issued, has not been revoked, and has not expired, before the date of enactment of this title, subject to the terms of the permit.

SEC. 108. ROSBORO LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if the Rosboro Lumber Company (referred to in this section as ''Rosboro'') offers and conveys marketable title to the United States to the land described in subsection (b), the Secretary of Agriculture shall convey all right, title and interest held by the United States to sufficient lands described in subsection (c) to Rosboro, in the order in which they appear in subsection (c), as necessary to satisfy the equal value requirements of subsection (d).

(b) LAND TO BE OFFERED BY ROSBORO.—The land referred to in subsection (a) as the land to be offered by Rosboro shall comprise Section 36, Township 8 South, range 4 east, Willamette Meridian.

(c) LAND TO BE CONVEYED BY THE UNITED STATES.—The land referred to in subsection (a) as the land to be conveyed by the United States shall comprise sufficient land from the following prioritized list to be of equal value under subparagraph (d):

(1) Section 5, Township 17 South, Range 4 East, Lot 7 (37.63 acres).

(2) Section 2, Township 17 South, Range 4 East, Lot 3 (29.28 acres).

(3) Section 13, Township 17 South, Range 4 East, S½ SE¼ (80 acres).

(4) Section 2, Township 17 South, Range 4 East, SW½ SW¼ (40 acres).

(5) Section 2, Township 17 South, Range 4 East, NW¼ SE¼ (40 acres).

(6) Section 8, Township 17 South, Range 4 East, SE¼ SW¼ (40 acres).

(7) Section 11, Township 17 South, Range 4 East, W½ NW¼ (80 acres).

(d) EQUAL VALUE.—The land and interests in land exchanged under this section shall be of equal market value as determined by nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional Appraisal Practice, or shall be equalized by way of payment of cash pursuant to the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law. The appraisal shall consider access costs for the parcels involved.

(c) TIMETABLE.—

(1) The exchange directed by this section shall be consummated not later than 120 days after the date Rosboro offers and conveys the property described in subsection (b) to the United States.

(2) The authority provided by this section shall lapse if Rosboro fails to offer the land described in subsection (b) within two years after the date of enactment of this title.

(f) Rosboro shall have the right to challenge in United States District Court for the District of Oregon a determination of marketability under subsection (a) and a determination of value for the lands described in subsections (b) and (c) by the Secretary of Agriculture. The Court shall have the authority to order the Secretary to complete the transaction contemplated in this Section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 109. DESIGNATION OF ELKHORN CREEK AS A WILD AND SCENIC RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following:

''( )(A) ELKHORN CREEK.—The 6.4 mile segment traversing federally administered lands from that point along the Willamette National Forest boundary on the common section line between Sections 12 and 13, Township 9 South, Range 4 East, Willamette Meridian, to that point where the segment leaves federal ownership along the Bureau of Land Management boundary in Section 1, Township 9 South, Range 3 East, Willamette Meridian, in the following classes:

''(i) a 5.8-mile wild river area, extending from that point along the Willamette National Forest boundary on the common section line between Sections 12 and 13, Township 9 South, Range 4 East, Willamette Meridian, to its confluence with Buck Creek in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to be administered as agreed on by the Secretaries of Agriculture and the Interior, or as directed by the President; and

''(ii) a 0.6-mile scenic river area, extending from the confluence with Buck Creek in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to that point where the segment leaves federal ownership along the Bureau of Land Management boundary in Section 1, Township 9 South, Range 3 East, Willamette Meridian, to be administered by the Secretary of Interior, or as directed by the President.

''(B) Notwithstanding section 3(b) of this Act, the lateral boundaries of both the wild river area and the scenic river area along Elkhorn Creek shall include an average of not more than 640 acres per mile measured from the ordinary high water mark on both sides of the river.''

SEC. 110. ECONOMIC DEVELOPMENT.

(a) ECONOMIC DEVELOPMENT PLAN.—As a condition for receiving funding under subsection (b)

of this section, the State of Oregon, in consultation with Marion County and the Secretary of Agriculture, shall develop a plan for economic development projects for which grants under this section may be used in a manner consistent with this title and to benefit local communities in the vicinity of the Opal Creek area. Such plan shall be based on an economic opportunity study and other appropriate information.

(b) FUNDS PROVIDED TO THE STATES FOR GRANTS.—Upon completion of the Opal Creek Management Plan, and receipt of the plan referred to in subsection (a) of this section, the Secretary shall provide, subject to appropriations, $15,000,000, to the State of Oregon. Such funds shall be used to make grants or loans for economic development projects that further the purposes of this title and benefit the local communities in the vicinity of Opal Creek.

(c) REPORT.—The State of Oregon shall—

(1) prepare and provide the Secretary and Congress with an annual report on the use of the funds made available under this section;

(2) make available to the Secretary and to Congress, upon request, all accounts, financial records, and other information related to grants and loans made available pursuant to this section; and

(3) as loans are repaid, make additional grants and loans with the money made available for obligation by such repayments.

TITLE II—UPPER KLAMATH BASIN

SEC. 201. UPPER KLAMATH BASIN ECOLOGICAL RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) ECOSYSTEM RESTORATION OFFICE.—The term ''Ecosystem Restoration Office'' means the Klamath Basin Ecosystem Restoration Office operated cooperatively by the United States Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, and Forest Service.

(2) WORKING GROUP.—The term ''Working Group'' means the Upper Klamath Basin Working Group, established before the date of enactment of this title, consisting of members nominated by their represented groups, including:

(A) 3 tribal members;

(B) 1 representative of the city of Klamath Falls, Oregon;

(C) 1 representative of Klamath County, Oregon;

(D) 1 representative of institutions of higher education in the Upper Klamath Basin;

(E) 4 representatives of the environmental community, including at least one such representative from the State of California with interests in the Klamath Basin National Wildlife Refuge Complex.

(F) 4 representatives of local businesses and industries, including at least one representative of the wood products industry and one representative of the ocean commercial fishing industry and/or recreational fishing industry based in either Oregon or California;

(G) 4 representatives of the ranching and farming community, including representatives of Federal lease-land farmers and ranchers and of private and farmers and ranchers in the Upper Klamath Basin;

(H) 2 representatives from State of Oregon agencies with authority and responsibility in the Klamath River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department;

(I) 4 representatives from the local community;

(J) 1 representative each from the following Federal resource management agencies in the Upper Klamath Basin: Fish and Wildlife Service, Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, Forest Service, Natural Resources Conservation Service, National Marine Fisheries Service and Ecosystem Restoration Office; and

(K) 1 representative of the Klamath County Soil and Water Conservation District.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(4) TASK FORCE.—The term ''Task Force'' means the Klamath River Basin Fisheries Task Force as established by the Klamath River Basin Fishery Resource Restoration Act (Public Law 99–552, 16 U.S.C. 460ss–3, et seq.).

(5) COMPACT COMMISSION.—The term ''Compact Commission'' means the Klamath River Basin Compact Commission created pursuant to the Klamath River Compact Act of 1954.

(6) CONSENSUS.—The term ''consensus'' means an unanimous agreement by the Working Group members present and consisting of at least a quorum at a regularly scheduled business meeting.

(7) QUORUM.—The term ''quorum'' means one more than half of those qualified Working Group members appointed and eligible to serve.

(8) TRINITY TASK FORCE.—The term ''Trinity Task Force'' means the Trinity River Restoration Task Force created by Public Law 98–541, as amended by Public Law 104–143.

(b) IN GENERAL.—

(1) The Working Group through the Ecosystem Restoration Office, with technical assistance from the Secretary, will propose ecological restoration projects, economic development and stability projects, and projects designed to reduce the impacts of drought conditions to be undertaken in the Upper Klamath Basin based on a consensus of the Working Group membership.

(2) The Secretary shall pay, to the greatest extent feasible, up to 50 percent of the cost of performing any project approved by the Secretary or his designee, up to a total amount of $1,000,000 during each of fiscal years 1997 through 2001.

(3) Funds made available under this title through the Department of the Interior or the Department of Agriculture shall be distributed through the Ecosystem Restoration Office.

(4) The Ecosystem Restoration Office may utilize not more than 15 percent of all Federal funds administered under this section for administrative costs relating to the implementation of this title.

(5) All funding recommendations developed by the Working Group shall be based on a consensus of Working Group members.

(c) COORDINATION.—

(1) The Secretary shall formulate a cooperative agreement among the Working Group, the Task Force, the Trinity Task Force and the Compact Commission for the purposes of ensuring that projects proposed and funded through the Working Group are consistent with other basin-wide fish and wildlife restoration and conservation plans, including but not limited to plans developed by the Task Force and the Compact Commission.

(2) To the greatest extent practicable, the Working Group shall provide notice to, and accept input from, two members each of the Task Force, the Trinity Task Force, and the Compact Commission, so appointed by those entities, for the express purpose of facilitating better communication and coordination regarding additional basin-wide fish and wildlife and ecosystem restoration and planning efforts. The roles and relationships of the entities involved shall be clarified in the cooperative agreement.

(d) PUBLIC MEETINGS.—The Working Group shall conduct all meetings subject to applicable open meeting and public participation laws. The chartering requirements of 5 U.S.C. App 2 ss 1–15 are hereby deemed to have been met by this section.

(e) TERMS AND VACANCIES.—Working Group members shall serve for 3-year terms, beginning on the date of enactment of this title. Vacancies which occur for any reason after the date of enactment of this title shall be filled by direct appointment of the governor of the State of Oregon, in consultation with the Secretary of the Interior and the Secretary of Agriculture, in accordance with nominations from the appropriate groups, interests, and government agencies outlined in subsection (a)(2).

(f) RIGHTS, DUTIES AND AUTHORITIES UNAFFECTED.—The Working Group will supplement, rather than replace, existing efforts to manage the natural resources of the Klamath Basin. Nothing in this title affects any legal right, duty or authority of any person or agency, including any member of the working group.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this title $1,000,000 for each of fiscal years 1997 through 2002.

TITLE III—DESCHUTES BASIN

SEC. 301. DESCHUTES BASIN ECOSYSTEM RESTORATION PROJECTS.

(a) DEFINITIONS.—In this section:

(1) WORKING GROUP.—The term ''Working Group'' means the Deschutes River Basin Working Group established before the date of enactment of this title, consisting of members nominated by their represented groups, including:

(A) 5 representatives of private interests including one each from hydroelectric production, livestock grazing, timber, land development, and recreation/tourism;

(B) 4 representatives of private interests including two each from irrigated agriculture and the environmental community;

(C) 2 representatives form the Confederated Tribes of the Warm Springs Reservation of Oregon;

(D) 2 representatives from Federal agencies with authority and responsibility in the Deschutes River Basin, including one from the Department of the Interior and one from the Agriculture Department;

(E) 2 representatives from the State of Oregon agencies with authority and responsibility in the Deschutes River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department; and

(F) 4 representatives from county or city governments within the Deschutes River Basin county and/or city governments.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) FEDERAL AGENCIES.—The term ''Federal agencies'' means agencies and departments of the United States, including, but not limited to, the Bureau of Reclamation, Bureau of Indian Affairs, Bureau of Land Management, Fish and Wildlife Service, Forest Service, Natural Resources Conservation Service, Farm Services Agency, the National Marine Fisheries Service, and the Bonneville Power Administration.

(4) CONSENSUS.—The term ''consensus'' means a unanimous agreement by the Working Group members present and constituting at least a quorum at a regularly scheduled business meeting.

(5) QUORUM.—The term ''quorum'' means one more than half of those qualified Working Group members appointed and eligible to serve.

(b) IN GENERAL.—

(1) The Working Group will propose ecological restoration projects on both Federal and non-Federal lands and waters to be undertaken in the Deschutes River Basin based on a consensus of the Working Group, provided that such projects, when involving Federal land or funds, shall be proposed to the Bureau of Reclamation in the Department of the Interior and any other Federal agency with affected land or funds.

(2) The Working Group will accept donations, grants or other funds and place such funds received into a trust fund, to be expended on ecological restoration projects which, when involving Federal land or funds, are approved by the affected Federal agency.

(3) The Bureau of Reclamation shall pay from funds authorized under subsection (h) of this title up to 50 percent of the cost of performing any project proposed by the Working Group and approved by the Secretary, up to a total amount of $1,000,000 during each of the fiscal years 1997 through 2001.

(4) Non-Federal contributions to project costs for purposes of computing the Federal matching

share under paragraph (3) of this subsection may include in-kind contributions.

(5) Funds authorized in subsection (h) of this title shall be maintained in and distributed by the Bureau of Reclamation in the Department of the Interior. The Bureau of Reclamation shall not expend more than 5 percent of amounts appropriated pursuant to subsection (h) for Federal administration of such appropriations pursuant to this title.

(6) The Bureau of Reclamation is authorized to provide by grant to the Working Group not more than 5 percent of funds appropriated pursuant to subsection (h) of this title for not more than 50 percent of administrative costs relating to the implementation of this title.

(7) The Federal agencies with authority and responsibility in the Deschutes River Basin shall provide technical assistance to the Working Group and shall designate representatives to serve as members of the Working Group.

(8) All funding recommendations developed by the Working Group shall be based on a consensus of the Working Group members.

(c) PUBLIC NOTICE AND PARTICIPATION.—The Working Group shall conduct all meetings subject to applicable open meeting and public participation laws. The chartering requirements of 5 U.S.C. App 2 ss 1–15 are hereby deemed to have been met by this section.

(d) PRIORITIES.—The Working Group shall give priority to voluntary market-based economic incentives for ecosystem restoration including, but not limited to, water leases and purchases; land leases and purchases; tradable discharge permits; and acquisition of timber, grazing, and land development rights to implement plans, programs, measures, and projects.

(e) TERMS AND VACANCIES.—Members of the Working Group representing governmental agencies or entities shall be named by the represented government agency. Members of the Working Group representing private interests shall be named in accordance with the articles of incorporation and bylaws of the Working Group. Representatives from Federal agencies will serve for terms of 3 years. Vacancies which occur for any reason after the date of enactment of this title shall be filled in accordance with this title.

(f) ADDITIONAL PROJECTS.—Where existing authority and appropriations permit, Federal agencies may contribute to the implementation of projects recommended by the Working Group and approved by the Secretary.

(g) RIGHTS, DUTIES AND AUTHORITIES UNAFFECTED.—The Working Group will supplement, rather than replace, existing efforts to manage the natural resources of the Deschutes Basin. Nothing in this title affects any legal right, duty or authority of any person or agency, including any member of the working group.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this title $1,000,000 for each of fiscal years 1997 through 2001.

TITLE IV—MOUNT HOOD CORRIDOR

SEC. 401. LAND EXCHANGE.

(a) AUTHORIZATION.—Notwithstanding any other law, if Longview Fibre Company (referred to in this section as ''Longview'') offers and conveys title that is acceptable to the United States to some or all of the land described in subsection (b), the Secretary of the Interior (referred to in this section as the ''Secretary'') shall convey to Longview title to some or all of the land described in subsection (c), as necessary to satisfy the requirements of subsection (d).

(b) LAND TO BE OFFERED BY LONGVIEW.—The land referred to in subsection (a) as the land to be offered by Longview are those lands depicted on the map entitled ''Mt. Hood Corridor Land Exchange Map'', dated July 18, 1996.

(c) LAND TO BE CONVEYED BY THE SECRETARY.—The land referred to in subsection (a) as the land to be conveyed by the Secretary are those lands depicted on the map entitled ''Mt. Hood Corridor Land Exchange Map'', dated July 18, 1996.

(d) EQUAL VALUE.—The land and interests in land exchanged under this section shall be of equal market value as determined by nationally recognized appraisal standards, including, to the extent appropriate, the Uniform Standards for Federal Land Acquisition, the Uniform Standards of Professional Appraisal Practice, or shall be equalized by way of payment of cash pursuant to the provisions of section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)), and other applicable law.

(e) REDESIGNATION OF LAND TO MAINTAIN REVENUE FLOW.—So as to maintain the current flow of revenue from land subject to the Act entitled ''An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon'', approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary may redesignate public domain land located in and west of Range 9 East, Willamette Meridian, Oregon, as land subject to that Act.

(f) TIMETABLE.—The exchange directed by this section shall be consummated not later than 1 year after the date of enactment of this title.

(g) WITHDRAWAL OF LANDS.—All lands managed by the Department of the Interior, Bureau of Land Management, located in Townships 2 and 3 South, Ranges 6 and 7 East, Willamette Meridian, which can be seen from the right-of-way of U.S. Highway 26 (in this section, such lands are referred to as the ''Mt. Hood Corridor Lands''), shall be managed primarily for the protection or enhancement of scenic qualities. Management prescriptions for other resource values associated with these lands shall be planned and conducted for purposes other than timber harvest, so as not to impair the scenic qualities of the area.

(h) TIMBER CUTTING.—Timber cutting may be conducted on Mt. Hood Corridor Lands following a resource-damaging catastrophic event. Such cutting may only be conducted to achieve the following resource management objectives, in compliance with the current land use plans—

(1) to maintain safe conditions for the visiting public;

(2) to control the continued spread of forest fire;

(3) for activities related to administration of the Mt. Hood Corridor Lands; or

(4) for removal of hazard trees along trails and roadways.

(i) ROAD CLOSURE.—The forest road gate located on Forest Service Road 2503, located in T. 2 S., R. 6 E., sec. 14, shall remain closed and locked to protect resources and prevent illegal dumping and vandalism. Access to this road shall be limited to—

(1) Federal and State officers and employees acting in an official capacity;

(2) employees and contractors conducting authorized activities associated with the telecommunication sites located in T. 2 S., R. 6 E., sec. 14; and

(3) the general public for recreational purposes, except that all motorized vehicles will be prohibited.

(j) NEPA EXEMPTION.—The National Environmental Policy Act of 1969 (P.L. 91-190) shall not apply to this section for one year after the date of enactment of this title.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE V—COQUILLE TRIBAL FOREST

SEC. 501. CREATION OF THE COQUILLE FOREST.

(a) The Coquille Restoration Act (P.L. 101–42) is amended by inserting at the end of section 5 the following:

''(d) CREATION OF THE COQUILLE FOREST.—

''(1) DEFINITIONS.—In this subsection:

''(A) the term 'Coquille Forest' means certain lands in Coos County, Oregon, comprising approximately 5,400 acres, as generally depicted on the map entitled 'Coquille Forest Proposal', dated July 8, 1996.

''(B) the term 'Secretary' means the Secretary of the Interior.

''(C) the term 'the Tribe' means the Coquille Tribe of Coos County, Oregon.

''(2) MAP.—The map described in subparagraph (d)(1)(A), and such additional legal descriptions which are applicable, shall be placed on file at the local District Office of the Bureau of Land Management, the Agency Office of the Bureau of Indian Affairs, and with the Senate Committee on Energy and Natural Resources and the House Committee on Resources.

''(3) INTERIM PERIOD.—From the date of enactment of this subsection until two years after the date of enactment of this subsection, the Bureau of Land Management shall:

''(A) retain Federal jurisdiction for the management of lands designated under this subsection as the Coquille Forest and continue to distribute revenues from such lands in a manner consistent with existing law; and,

''(B) prior to advertising, offering or awarding any timber sale contract on lands designated under this subsection as the Coquille Forest, obtain the approval of the Assistant Secretary for Indian Affairs, acting on behalf of and in consultation with the Tribe.

(4) TRANSITION PLANNING AND DESIGNATION.—

''(A) During the two year interim period provided for in paragraph (3), the Assistant Secretary for Indian Affairs, acting on behalf of and in consultation with the Tribe, is authorized to initiate development of a forest management plan for the Coquille Forest to the Assistant Secretary for Indian Affairs.

''(B) Two years after the date of enactment of this subsection, the Secretary shall take the lands identified under subparagraph (d)(1)(A) into trust, and shall hold such lands in trust, in perpetuity, for the Coquille Tribe. Such lands shall be thereafter designated as the Coquille Forest.

''(C) So as to maintain the current flow of revenue from land subject to the Act entitled 'An Act relating to the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant land situated in the State of Oregon' (the O&C Act), approved August 28, 1937 (43 U.S.C. 1181a et seq.), the Secretary shall redesignate, from public domain lands within the tribe's service area, as defined in this Act, certain lands to be subject to the O&C Act. Lands redesignated under this subparagraph shall not exceed lands sufficient to constitute equivalent timber value as compared to lands constituting the Coquille Forest.

''(5) MANAGEMENT.—The Secretary of Interior, acting through the Assistant Secretary for Indian Affairs, shall manage the Coquille Forest under applicable State and Federal forestry and environmental protection laws, and subject to critical habitat designations under the Endangered Species Act, and subject to the standards and guidelines of Federal forest plans on adjacent or nearby Federal lands, now and in the future. The Secretary shall otherwise manage the Coquille Forest in accordance with the laws pertaining to the management of Indian Trust lands and shall distribute revenues in accord with Public Law 101–630, 25 U.S.C. 3107.

''(A) Unprocessed logs harvested from the Coquille Forest shall be subject to the same Federal statutory restrictions on export to foreign Nations that apply to unprocessed logs harvested from Federal lands.

''(B) Notwithstanding any other provision of law, all sales of timber from land subject to this subsection shall be advertised, offered and awarded according to competitive bidding practices, with sales being awarded to the highest responsible bidder.

''(6) INDIAN SELF DETERMINATION ACT AGREEMENT.—No sooner than two years after the date of enactment of this subsection, the Secretary may, upon a satisfactory showing of management competence and pursuant to the Indian

Self-Determination Act (25 U.S.C. 450 et seq.), enter into a binding Indian self-determination agreement (agreement) with the Coquille Indian Tribe. Such agreement may provide for the tribe to carry out all or a portion of the forest management for the Coquille Forest.

''(A) Prior to entering such an agreement, and as a condition of maintaining such an agreement, the Secretary must find that the Coquille Tribe has entered into a binding memorandum of agreement (MOA) with the State of Oregon, as required under paragraph 7.

''(B) The authority of the Secretary to rescind the Indian self-determination agreement shall not be encumbered.

''(i) The Secretary shall rescind the agreement upon a demonstration that the tribe and the State of Oregon are no longer engaged in a memorandum of agreement as required under paragraph 7.

''(ii) The Secretary may rescind the agreement on a showing that the Tribe has managed the Coquille Forest in a manner inconsistent with this subsection, or the Tribe is no longer managing, or capable of managing, the Coquille Forest in a manner consistent with this subsection.

''(7) MEMORANDUM OF AGREEMENT.—The Coquille Tribe shall enter into a memorandum of agreement (MOA) with the State of Oregon relating to the establishment and management of the Coquille Forest. The MOA shall include, but not be limited to, the terms and conditions for managing the Coquille Forest in a manner consistent with paragraph (5) of this subsection, preserving public access, advancing jointly-held resource management goals, achieving tribal restoration objectives and establishing a coordinated management framework. Further, provisions set forth in the MOA shall be consistent with federal trust responsibility requirements applicable to Indian trust lands and paragraph (5) of this subsection.

''(8) PUBLIC ACCESS.—The Coquille Forest shall remain open to public access for purposes of hunting, fishing, recreation and transportation, except when closure is required by state or federal law, or when the Coquille Indian Tribe and the State of Oregon agree in writing that restrictions on access are necessary or appropriate to prevent harm to natural resources, cultural resources or environmental quality; Provided, That the State of Oregon's agreement shall not be required when immediate action is necessary to protect archaeological resources.

''(9) JURISDICTION.—

''(A) The United States District Court for the District of Oregon shall have jurisdiction over actions against the Secretary arising out of claims that this subsection has been violated. Consistent with existing precedents on standing to sue, any affected citizen may bring suit against the Secretary for violations of this subsection, except that suit may not be brought against the Secretary for claims that the MOA has been violated. The Court has the authority to hold unlawful and set aside actions pursuant to this subsection that are arbitrary and capricious, an abuse of discretion, or otherwise an abuse of law.

''(B) The United States District Court for the District of Oregon shall have jurisdiction over actions between the State of Oregon and the Tribe arising out of claims of breach of the MOA.

''(C) Unless otherwise provided for by law, remedies available under this subsection shall be limited to equitable relief and shall not include damages.

''(10) STATE REGULATORY AND CIVIL JURISDICTION.—In addition to the jurisdiction described in paragraph 7 of this subsection, the State of Oregon may exercise exclusive regulatory civil jurisdiction, including but not limited to adoption and enforcement of administrative rules and orders, over the following subjects:

''(A) management, allocation and administration of fish and wildlife resources, including but not limited to establishment and enforcement of hunting and fishing seasons, bag limits, limits on equipment and methods, issuance of permits and licenses, and approval or disapproval of hatcheries, game farms, and other breeding facilities; Provided, That nothing herein shall be construed to permit the State of Oregon to manage fish or wildlife habitat on Coquille Forest lands;

''(B) allocation and administration of water rights, appropriation of water and use of water;

''(C) regulation of boating activities, including equipment and registration requirements, and protection of the public's right to use the waterways for purposes of boating or other navigation;

''(D) fills and removals from waters of the State, as defined in Oregon law;

''(E) protection and management of the State's proprietary interests in the beds and banks of navigable waterways;

''(F) regulation of mining, mine reclamation activities, and exploration and drilling for oil and gas deposits;

''(G) regulation of water quality, air quality (including smoke management), solid and hazardous waste, and remediation of releases of hazardous substances;

''(H) regulation of the use of herbicides and pesticides; and

''(I) enforcement of public health and safety standards, including standards for the protection of workers, well construction and codes governing the construction of bridges, buildings, and other structures.

''(II) SAVINGS CLAUSE, STATE AUTHORITY.—

''(A) Nothing in this subsection shall be construed to grant tribal authority over private or State-owned lands.

''(B) To the extend that the State of Oregon is regulating the foregoing areas pursuant to a delegated Federal authority or a Federal program, nothing in this subsection shall be construed to enlarge or diminish the State's authority under such law.

''(C) Where both the State of Oregon and the United States are regulating, nothing herein shall be construed to alter their respective authorities.

''(D) To the extent that Federal law authorizes the Coquille Indian Tribe to assume regulatory authority over an area, nothing herein shall be construed to enlarge or diminish the tribe's authority to do so under such law.

''(E) Unless and except to the extent that the tribe has assumed jurisdiction over the Coquille Forest pursuant to Federal law, or otherwise with the consent of the State, the State of Oregon shall have jurisdiction and authority to enforce its laws addressing the subjects listed in subparagraph 10 of this subsection on the Coquille Forest against the Coquille Indian Tribe, its members and all other persons and entities, in the same manner and with the same remedies and protections and appeal rights as otherwise provided by general Oregon law. Where the State of Oregon and Coquille Indian Tribe agree regarding the exercise of tribal civil regulatory jurisdiction over activities on the Coquille Forest lands, the tribe may exercise such jurisdiction as it agreed upon.

''(12) In the event of a conflict between Federal and State law under this subsection, Federal law shall control.''

TITLE VI—BULL RUN WATERSHED PROTECTION

SEC. 601. The first sentence of section 2(a) of Public Law 95–200 is amended after ''referred to in this subsection (a)'' by striking ''2(b)'' and inserting in lieu thereof ''2(c)''.

SEC. 602. The first sentence of section 2(b) of Public Law 95–200 is amended after ''the policy set forth in subsection (a)'' by inserting ''and (b)''.

SEC. 603. Section 2(b) of Public Law 95–200 is redesigned as ''2(c)''.

SEC. 604 (a) Public Law 95–200 is amended by adding a new subsection 2(b) immediately after subsection 2(a), as follows:

''(b) TIMBER CUTTING.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary of Agriculture shall prohibit the cutting of trees in that part of the unit consisting of the hydrographic boundary of the Bull Run River Drainage, including certain lands within the unit and located below the headworks of the city of Portland, Oregon's water storage and delivery project, and as depicted in a map dated July 22, 1996 and entitled ''Bull Run River Drainage''.

(2) PERMITTED CUTTING.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of Agriculture shall prohibit the cutting of trees in the area described in paragraph (1).

(B) PERMITTED CUTTING.—Subject to subparagraph (C), the Secretary may only allow the cutting of trees in the area described in paragraph (1)—

(i) for the protection or enhancement of water quality in the area described in paragraph (1); or

(ii) for the protection, enhancement, or maintenance of water quantity available from the area described in paragraph (1); or

(iii) for the construction, expansion, protection or maintenance of municipal water supply facilities; or

(iv) for the construction, expansion, protection or maintenance of facilities for the transmission of energy through and over the unit or previously authorized hydroelectric facilities or hydroelectric projects associated with municipal water supply facilities.

(C) SALVAGE SALES.—The Secretary of Agriculture may not authorize a salvage sale in the area described in paragraph (1).''

(b) Redesignate subsequent subsections of Public Law 95–200 accordingly.

SEC. 605. REPORT TO CONGRESS.

(a) The Secretary of Agriculture shall, in consultation with the city of Portland and other affected parties, undertake a study of that part of the Little Sandy Watershed that is within the unit (hereinafter referred to as the ''study area''), as depicted on the map described in section 604 of this title.

(b) The study referred to in (a) shall determine—

(1) the impact of management activities within the study area on the quality of drinking water provided to the Portland Metropolitan area;

(2) the identify and location of certain ecological features within the study area, including late successional forest characteristics, aquatic and terrestrial wildlife habitat, significant hydrological values, or other outstanding natural features; and

(3) the location and extent of any significant cultural or other values within the study area.

(c) The study referred to in subsection (a) shall include both legislative and regulatory recommendations to Congress on the future management of the study area. In formulating such recommendations, the Secretary shall consult with the city of Portland and other affected parties.

(d) To the greatest extent possible, the Secretary shall use existing data and processes to carry out this study and report.

(e) The study referred to in subsection (a) shall be submitted to the Senate Committees on Energy and Natural Resources and Agriculture and the House Committees on Resources and Agriculture not later than one year from the date of enactment of this section.

(f) The Secretary is prohibited from advertising, offering or awarding any timber sale within the study area for a period of two years after the date of enactment of this section.

(g) Nothing in this section shall in any way affect any State or Federal law governing appropriation, use of or Federal right to water on flowing through National Forest System lands. Nothing in this section is intended to influence the relative strength of competing claims to the

waters of the Little Sandy River. Nothing in this section shall be construed to expand or diminish Federal, State, or local jurisdiction, responsibility, interests, or rights in water resources development or control, including rights in and current uses of water resources in the unit.

SEC. 606. Lands within the Bull Run Management Unit, as defined in Public Law 95–200, but not contained within the Bull Run River Drainage, as defined by this title and as depicted on the map dated July 1996 described in Section 604 of this title, shall continue to be managed in accordance with Public Law 95–200.

TITLE VII—OREGON ISLANDS WILDERNESS, ADDITIONS

SEC. 701. OREGON ISLANDS WILDERNESS, ADDITIONS.

(a) In furtherance of the purposes of the Wilderness Act of 1964, certain lands within the boundaries of the Oregon Islands National Wildlife Refuge, Oregon, comprising approximately ninety-five acres and as generally depicted on a map entitled ''Oregon Island Wilderness Additions—Proposed'' dated August 1996, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of the Fish and Wildlife Service, Department of the Interior.

(b) All other federally owned named, unnamed, surveyed and unsurveyed rocks, reefs, islets and islands lying within three goegraphic miles off the coast of Oregon and above mean high tide, not currently designated as wilderness and also within the Oregon Islands National Wildlife Refuge boundaries under the administration of the United States Fish and Wildlife Service, Department of the Interior, as designated by Executive Order 7035, Proclamation 2416, Public Land Orders 4395, 4475 and 6287, and Public Laws 91–504 and 95–450, are hereby designated as wilderness.

(c) All federally owned named, unnamed, surveyed and unsurveyed rocks, reefs, islets and islands lying within three geographic miles off the coast of Oregon and above mean high tide, and presently under the jurisdiction of the Bureau of Land Management, except Chiefs Island, are hereby designated as wilderness, shall become part of the Oregon Islands National Wildlife Refuge and the Oregon Island Wilderness and shall be under the jurisdiction of the United States Fish and Wildlife Service, Department of the Interior.

(d) As soon as practicable after this title takes effect, a map of the wilderness area and a description of its boundaries shall be filed with the Senate Committee on Energy and Natural Resources and the House Committee on Resources, and such map shall have the same force and effect as if included in this title: Provided, however, That correcting clerical and typographical errors in the map and land descriptions may be made.

(e) Public Land Order 6287 of June 16, 1982, which withdrew certain rocks, reefs, islets and islands lying within three geographical miles off the coast of Oregon and above mean high tide, including the ninety-five acres described in subsection (a), as an addition to the Oregon Islands National Wildlife Refuge is hereby made permanent.

TITLE VIII—UMPQUA RIVER LAND EXCHANGE STUDY

SEC. 801. UMPQUA RIVER LAND EXCHANGE STUDY: POLICY AND DIRECTION.

(a) IN GENERAL.—The Secretaries of the Interior and Agriculture (Secretaries) are hereby authorized and directed to consult, coordinate, and cooperate with the Umpqua Land Exchange Project (ULEP), affected units and agencies of State and local government, and, as appropriate, the World Forestry Center and National Fish and Wildlife Foundation, to assist ULEP's ongoing efforts in studying and analyzing land exchange opportunities in the Umpqua River Basin and to provide scientific, technical, research, mapping and other assistance and information to such entities. Such consultation, coordination, and cooperation shall at a minimum include, but not be limited to:

(1) working with ULEP to develop or assemble comprehensive scientific and other information (including comprehensive and integrated mapping) concerning the Umpqua River Basin's resources of forest, plants, wildlife, fisheries (anadromous and other), recreational opportunities, wetlands, riparian habitat, and other physical or natural resources;

(2) working with ULEP to identify general or specific areas within the basin where land exchanges could promote consolidation of forestland ownership for long-term, sustained timber production; protection and restoration of habitat for plants, fish, and wildlife (including any federally listed threatened or endangered species); protection of drinking water supplies; recovery of threatened and endangered species; protection and restoration of wetlands, riparian lands, and other environmentally sensitive areas; consolidation of land ownership for improved public access and a broad array of recreational uses; consolidation of land ownership to achieve management efficiency and reduced costs of administration; and

(3) developing a joint report for submission to the Congress which discusses land exchange opportunities in the basin and outlines either a specific land exchange proposal or proposals which may merit consideration by the Secretaries or the Congress, or ideas and recommendations for new authorizations, direction, or changes in existing law or policy to expedite and facilitate the consummation of beneficial land exchanges in the basin via administrative means.

(b) MATTERS FOR SPECIFIC STUDY.—In analyzing land exchange opportunities with ULEP, the Secretaries shall give priority to assisting ULEP's ongoing efforts in:

(1) studying, identifying, and mapping areas where the consolidation of land ownership via land exchanges could promote the goals of long term species and watershed protection and utilization, including but not limited to the goals of the Endangered Species Act of 1973 more effectively than current land ownership patterns and whether any changes in law or policy applicable to such lands after consummation of an exchange would be advisable or necessary to achieve such goals;

(2) studying, identifying and mapping areas where land exchanges might be utilized to better satisfy the goals of sustainable timber harvest, including studying whether changes in existing law or policy applicable to such lands after consummation of an exchange would be advisable or necessary to achieve such goals;

(3) identifying issues and studying options and alternatives, including possible changes in existing law or policy, to insure that combined post-exchange revenues to units of local government from State and local property, severance, and other taxes or levies and shared Federal land receipts will approximate pre-exchange revenues;

(4) identifying issues and studying whether possible changes in law, special appraisal instruction, or changes in certain Federal appraisal procedures might be advisable or necessary to facilitate the appraisal of potential exchange lands which may have special characteristics or restrictions affecting land values;

(5) identifying issues and studying options and alternatives, including changes in existing laws or policy, for achieving land exchanges without reducing the net supply of timber available to small businesses;

(6) identifying, mapping, and recommending potential changes in land use plans, land classifications, or other actions which might be advisable or necessary to expedite, facilitate or consummate land exchanges in certain areas;

(7) analyzing potential sources for new or enhanced Federal, State, or other funding to promote improved resource protection, species recovery, and management in the basin; and

(8) identifying and analyzing whether increased efficiency and better land and resource management could occur through either consolidation of Federal forest management under one agency or exchange lands between the Forest Service and the Bureau of Land Management.

SEC. 802. REPORT TO CONGRESS.

No later than February 1, 1998, ULEP and the Secretaries shall submit a joint report to the Committee on Resources of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate concerning their studies, findings, recommendations, mapping and other activities conducted pursuant to this title.

SEC. 803. AUTHORIZATION OF APPROPRIATIONS.

In furtherance of the purposes of this title, there is hereby authorized to be appropriated the sum of $2 million, to remain available until expended.

DIVISION C—ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996

SEC. 1. SHORT TITLE OF DIVISION; AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT; APPLICATION OF DEFINITIONS OF SUCH ACT; TABLE OF CONTENTS OF DIVISION; SEVERABILITY.

(a) SHORT TITLE.—This division may be cited as the ''Illegal Immigration Reform and Immigrant Responsibility Act of 1996''.

(b) AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT.—Except as otherwise specifically provided—

(1) whenever in this division an amendment or repeal is expressed as the amendment or repeal of a section or other provision, the reference shall be considered to be made to that section or provision in the Immigration and Nationality Act; and

(2) amendments to a section or other provision are to such section or other provision before any amendment made to such section or other provision elsewhere in this division.

(c) APPLICATION OF CERTAIN DEFINITIONS.—Except as otherwise specifically provided in this division, for purposes of titles I and VI of this division, the terms ''alien'', ''Attorney General'', ''border crossing identification card'', ''entry'', ''immigrant'', ''immigrant visa'', ''lawfully admitted for permanent residence'', ''national'', ''naturalization'', ''refugee'', ''State'', and ''United States'' shall have the meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(d) TABLE OF CONTENTS OF DIVISION.—The table of contents of this division is as follows:

Sec. 1. Short title of division; amendments to Immigration and Nationality Act; application of definitions of such Act; table of contents of division; severability.

TITLE I—IMPROVEMENTS TO BORDER CONTROL, FACILITATION OF LEGAL ENTRY, AND INTERIOR ENFORCEMENT

Subtitle A—Improved Enforcement at the Border

Sec. 101. Border patrol agents and support personnel.
Sec. 102. Improvement of barriers at border.
Sec. 103. Improved border equipment and technology.
Sec. 104. Improvement in border crossing identification card.
Sec. 105. Civil penalties for illegal entry.
Sec. 106. Hiring and training standards.
Sec. 107. Report on border strategy.
Sec. 108. Criminal penalties for high speed flights from immigration checkpoints.
Sec. 109. Joint study of automated data collection.
Sec. 110. Automated entry-exit control system.
Sec. 111. Submission of final plan on realignment of border patrol positions from interior stations.
Sec. 112. Nationwide fingerprinting of apprehended aliens.

Subtitle B—Facilitation of Legal Entry

Sec. 121. Land border inspectors.
Sec. 122. Land border inspection and automated permit pilot projects.
Sec. 123. Preinspection at foreign airports.
Sec. 124. Training of airline personnel in detection of fraudulent documents.
Sec. 125. Preclearance authority.

Subtitle C—Interior Enforcement

Sec. 131. Authorization of appropriations for increase in number of certain investigators.
Sec. 132. Authorization of appropriations for increase in number of investigators of visa overstayers.
Sec. 133. Acceptance of State services to carry out immigration enforcement.
Sec. 134. Minimum State INS presence.

TITLE II—ENHANCED ENFORCEMENT AND PENALTIES AGAINST ALIEN SMUGGLING; DOCUMENT FRAUD

Subtitle A—Enhanced Enforcement and Penalties Against Alien Smuggling

Sec. 201. Wiretap authority for investigations of alien smuggling or document fraud.
Sec. 202. Racketeering offenses relating to alien smuggling.
Sec. 203. Increased criminal penalties for alien smuggling.
Sec. 204. Increased number of assistant United States Attorneys.
Sec. 205. Undercover investigation authority.

Subtitle B—Deterrence of Document Fraud

Sec. 211. Increased criminal penalties for fraudulent use of government-issued documents.
Sec. 212. New document fraud offenses; new civil penalties for document fraud.
Sec. 213. New criminal penalty for failure to disclose role as preparer of false application for immigration benefits.
Sec. 214. Criminal penalty for knowingly presenting document which fails to contain reasonable basis in law or fact.
Sec. 215. Criminal penalty for false claim to citizenship.
Sec. 216. Criminal penalty for voting by aliens in Federal election.
Sec. 217. Criminal forfeiture for passport and visa related offenses.
Sec. 218. Penalties for involuntary servitude.
Sec. 219. Admissibility of videotaped witness testimony.
Sec. 220. Subpoena authority in document fraud enforcement.

TITLE III—INSPECTION, APPREHENSION, DETENTION, ADJUDICATION, AND REMOVAL OF INADMISSIBLE AND DEPORTABLE ALIENS

Subtitle A—Revision of Procedures for Removal of Aliens

Sec. 301. Treating persons present in the United States without authorization as not admitted.
Sec. 302. Inspection of aliens; expedited removal of inadmissible arriving aliens; referral for hearing (revised section 235).
Sec. 303. Apprehension and detention of aliens not lawfully in the United States (revised section 236).
Sec. 304. Removal proceedings; cancellation of removal and adjustment of status; voluntary departure (revised and new sections 239 to 240C).
Sec. 305. Detention and removal of aliens ordered removed (new section 241).
Sec. 306. Appeals from orders of removal (new section 242).
Sec. 307. Penalties relating to removal (revised section 243).
Sec. 308. Redesignation and reorganization of other provisions; additional conforming amendments.
Sec. 309. Effective dates; transition.

Subtitle B—Criminal Alien Provisions

Sec. 321. Amended definition of aggravated felony.
Sec. 322. Definition of conviction and term of imprisonment.
Sec. 323. Authorizing registration of aliens on criminal probation or criminal parole.
Sec. 324. Penalty for reentry of deported aliens.
Sec. 325. Change in filing requirement.
Sec. 326. Criminal alien identification system.
Sec. 327. Appropriations for criminal alien tracking center.
Sec. 328. Provisions relating to State criminal alien assistance program.
Sec. 329. Demonstration project for identification of illegal aliens in incarceration facility of Anaheim, California.
Sec. 330. Prisoner transfer treaties.
Sec. 331. Prisoner transfer treaties study.
Sec. 332. Annual report on criminal aliens.
Sec. 333. Penalties for conspiring with or assisting an alien to commit an offense under the Controlled Substances Import and Export Act.
Sec. 334. Enhanced penalties for failure to depart, illegal reentry, and passport and visa fraud.

Subtitle C—Revision of Grounds for Exclusion and Deportation

Sec. 341. Proof of vaccination requirement for immigrants.
Sec. 342. Incitement of terrorist activity and provision of false documentation to terrorists as a basis for exclusion from the United States.
Sec. 343. Certification requirements for foreign health-care workers.
Sec. 344. Removal of aliens falsely claiming United States citizenship.
Sec. 345. Waiver of exclusion and deportation ground for certain section 274C violators.
Sec. 346. Inadmissibility of certain student visa abusers.
Sec. 347. Removal of aliens who have unlawfully voted.
Sec. 348. Waivers for immigrants convicted of crimes.
Sec. 349. Waiver of misrepresentation ground of inadmissibility for certain alien.
Sec. 350. Offenses of domestic violence and stalking as ground for deportation.
Sec. 351. Clarification of date as of which relationship required for waiver from exclusion or deportation for smuggling.
Sec. 352. Exclusion of former citizens who renounced citizenship to avoid United States taxation.
Sec. 353. References to changes elsewhere in division.

Subtitle D—Changes in Removal of Alien Terrorist Provisions

Sec. 354. Treatment of classified information.
Sec. 355. Exclusion of representatives of terrorist organizations.
Sec. 356. Standard for judicial review of terrorist organization designations.
Sec. 357. Removal of ancillary relief for voluntary departure.
Sec. 358. Effective date.

Subtitle E—Transportation of Aliens

Sec. 361. Definition of stowaway.
Sec. 362. Transportation contracts.

Subtitle F—Additional Provisions

Sec. 371. Immigration judges and compensation.
Sec. 372. Delegation of immigration enforcement authority.
Sec. 373. Powers and duties of the Attorney General and the Commissioner.
Sec. 374. Judicial deportation.
Sec. 375. Limitation on adjustment of status.
Sec. 376. Treatment of certain fees.
Sec. 377. Limitation on legalization litigation.
Sec. 378. Rescission of lawful permanent resident status.
Sec. 379. Administrative review of orders.
Sec. 380. Civil penalties for failure to depart.
Sec. 381. Clarification of district court jurisdiction.
Sec. 382. Application of additional civil penalties to enforcement.
Sec. 383. Exclusion of certain aliens from family unity program.
Sec. 384. Penalties for disclosure of information.
Sec. 385. Authorization of additional funds for removal of aliens.
Sec. 386. Increase in INS detention facilities; report on detention space.
Sec. 387. Pilot program on use of closed military bases for the detention of inadmissible or deportable aliens.
Sec. 388. Report on interior repatriation program.

TITLE IV—ENFORCEMENT OF RESTRICTIONS AGAINST EMPLOYMENT

Subtitle A—Pilot Programs for Employment Eligibility Confirmation

Sec. 401. Establishment of programs.
Sec. 402. Voluntary election to participate in a pilot program.
Sec. 403. Procedures for participants in pilot programs.
Sec. 404. Employment eligibility confirmation system.
Sec. 405. Reports.

Subtitle B—Other Provisions Relating to Employer Sanctions

Sec. 411. Limiting liability for certain technical violations of paperwork requirements.
Sec. 412. Paperwork and other changes in the employer sanctions program.
Sec. 413. Report on additional authority or resources needed for enforcement of employer sanctions provisions.
Sec. 414. Reports on earnings of aliens not authorized to work.
Sec. 415. Authorizing maintenance of certain information on aliens.
Sec. 416. Subpoena authority.

Subtitle C—Unfair Immigration-Related Employment Practices

Sec. 421. Treatment of certain documentary practices as unfair immigration-related employment practices.

TITLE V—RESTRICTIONS ON BENEFITS FOR ALIENS

Subtitle A—Eligibility of Aliens for Public Assistance and Benefits

Sec. 501. Exception to ineligibility for public benefits for certain battered aliens.
Sec. 502. Pilot programs on limiting issuance of driver's licenses to illegal aliens.
Sec. 503. Ineligibility of aliens not lawfully present for Social Security benefits.
Sec. 504. Procedures for requiring proof of citizenship for Federal public benefits.
Sec. 505. Limitation on eligibility for preferential treatment of aliens not lawfully present on basis of residence for higher education benefits.
Sec. 506. Study and report on alien student eligibility for postsecondary Federal student financial assistance.
Sec. 507. Verification of immigration status for purposes of Social Security and higher educational assistance.
Sec. 508. No verification requirement for nonprofit charitable organizations.
Sec. 509. GAO study of provision of means-tested public benefits to aliens who are not qualified aliens on behalf of eligible individuals.

Sec. 510. Transition for aliens currently receiving benefits under the Food Stamp program.

Subtitle B—Public Charge Exclusion

Sec. 531. Ground for exclusion.

Subtitle C—Affidavits of Support

Sec. 551. Requirements for sponsor's affidavit of support.
Sec. 552. Indigence and battered spouse and child exceptions to Federal attribution of income rule.
Sec. 553. Authority of States and political subdivisions of States to limit assistance to aliens and to distinguish among classes of aliens in providing general cash public assistance.

Subtitle D—Miscellaneous Provisions

Sec. 561. Increased maximum criminal penalties for forging or counterfeiting seal of a Federal department or agency to facilitate benefit fraud by an unlawful alien.
Sec. 562. Treatment of expenses subject to emergency medical services exception.
Sec. 563. Reimbursement of States and localities for emergency ambulance services.
Sec. 564. Pilot programs to require bonding.
Sec. 565. Reports.

Subtitle E—Housing Assistance

Sec. 571. Short title.
Sec. 572. Prorating of financial assistance.
Sec. 573. Actions in cases of termination of financial assistance.
Sec. 574. Verification of immigration status and eligibility for financial assistance.
Sec. 575. Prohibition of sanctions against entities making financial assistance eligibility determinations.
Sec. 576. Eligibility for public and assisted housing.
Sec. 577. Regulations.

Subtitle F—General Provisions

Sec. 591. Effective dates.
Sec. 592. Not applicable to foreign assistance.
Sec. 593. Notification.
Sec. 594. Definitions.

TITLE VI—MISCELLANEOUS PROVISIONS

Subtitle A—Refugees, Parole, and Asylum

Sec. 601. Persecution for resistance to coercive population control methods.
Sec. 602. Limitation on use of parole.
Sec. 603. Treatment of long-term parolees in applying worldwide numerical limitations.
Sec. 604. Asylum reform.
Sec. 605. Increase in asylum officers.
Sec. 606. Conditional repeal of Cuban Adjustment Act.

Subtitle B—Miscellaneous Amendments to the Immigration and Nationality Act

Sec. 621. Alien witness cooperation.
Sec. 622. Waiver of foreign country residence requirement with respect to international medical graduates.
Sec. 623. Use of legalization and special agricultural worker information.
Sec. 624. Continued validity of labor certifications and classification petitions for professional athletes.
Sec. 625. Foreign students.
Sec. 626. Services to family members of certain officers and agents killed in the line of duty.

Subtitle C—Provisions Relating to Visa Processing and Consular Efficiency

Sec. 631. Validity of period of visas.
Sec. 632. Elimination of consulate shopping for visa overstays.
Sec. 633. Authority to determine visa processing procedures.
Sec. 634. Changes regarding visa application process.
Sec. 635. Visa waiver program.
Sec. 636. Fee for diversity immigrant lottery.
Sec. 637. Eligibility for visas for certain Polish applicants for the 1995 diversity immigrant program.

Subtitle D—Other Provisions

Sec. 641. Program to collect information relating to nonimmigrant foreign students.
Sec. 642. Communication between government agencies and the Immigration and Naturalization Service.
Sec. 643. Regulations regarding habitual residence.
Sec. 644. Information regarding female genital mutilation.
Sec. 645. Criminalization of female genital mutilation.
Sec. 646. Adjustment of status for certain Polish and Hungarian parolees.
Sec. 647. Support of demonstration projects.
Sec. 648. Sense of Congress regarding American-made products; requirements regarding notice.
Sec. 649. Vessel movement controls during immigration emergency.
Sec. 650. Review of practices of testing entities.
Sec. 651. Designation of a United States customs administrative building.
Sec. 652. Mail-order bride business.
Sec. 653. Review and report on H–2A nonimmigrant workers program.
Sec. 654. Report on allegations of harassment by Canadian customs agents.
Sec. 655. Sense of Congress on discriminatory application of New Brunswick provincial sales tax.
Sec. 656. Improvements in identification-related documents.
Sec. 657. Development of prototype of counterfeit-resistant Social Security card.
Sec. 658. Border Patrol Museum.
Sec. 659. Sense of the Congress regarding the mission of the Immigration and Naturalization Service.
Sec. 660. Authority for National Guard to assist in transportation of certain aliens.

Subtitle E—Technical Corrections

Sec. 671. Miscellaneous technical corrections.

(e) SEVERABILITY.—If any provision of this division or the application of such provision to any person or circumstances is held to be unconstitutional, the remainder of this division and the application of the provisions of this division to any person or circumstance shall not be affected thereby.

TITLE I—IMPROVEMENTS TO BORDER CONTROL, FACILITATION OF LEGAL ENTRY, AND INTERIOR ENFORCEMENT

Subtitle A—Improved Enforcement at the Border

SEC. 101. BORDER PATROL AGENTS AND SUPPORT PERSONNEL.

(a) INCREASED NUMBER OF BORDER PATROL AGENTS.—The Attorney General in each of fiscal years 1997, 1998, 1999, 2000, and 2001 shall increase by not less than 1,000 the number of positions for full-time, active-duty border patrol agents within the Immigration and Naturalization Service above the number of such positions for which funds were allotted for the preceding fiscal year.

(b) INCREASE IN BORDER PATROL SUPPORT PERSONNEL.—The Attorney General, in each of fiscal years 1997, 1998, 1999, 2000, and 2001, may increase by 300 the number of positions for personnel in support of border patrol agents above the number of such positions for which funds were allotted for the preceding fiscal year.

(c) DEPLOYMENT OF BORDER PATROL AGENTS.—The Attorney General shall, to the maximum extent practicable, ensure that additional border patrol agents shall be deployed among Immigration and Naturalization Service sectors along the border in proportion to the level of illegal crossing of the borders of the United States measured in each sector during the preceding fiscal year and reasonably anticipated in the next fiscal year.

(d) FORWARD DEPLOYMENT.—

(1) IN GENERAL.—The Attorney General shall forward deploy existing border patrol agents in those areas of the border identified as areas of high illegal entry into the United States in order to provide a uniform and visible deterrent to illegal entry on a continuing basis. The previous sentence shall not apply to border patrol agents located at checkpoints.

(2) PRESERVATION OF LAW ENFORCEMENT FUNCTIONS AND CAPABILITIES IN INTERIOR STATES.—The Attorney General shall, when deploying border patrol personnel from interior stations to border stations, coordinate with, and act in conjunction with, State and local law enforcement agencies to ensure that such deployment does not degrade or compromise the law enforcement capabilities and functions currently performed at interior border patrol stations.

(3) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report on—

(A) the progress and effectiveness of the forward deployment under paragraph (1); and

(B) the measures taken to comply with paragraph (2).

SEC. 102. IMPROVEMENT OF BARRIERS AT BORDER.

(a) IN GENERAL.—The Attorney General, in consultation with the Commissioner of Immigration and Naturalization, shall take such actions as may be necessary to install additional physical barriers and roads (including the removal of obstacles to detection of illegal entrants) in the vicinity of the United States border to deter illegal crossings in areas of high illegal entry into the United States.

(b) CONSTRUCTION OF FENCING AND ROAD IMPROVEMENTS IN THE BORDER AREA NEAR SAN DIEGO, CALIFORNIA.—

(1) IN GENERAL.—In carrying out subsection (a), the Attorney General shall provide for the construction along the 14 miles of the international land border of the United States, starting at the Pacific Ocean and extending eastward, of second and third fences, in addition to the existing reinforced fence, and for roads between the fences.

(2) PROMPT ACQUISITION OF NECESSARY EASEMENTS.—The Attorney General, acting under the authority conferred in section 103(b) of the Immigration and Nationality Act (as inserted by subsection (d)), shall promptly acquire such easements as may be necessary to carry out this subsection and shall commence construction of fences immediately following such acquisition (or conclusion of portions thereof).

(3) SAFETY FEATURES.—The Attorney General, while constructing the additional fencing under this subsection, shall incorporate such safety features into the design of the fence system as are necessary to ensure the well-being of border patrol agents deployed within or in near proximity to the system.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection not to exceed $12,000,000. Amounts appropriated under this paragraph are authorized to remain available until expended.

(c) WAIVER.—The provisions of the Endangered Species Act of 1973 and the National Environmental Policy Act of 1969 are waived to the extent the Attorney General determines necessary to ensure expeditious construction of the barriers and roads under this section.

(d) LAND ACQUISITION AUTHORITY.—

(1) IN GENERAL.—Section 103 (8 U.S.C. 1103) is amended—

(A) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

(B) by inserting after subsection (a) the following:

''(b)(1) The Attorney General may contract for or buy any interest in land, including temporary use rights, adjacent to or in the vicinity of an international land border when the Attorney General deems the land essential to control and guard the boundaries and borders of the United States against any violation of this Act.

''(2) The Attorney General may contract for or buy any interest in land identified pursuant to paragraph (1) as soon as the lawful owner of that interest fixes a price for it and the Attorney General considers that price to be reasonable.

''(3) When the Attorney General and the lawful owner of an interest identified pursuant to paragraph (1) are unable to agree upon a reasonable price, the Attorney General may commence condemnation proceedings pursuant to the Act of August 1, 1888 (Chapter 728; 25 Stat. 357).

''(4) The Attorney General may accept for the United States a gift of any interest in land identified pursuant to paragraph (1).''.

(2) CONFORMING AMENDMENT.—Section 103(e) (as so redesignated by paragraph (1)(A)) is amended by striking ''subsection (c)'' and inserting ''subsection (d)''.

SEC. 103. IMPROVED BORDER EQUIPMENT AND TECHNOLOGY.

The Attorney General is authorized to acquire and use, for the purpose of detection, interdiction, and reduction of illegal immigration into the United States, any Federal equipment (including fixed wing aircraft, helicopters, four-wheel drive vehicles, sedans, night vision goggles, night vision scopes, and sensor units) determined available for transfer by any other agency of the Federal Government upon request of the Attorney General.

SEC. 104. IMPROVEMENT IN BORDER CROSSING IDENTIFICATION CARD.

(a) IN GENERAL.—Section 101(a)(6) (8 U.S.C. 1101(a)(6)) is amended by adding at the end the following: ''Such regulations shall provide that (A) each such document include a biometric identifier (such as the fingerprint or handprint of the alien) that is machine readable and (B) an alien presenting a border crossing identification card is not permitted to cross over the border into the United States unless the biometric identifier contained on the card matches the appropriate biometric characteristic of the alien.''.

(b) EFFECTIVE DATES.—

(1) CLAUSE A.—Clause (A) of the sentence added by the amendment made by subsection (a) shall apply to documents issued on or after 18 months after the date of the enactment of this Act.

(2) CLAUSE B.—Clause (B) of such sentence shall apply to cards presented on or after 3 years after the date of the enactment of this Act.

SEC. 105. CIVIL PENALTIES FOR ILLEGAL ENTRY.

(a) IN GENERAL.—Section 275 (8 U.S.C. 1325) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

''(b) Any alien who is apprehended while entering (or attempting to enter) the United States at a time or place other than as designated by immigration officers shall be subject to a civil penalty of—

''(1) at least $50 and not more than $250 for each such entry (or attempted entry); or

''(2) twice the amount specified in paragraph (1) in the case of an alien who has been previously subject to a civil penalty under this subsection.

Civil penalties under this subsection are in addition to, and not in lieu of, any criminal or other civil penalties that may be imposed.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to illegal entries or attempts to enter occurring on or after the first day of the sixth month beginning after the date of the enactment of this Act.

SEC. 106. HIRING AND TRAINING STANDARDS.

(a) REVIEW OF HIRING STANDARDS.—Not later than 60 days after the date of the enactment of this Act, the Attorney General shall complete a review of all prescreening and hiring standards used by the Commissioner of Immigration and Naturalization, and, where necessary, revise such standards to ensure that they are consistent with relevant standards of professionalism.

(b) CERTIFICATION.—At the conclusion of each of fiscal years 1997, 1998, 1999, 2000, and 2001, the Attorney General shall certify in writing to the Committees on the Judiciary of the House of Representatives and of the Senate that all personnel hired by the Commissioner of Immigration and Naturalization for such fiscal year were hired pursuant to the appropriate standards, as revised under subsection (a).

(c) REVIEW OF TRAINING STANDARDS.—

(1) REVIEW.—Not later than 180 days after the date of the enactment of this Act, the Attorney General shall complete a review of the sufficiency of all training standards used by the Commissioner of Immigration and Naturalization.

(2) REPORT.—

(A) IN GENERAL.—Not later than 90 days after the completion of the review under paragraph (1), the Attorney General shall submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate on the results of the review, including—

(i) a description of the status of efforts to update and improve training throughout the Immigration and Naturalization Service; and

(ii) an estimate of when such efforts are expected to be completed.

(B) AREAS REQUIRING FUTURE REVIEW.—The report shall disclose those areas of training that the Attorney General determines require further review in the future.

SEC. 107. REPORT ON BORDER STRATEGY.

(a) EVALUATION OF STRATEGY.—The Comptroller General of the United States shall track, monitor, and evaluate the Attorney General's strategy to deter illegal entry in the United States to determine the efficacy of such strategy.

(b) COOPERATION.—The Attorney General, the Secretary of State, and the Secretary of Defense shall cooperate with the Comptroller General of the United States in carrying out subsection (a).

(c) REPORT.—Not later than one year after the date of the enactment of this Act, and every year thereafter for the succeeding 5 years, the Comptroller General of the United States shall submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate on the results of the activities undertaken under subsection (a) during the previous year. Each such report shall include an analysis of the degree to which the Attorney General's strategy has been effective in reducing illegal entry. Each such report shall include a collection and systematic analysis of data, including workload indicators, related to activities to deter illegal entry and recommendations to improve and increase border security at the border and ports of entry.

SEC. 108. CRIMINAL PENALTIES FOR HIGH SPEED FLIGHTS FROM IMMIGRATION CHECKPOINTS.

(a) FINDINGS.—The Congress finds as follows:

(1) Immigration checkpoints are an important component of the national strategy to prevent illegal immigration.

(2) Individuals fleeing immigration checkpoints and leading law enforcement officials on high speed vehicle chases endanger law enforcement officers, innocent bystanders, and the fleeing individuals themselves.

(3) The pursuit of suspects fleeing immigration checkpoints is complicated by overlapping jurisdiction among Federal, State, and local law enforcement officers.

(b) HIGH SPEED FLIGHT FROM IMMIGRATION CHECKPOINTS.—

(1) IN GENERAL.—Chapter 35 of title 18, United States Code, is amended by adding at the end the following:

''§ 758. High speed flight from immigration checkpoint

''Whoever flees or evades a checkpoint operated by the Immigration and Naturalization Service, or any other Federal law enforcement agency, in a motor vehicle and flees Federal, State, or local law enforcement agents in excess of the legal speed limit shall be fined under this title, imprisoned not more than five years, or both.''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 757 the following:

''758. High speed flight from immigration checkpoint.''.

(c) GROUNDS FOR DEPORTATION.—Section 241(a)(2)(A) (8 U.S.C. 1251(a)(2)(A)) is amended—

(1) by redesignating clause (iv) as clause (v);

(2) by inserting after clause (iii) the following:

''(iv) HIGH SPEED FLIGHT.—Any alien who is convicted of a violation of section 758 of title 18, United States Code (relating to high speed flight from an immigration checkpoint), is deportable.''; and

(3) in clause (v) (as so redesignated by paragraph (1)), by striking ''and (iii)'' and inserting ''(iii), and (iv)''.

SEC. 109. JOINT STUDY OF AUTOMATED DATA COLLECTION.

(a) STUDY.—The Attorney General, together with the Secretary of State, the Secretary of Agriculture, the Secretary of the Treasury, and appropriate representatives of the air transport industry, shall jointly undertake a study to develop a plan for making the transition to automated data collection at ports of entry.

(b) REPORT.—Nine months after the date of the enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the outcome of the joint initiative under subsection (a), noting specific areas of agreement and disagreement, and recommending further steps to be taken, including any suggestions for legislation.

SEC. 110. AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) SYSTEM.—Not later than 2 years after the date of the enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

(1) collect a record of departure for every alien departing the United States and match the records of departure with the record of the alien's arrival in the United States; and

(2) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

(b) REPORT.—

(1) DEADLINE.—Not later than December 31 of each year following the development of the system under subsection (a), the Attorney General shall submit an annual report to the Committees on the Judiciary of the House of Representatives and of the Senate on such system.

(2) INFORMATION.—The report shall include the following information:

(A) The number of departure records collected, with an accounting by country of nationality of the departing alien.

(B) The number of departure records that were successfully matched to records of the alien's prior arrival in the United States, with an accounting by the alien's country of nationality and by the alien's classification as an immigrant or nonimmigrant.

(C) The number of aliens who arrived as nonimmigrants, or as a visitor under the visa waiver program under section 217 of the Immigration and Nationality Act, for whom no matching departure record has been obtained through the system or through other means as of the end of the alien's authorized period of stay, with an

accounting by the alien's country of nationality and date of arrival in the United States.

(c) USE OF INFORMATION ON OVERSTAYS.—Information regarding aliens who have remained in the United States beyond their authorized period of stay identified through the system shall be integrated into appropriate data bases of the Immigration and Naturalization Service and the Department of State, including those used at ports of entry and at consular offices.

SEC. 111. SUBMISSION OF FINAL PLAN ON REALIGNMENT OF BORDER PATROL POSITIONS FROM INTERIOR STATIONS.

Not later than November 30, 1996, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a final plan regarding the redeployment of border patrol personnel from interior locations to the front lines of the border. The final plan shall be consistent with the following:

(1) The preliminary plan regarding such redeployment submitted by the Attorney General on May 17, 1996, to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

(2) The direction regarding such redeployment provided in the joint explanatory statement of the committee of conference in the conference report to accompany the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134).

SEC. 112. NATIONWIDE FINGERPRINTING OF APPREHENDED ALIENS.

There are authorized to be appropriated such additional sums as may be necessary to ensure that the ''IDENT'' program (operated by the Immigration and Naturalization Service) is expanded to apply to illegal or criminal aliens apprehended nationwide.

Subtitle B—Facilitation of Legal Entry

SEC. 121. LAND BORDER INSPECTORS.

In order to eliminate undue delay in the thorough inspection of persons and vehicles lawfully attempting to enter the United States, the Attorney General and the Secretary of the Treasury each shall increase, by approximately equal numbers in each of fiscal years 1997 and 1998, the number of full-time land border inspectors assigned to active duty by the Immigration and Naturalization Service and the United States Customs Service to a level adequate to assure full staffing during peak crossing hours of all border crossing lanes currently in use, under construction, or whose construction has been authorized by the Congress, except such low-use lanes as the Attorney General may designate.

SEC. 122. LAND BORDER INSPECTION AND AUTOMATED PERMIT PILOT PROJECTS.

(a) EXTENSION OF LAND BORDER INSPECTION PROJECT AUTHORITY; ESTABLISHMENT OF AUTOMATED PERMIT PILOT PROJECTS.—Section 286(q) is amended—

(1) by striking the matter preceding paragraph (2) and inserting the following:

''(q) LAND BORDER INSPECTION FEE ACCOUNT.—(1)(A)(i) Notwithstanding any other provision of law, the Attorney General is authorized to establish, by regulation, not more than 6 projects under which a fee may be charged and collected for inspection services provided at one or more land border points of entry. Such projects may include the establishment of commuter lanes to be made available to qualified United States citizens and aliens, as determined by the Attorney General.

''(ii) The program authorized in this subparagraph shall terminate on September 30, 2000, unless further authorized by an Act of Congress.

''(iii) This subparagraph shall take effect, with respect to any project described in clause (1) that was not authorized to be commenced before the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 30 days after submission of a written plan by the Attorney General detailing the proposed implementation of such project.

''(iv) The Attorney General shall prepare and submit on a quarterly basis, until September 30, 2000, a status report on each land border inspection project implemented under this subparagraph.

''(B) The Attorney General, in consultation with the Secretary of the Treasury, may conduct pilot projects to demonstrate the use of designated ports of entry after working hours through the use of card reading machines or other appropriate technology.''; and

(2) by striking paragraph (5).

(b) CONFORMING AMENDMENT.—The Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1994 (Public Law 103–121, 107 Stat. 1161) is amended by striking the fourth proviso under the heading ''Immigration and Naturalization Service, Salaries and Expenses''.

SEC. 123. PREINSPECTION AT FOREIGN AIRPORTS.

(a) IN GENERAL.—The Immigration and Nationality Act is amended by inserting after section 235 the following:

''PREINSPECTION AT FOREIGN AIRPORTS

''SEC. 235A. (a) ESTABLISHMENT OF PREINSPECTION STATIONS.—

''(1) NEW STATIONS.—Subject to paragraph (5), not later than October 31, 1998, the Attorney General, in consultation with the Secretary of State, shall establish and maintain preinspection stations in at least 5 of the foreign airports that are among the 10 foreign airports which the Attorney General identifies as serving as last points of departure for the greatest numbers of inadmissible alien passengers who arrive from abroad by air at ports of entry within the United States. Such preinspection stations shall be in addition to any preinspection stations established prior to the date of the enactment of such Act.

''(2) REPORT.—Not later than October 31, 1998, the Attorney General shall report to the Committees on the Judiciary of the House of Representatives and of the Senate on the implementation of paragraph (1).

''(3) DATA COLLECTION.—Not later than November 1, 1997, and each subsequent November 1, the Attorney General shall compile data identifying—

''(A) the foreign airports which served as last points of departure for aliens who arrived by air at United States ports of entry without valid documentation during the preceding fiscal years;

''(B) the number and nationality of such aliens arriving from each such foreign airport; and

''(C) the primary routes such aliens followed from their country of origin to the United States.

''(4) ADDITIONAL STATIONS.—Subject to paragraph (5), not later than October 31, 2000, the Attorney General, in consultation with the Secretary of State, shall establish preinspection stations in at least 5 additional foreign airports which the Attorney General, in consultation with the Secretary of State, determines, based on the data compiled under paragraph (3) and such other information as may be available, would most effectively reduce the number of aliens who arrive from abroad by air at points of entry within the United States who are inadmissible to the United States. Such preinspection stations shall be in addition to those established prior to the date of the enactment of such Act or pursuant to paragraph (1).

''(5) CONDITIONS.—Prior to the establishment of a preinspection station, the Attorney General, in consultation with the Secretary of State, shall ensure that—

''(A) employees of the United States stationed at the preinspection station and their accompanying family members will receive appropriate protection;

''(B) such employees and their families will not be subject to unreasonable risks to their welfare and safety; and

''(C) the country in which the preinspection station is to be established maintains practices and procedures with respect to asylum seekers and refugees in accordance with the Convention Relating to the Status of Refugees (done at Geneva, July 28, 1951), or the Protocol Relating to the Status of Refugees (done at New York, January 31, 1967), or that an alien in the country otherwise has recourse to avenues of protection from return to persecution.

''(b) ESTABLISHMENT OF CARRIER CONSULTANT PROGRAM.—The Attorney General shall assign additional immigration officers to assist air carriers in the detection of fraudulent documents at foreign airports which, based on the records maintained pursuant to subsection (a)(3), served as a point of departure for a significant number of arrivals at United States ports of entry without valid documentation, but where no preinspection station exists.''.

(b) CLERICAL AMENDMENT.—The table of contents is amended by inserting after the item relating to section 235 the following:

''Sec. 235A. Preinspection at foreign airports.''.

SEC. 124. TRAINING OF AIRLINE PERSONNEL IN DETECTION OF FRAUDULENT DOCUMENTS.

(a) USE OF FUNDS.—

(1) IN GENERAL.—Section 286(h)(2)(A) (8 U.S.C. 1356(h)(2)(A)) is amended—

(A) in clause (iv), by inserting '', including training of, and technical assistance to, commercial airline personnel regarding such detection'' after ''United States''; and

(B) by adding at the end the following:

''The Attorney General shall provide for expenditures for training and assistance described in clause (iv) in an amount, for any fiscal year, not less than 5 percent of the total of the expenses incurred that are described in the previous sentence.''.

(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to expenses incurred during or after fiscal year 1997.

(b) COMPLIANCE WITH DETECTION REGULATIONS.—

(1) IN GENERAL.—Section 212(f) (8 U.S.C. 1182(f)) is amended by adding at the end the following: ''Whenever the Attorney General finds that a commercial airline has failed to comply with regulations of the Attorney General relating to requirements of airlines for the detection of fraudulent documents used by passengers traveling to the United States (including the training of personnel in such detection), the Attorney General may suspend the entry of some or all aliens transported to the United States by such airline.''.

(2) DEADLINE.—The Attorney General shall first issue, in proposed form, regulations referred to in the second sentence of section 212(f) of the Immigration and Nationality Act, as added by the amendment made by paragraph (1), not later than 90 days after the date of the enactment of this Act.

SEC. 125. PRECLEARANCE AUTHORITY.

Section 103(a) of the Immigration and Nationality Act (8 U.S.C. 1103(a)) is amended by adding at the end the following:

''After consultation with the Secretary of State, the Attorney General may authorize officers of a foreign country to be stationed at preclearance facilities in the United States for the purpose of ensuring that persons traveling from or through the United States to that foreign country comply with that country's immigration and related laws. Those officers may exercise such authority and perform such duties as United States immigration officers are authorized to exercise and perform in that foreign country under reciprocal agreement, and they shall enjoy such reasonable privileges and immunities necessary for the performance of their duties as the government of their country extends to United States immigration officers.''.

Subtitle C—Interior Enforcement

SEC. 131. AUTHORIZATION OF APPROPRIATIONS FOR INCREASE IN NUMBER OF CERTAIN INVESTIGATORS.

(a) AUTHORIZATION.—There are authorized to be appropriated such funds as may be necessary to enable the Commissioner of Immigration and Naturalization to increase the number of investigators and support personnel to investigate potential violations of sections 274 and 274A of the Immigration and Nationality Act by a number equivalent to 300 full-time active-duty investigators in each of fiscal years 1997, 1998, and 1999.

(b) ALLOCATION OF INVESTIGATORS.—At least one-half of the investigators hired with funds made available under subsection (a) shall be assigned to investigate potential violations of section 274A of the Immigration and Nationality Act.

(c) LIMITATION ON OVERTIME.—None of the funds made available under subsection (a) shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000 for any fiscal year.

SEC. 132. AUTHORIZATION OF APPROPRIATIONS FOR INCREASE IN NUMBER OF INVESTIGATORS OF VISA OVERSTAYERS.

There are authorized to be appropriated such funds as may be necessary to enable the Commissioner of Immigration and Naturalization to increase the number of investigators and support personnel to investigate visa overstayers by a number equivalent to 300 full-time active-duty investigators in fiscal year 1997.

SEC. 133. ACCEPTANCE OF STATE SERVICES TO CARRY OUT IMMIGRATION ENFORCEMENT.

Section 287 (8 U.S.C. 1357) is amended by adding at the end the following:

''(g)(1) Notwithstanding section 1342 of title 31, United States Code, the Attorney General may enter into a written agreement with a State, or any political subdivision of a State, pursuant to which an officer or employee of the State or subdivision, who is determined by the Attorney General to be qualified to perform a function of an immigration officer in relation to the investigation, apprehension, or detention of aliens in the United States (including the transportation of such aliens across State lines to detention centers), may carry out such function at the expense of the State or political subdivision and to the extent consistent with State and local law.

''(2) An agreement under this subsection shall require that an officer or employee of a State or political subdivision of a State performing a function under the agreement shall have knowledge of, and adhere to, Federal law relating to the function, and shall contain a written certification that the officers or employees performing the function under the agreement have received adequate training regarding the enforcement of relevant Federal immigration laws.

''(3) In performing a function under this subsection, an officer or employee of a State or political subdivision of a State shall be subject to the direction and supervision of the Attorney General.

''(4) In performing a function under this subsection, an officer or employee of a State or political subdivision of a State may use Federal property or facilities, as provided in a written agreement between the Attorney General and the State or subdivision.

''(5) With respect to each officer or employee of a State or political subdivision who is authorized to perform a function under this subsection, the specific powers and duties that may be, or are required to be, exercised or performed by the individual, the duration of the authority of the individual, and the position of the agency of the Attorney General who is required to supervise and direct the individual, shall be set forth in a written agreement between the Attorney General and the State or political subdivision.

''(6) The Attorney General may not accept a service under this subsection if the service will be used to displace any Federal employee.

''(7) Except as provided in paragraph (8), an officer or employee of a State or political subdivision of a State performing functions under this subsection shall not be treated as a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code (relating to compensation for injury), and sections 2671 through 2680 of title 28, United States Code (relating to tort claims).

''(8) An officer or employee of a State or political subdivision of a State acting under color of authority under this subsection, or any agreement entered into under this subsection, shall be considered to be acting under color of Federal authority for purposes of determining the liability, and immunity from suit, of the officer or employee in a civil action brought under Federal or State law.

''(9) Nothing in this subsection shall be construed to require any State or political subdivision of a State to enter into an agreement with the Attorney General under this subsection.

''(10) Nothing in this subsection shall be construed to require an agreement under this subsection in order for any officer or employee of a State or political subdivision of a State—

''(A) to communicate with the Attorney General regarding the immigration status of any individual, including reporting knowledge that a particular alien is not lawfully present in the United States; or

''(B) otherwise to cooperate with the Attorney General in the identification, apprehension, detention, or removal of aliens not lawfully present in the United States.''.

SEC. 134. MINIMUM STATE INS PRESENCE.

(a) IN GENERAL.—Section 103 (8 U.S.C. 1103), as amended by section 102(e) of this division, is further amended by adding at the end the following:

''(f) The Attorney General shall allocate to each State not fewer than 10 full-time active duty agents of the Immigration and Naturalization Service to carry out the functions of the Service, in order to ensure the effective enforcement of this Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 90 days after the date of the enactment of this Act.

TITLE II—ENHANCED ENFORCEMENT AND PENALTIES AGAINST ALIEN SMUGGLING; DOCUMENT FRAUD

Subtitle A—Enhanced Enforcement and Penalties Against Alien Smuggling

SEC. 201. WIRETAP AUTHORITY FOR INVESTIGATIONS OF ALIEN SMUGGLING OR DOCUMENT FRAUD.

Section 2516(1) of title 18, United States Code, is amended—

(1) in paragraph (c), by striking ''or section 1992 (relating to wrecking trains)'' and inserting ''section 1992 (relating to wrecking trains), a felony violation of section 1028 (relating to production of false identification documentation), section 1425 (relating to the procurement of citizenship or nationalization unlawfully), section 1426 (relating to the reproduction of naturalization or citizenship papers), section 1427 (relating to the sale of naturalization or citizenship papers), section 1541 (relating to passport issuance without authority), section 1542 (relating to false statements in passport applications), section 1543 (relating to forgery or false use of passports), section 1544 (relating to misuse of passports), or section 1546 (relating to fraud and misuse of visas, permits, and other documents)'';

(2) by striking ''or'' at the end of paragraph (l);

(3) by redesignating paragraphs (m), (n), and (o) as paragraphs (n), (o), and (p), respectively; and

(4) by inserting after paragraph (l) the following new paragraph:

''(m) a violation of section 274, 277, or 278 of the Immigration and Nationality Act (8 U.S.C. 1324, 1327, or 1328) (relating to the smuggling of aliens);''.

SEC. 202. RACKETEERING OFFENSES RELATING TO ALIEN SMUGGLING.

Section 1961(1) of title 18, United States Code, as amended by section 433 of Public Law 104–132, is amended—

(1) by striking ''if the act indictable under section 1028 was committed for the purpose of financial gain'';

(2) by inserting ''section 1425 (relating to the procurement of citizenship or nationalization unlawfully), section 1426 (relating to the reproduction of naturalization or citizenship papers), section 1427 (relating to the sale of naturalization or citizenship papers),'' after ''section 1344 (relating to financial institution fraud),'';

(3) by striking ''if the act indictable under section 1542 was committed for the purpose of financial gain'';

(4) by striking ''if the act indictable under section 1543 was committed for the purpose of financial gain'';

(5) by striking ''if the act indictable under section 1544 was committed for the purpose of financial gain''; and

(6) by striking ''if the act indictable under section 1546 was committed for the purpose of financial gain''.

SEC. 203. INCREASED CRIMINAL PENALTIES FOR ALIEN SMUGGLING.

(a) COMMERCIAL ADVANTAGE.—Section 274(a)(1)(B)(i) (8 U.S.C. 1324(a)(1)(B)(i)) is amended by inserting ''or in the case of a violation of subparagraph (A)(ii), (iii), or (iv) in which the offense was done for the purpose of commercial advantage or private financial gain'' after ''subparagraph (A)(i)''.

(b) ADDITIONAL OFFENSES.—Section 274(a) (8 U.S.C. 1324(a)) is amended—

(1) in paragraph (1)(A)—

(A) by striking ''or'' at the end of clause (iii);

(B) by striking the comma at the end of clause (iv) and inserting ''; or''; and

(C) by adding at the end the following new clause:

''(v)(I) engages in any conspiracy to commit any of the preceding acts, or

''(II) aids or abets the commission of any of the preceding acts,'';

(2) in paragraph (1)(B)—

(A) in clause (i), by inserting ''or (v)(I)'' after ''(A)(i)'';

(B) in clause (ii), by striking ''or (iv)'' and inserting ''(iv), or (v)(II)'';

(C) in clause (iii), by striking ''or (iv)'' and inserting ''(iv), or (v)''; and

(D) in clause (iv), by striking ''or (iv)'' and inserting ''(iv), or (v)'';

(3) in paragraph (2)(B), by striking ''be fined'' and all that follows and inserting the following: ''be fined under title 18, United States Code, and shall be imprisoned, in the case of a first or second violation of subparagraph (B)(iii), not more than 10 years, in the case of a first or second violation of subparagraph (B)(i) or (B)(ii), not less than 3 nor more than 10 years, and for any other violation, not less than 5 nor more than 15 years.''; and

(4) by adding at the end the following new paragraph:

''(3)(A) Any person who, during any 12-month period, knowingly hires for employment at least 10 individuals with actual knowledge that the individuals are aliens described in subparagraph (B) shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both.

''(B) An alien described in this subparagraph is an alien who—

''(i) is an unauthorized alien (as defined in section 274A(h)(3)), and

''(ii) has been brought into the United States in violation of this subsection.''.

(c) SMUGGLING OF ALIENS WHO WILL COMMIT CRIMES.—Clause (i) of section 274(a)(2)(B) (8 U.S.C. 1324(a)(2)(B)) is amended to read as follows:

''(i) an offense committed with the intent or with reason to believe that the alien unlawfully brought into the United States will commit an offense against the United States or any State punishable by imprisonment for more than 1 year,''.

(d) APPLYING CERTAIN PENALTIES ON A PER ALIEN BASIS.—Section 274(a)(2) (8 U.S.C. 1324(a)(2)) is amended by striking ''for each transaction constituting a violation of this paragraph, regardless of the number of aliens involved'' and inserting ''for each alien in respect to whom a violation of this paragraph occurs''.

(e) SENTENCING GUIDELINES.—

(1) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate sentencing guidelines or amend existing sentencing guidelines for offenders convicted of offenses related to smuggling, transporting, harboring, or inducing aliens in violation of section 274(a) (1)(A) or (2) of the Immigration and Nationality Act (8 U.S.C. 1324(a)(1)(A), (2)(B)) in accordance with this subsection.

(2) REQUIREMENTS.—In carrying out this subsection, the Commission shall, with respect to the offenses described in paragraph (1)—

(A) increase the base offense level for such offenses at least 3 offense levels above the applicable level in effect on the date of the enactment of this Act;

(B) review the sentencing enhancement for the number of aliens involved (U.S.S.G. 2L1.1(b)(2)), and increase the sentencing enhancement by at least 50 percent above the applicable enhancement in effect on the date of the enactment of this Act;

(C) impose an appropriate sentencing enhancement upon an offender with 1 prior felony conviction arising out of a separate and prior prosecution for an offense that involved the same or similar underlying conduct as the current offense, to be applied in addition to any sentencing enhancement that would otherwise apply pursuant to the calculation of the defendant's criminal history category;

(D) impose an additional appropriate sentencing enhancement upon an offender with 2 or more prior felony convictions arising out of separate and prior prosecutions for offenses that involved the same or similar underling conduct as the current offense, to be applied in addition to any sentencing enhancement that would otherwise apply pursuant to the calculation of the defendant's criminal history category;

(E) impose an appropriate sentencing enhancement on a defendant who, in the course of committing an offense described in this subsection—

(i) murders or otherwise causes death, bodily injury, or serious bodily injury to an individual;

(ii) uses or brandishes a firearm or other dangerous weapon; or

(iii) engages in conduct that consciously or recklessly places another in serious danger of death or serious bodily injury;

(F) consider whether a downward adjustment is appropriate if the offense is a first offense and involves the smuggling only of the alien's spouse or child; and

(G) consider whether any other aggravating or mitigating circumstances warrant upward or downward sentencing adjustments.

(3) EMERGENCY AUTHORITY TO SENTENCING COMMISSION.—The Commission shall promulgate the guidelines or amendments provided for under this subsection as soon as practicable in accordance with the procedure set forth in section 21(a) of the Sentencing Act of 1987, as though the authority under that Act had not expired.

(f) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to offenses occurring on or after the date of the enactment of this Act.

SEC. 204. INCREASED NUMBER OF ASSISTANT UNITED STATES ATTORNEYS.

(a) IN GENERAL.—The number of Assistant United States Attorneys employed by the Department of Justice for the fiscal year 1997 shall be increased by at least 25 above the number of Assistant United States Attorneys that were authorized to be employed as of September 30, 1996.

(b) ASSIGNMENT.—Individuals employed to fill the additional positions described in subsection (a) shall prosecute persons who bring into the United States or harbor illegal aliens or violate other criminal statutes involving illegal aliens.

SEC. 205. UNDERCOVER INVESTIGATION AUTHORITY.

(a) IN GENERAL.—Title II is amended by adding at the end the following new section:

''UNDERCOVER INVESTIGATION AUTHORITY

''SEC. 294. (a) IN GENERAL.—With respect to any undercover investigative operation of the Service which is necessary for the detection and prosecution of crimes against the United States—

''(1) sums appropriated for the Service may be used for leasing space within the United States and the territories and possessions of the United States without regard to the following provisions of law:

''(A) section 3679(a) of the Revised Statutes (31 U.S.C. 1341),

''(B) section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)),

''(C) section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255),

''(D) the third undesignated paragraph under the heading 'Miscellaneous' of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34),

''(E) section 3648 of the Revised Statutes (31 U.S.C. 3324),

''(F) section 3741 of the Revised Statutes (41 U.S.C. 22), and

''(G) subsections (a) and (c) of section 304 of the Federal Property and Administrative Services Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c));

''(2) sums appropriated for the Service may be used to establish or to acquire proprietary corporations or business entities as part of an undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to the provisions of section 304 of the Government Corporation Control Act (31 U.S.C. 9102);

''(3) sums appropriated for the Service, and the proceeds from the undercover operation, may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18, United States Code, and of section 3639 of the Revised Statutes (31 U.S.C. 3302); and

''(4) the proceeds from the undercover operation may be used to offset necessary and reasonable expenses incurred in such operation without regard to the provisions of section 3617 of the Revised Statutes (31 U.S.C. 3302).

The authority set forth in this subsection may be exercised only upon written certification of the Commissioner, in consultation with the Deputy Attorney General, that any action authorized by paragraph (1), (2), (3), or (4) is necessary for the conduct of the undercover operation.

''(b) DISPOSITION OF PROCEEDS NO LONGER REQUIRED.—As soon as practicable after the proceeds from an undercover investigative operation, carried out under paragraphs (3) and (4) of subsection (a), are no longer necessary for the conduct of the operation, the proceeds or the balance of the proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

''(c) DISPOSITION OF CERTAIN CORPORATIONS AND BUSINESS ENTITIES.—If a corporation or business entity established or acquired as part of an undercover operation under paragraph (2) of subsection (a) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Service, as much in advance as the Commissioner or Commissioner's designee determines practicable, shall report the circumstances to the Attorney General, the Director of the Office of Management and Budget, and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

''(d) FINANCIAL AUDITS.—The Service shall conduct detailed financial audits of closed undercover operations on a quarterly basis and shall report the results of the audits in writing to the Deputy Attorney General.''.

(b) CLERICAL AMENDMENT.—The table of contents is amended by inserting after the item relating to section 293 the following:

''Sec. 294. Undercover investigation authority.''.

Subtitle B—Deterrence of Document Fraud

SEC. 211. INCREASED CRIMINAL PENALTIES FOR FRAUDULENT USE OF GOVERNMENT-ISSUED DOCUMENTS.

(a) FRAUD AND MISUSE OF GOVERNMENT-ISSUED IDENTIFICATION DOCUMENTS.—(1) Section 1028(b) of title 18, United States Code, is amended—

(A) in paragraph (1), by inserting ''except as provided in paragraphs (3) and (4),'' after ''(1)'' and by striking ''five years'' and inserting ''15 years'';

(B) in paragraph (2), by inserting ''except as provided in paragraphs (3) and (4),'' after ''(2)'' and by striking ''and'' at the end;

(C) by redesignating paragraph (3) as paragraph (5); and

(D) by inserting after paragraph (2) the following new paragraphs:

''(3) a fine under this title or imprisonment for not more than 20 years, or both, if the offense is committed to facilitate a drug trafficking crime (as defined in section 929(a)(2) of this title);

''(4) a fine under this title or imprisonment for not more than 25 years, or both, if the offense is committed to facilitate an act of international terrorism (as defined in section 2331(1) of this title); and''.

(2) Sections 1425 through 1427, sections 1541 through 1544, and section 1546(a) of title 18, United States Code, are each amended by striking ''imprisoned not more'' and all that follows through ''years'' each place it appears and inserting the following: ''imprisoned not more than 25 years (if the offense was committed to facilitate an act of international terrorism (as defined in section 2331 of this title)), 20 years (if the offense was committed to facilitate a drug trafficking crime (as defined in section 929(a) of this title)), 10 years (in the case of the first or second such offense, if the offense was not committed to facility such an act of international terrorism or a drug trafficking crime), or 15 years (in the case of any other offense)''.

(b) CHANGES TO THE SENTENCING LEVELS.—

(1) IN GENERAL.—Pursuant to the Commission's authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall promulgate sentencing guidelines or amend existing sentencing guidelines for offenders convicted of violating, or conspiring to violate, sections 1028(b)(1), 1425 through 1427, 1541 through 1544, and 1546(a) of title 18, United States Code, in accordance with this subsection.

(2) REQUIREMENTS.—In carrying out this subsection, the Commission shall, with respect to the offenses referred to in paragraph (1)—

(A) increase the base offense level for such offenses at least 2 offense levels above the level in effect on the date of the enactment of this Act;

(B) review the sentencing enhancement for number of documents or passports involved (U.S.S.G. 2L2.1(b)(2)), and increase the upward adjustment by at least 50 percent above the applicable enhancement in effect on the date of the enactment of this Act;

(C) impose an appropriate sentencing enhancement upon an offender with 1 prior felony

conviction arising out of a separate and prior prosecution for an offense that involved the same or similar underlying conduct as the current offense, to be applied in addition to any sentencing enhancement that would otherwise apply pursuant to the calculation of the defendant's criminal history category;

(D) impose an additional appropriate sentencing enhancement upon an offender with 2 or more prior felony convictions arising out of separate and prior prosecutions for offenses that involved the same or similar underlying conduct as the current offense, to be applied in addition to any sentencing enhancement that would otherwise apply pursuant to the calculation of the defendant's criminal history category; and

(E) consider whether any other aggravating or mitigating circumstances warrant upward or downward sentencing adjustments.

(3) EMERGENCY AUTHORITY TO SENTENCING COMMISSION.—The Commission shall promulgate the guidelines or amendments provided for under this subsection as soon as practicable in accordance with the procedure set forth in section 21(a) of the Sentencing Act of 1987, as though the authority under that Act had not expired.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to offenses occurring on or after the date of the enactment of this Act.

SEC. 212. NEW DOCUMENT FRAUD OFFENSES; NEW CIVIL PENALTIES FOR DOCUMENT FRAUD.

(a) ACTIVITIES PROHIBITED.—Section 274C(a) (8 U.S.C. 1324c(a)) is amended—

(1) in paragraph (1), by inserting before the comma at the end the following: ''or to obtain a benefit under this Act'';

(2) in paragraph (2), by inserting before the comma at the end the following: ''or to obtain a benefit under this Act'';

(3) in paragraph (3)—

(A) by inserting ''or with respect to'' after ''issued to'';

(B) by adding before the comma at the end the following: ''or obtaining a benefit under this Act''; and

(C) by striking ''or'' at the end;

(4) in paragraph (4)—

(A) by inserting ''or with respect to'' after ''issued to'';

(B) by adding before the period at the end the following: ''or obtaining a benefit under this Act''; and

(C) by striking the period at the end and inserting '', or''; and

(5) by adding at the end the following new paragraphs:

''(5) to prepare, file, or assist another in preparing or filing, any application for benefits under this Act, or any document required under this Act, or any document submitted in connection with such application or document, with knowledge or in reckless disregard of the fact that such application or document was falsely made or, in whole or in part, does not relate to the person on whose behalf it was or is being submitted, or

''(6)(A) to present before boarding a common carrier for the purpose of coming to the United States a document which relates to the alien's eligibility to enter the United States, and (B) to fail to present such document to an immigration officer upon arrival at a United States port of entry.''.

(b) DEFINITION OF FALSELY MAKE.—Section 274C (8 U.S.C. 1324c), as amended by section 213 of this division, is further amended by adding at the end the following new subsection:

''(f) FALSELY MAKE.—For purposes of this section, the term 'falsely make' means to prepare or provide an application or document, with knowledge or in reckless disregard of the fact that the application or document contains a false, fictitious, or fraudulent statement or material representation, or has no basis in law or fact, or otherwise fails to state a fact which is material to the purpose for which it was submitted.''.

(c) CONFORMING AMENDMENT.—Section 274C(d)(3) (8 U.S.C. 1324c(d)(3)) is amended by striking ''each document used, accepted, or created and each instance of use, acceptance, or creation'' each place it appears and inserting ''each document that is the subject of a violation under subsection (a)''.

(d) WAIVER BY ATTORNEY GENERAL.—Section 274C(d) (8 U.S.C. 1324c(d)) is amended by adding at the end the following new paragraph:

''(7) WAIVER BY ATTORNEY GENERAL.—The Attorney General may waive the penalties imposed by this section with respect to an alien who knowingly violates subsection (a)(6) if the alien is granted asylum under section 208 or withholding of deportation under section 243(h).''.

(e) EFFECTIVE DATE.—Section 274C(f) of the Immigration and Nationality Act, as added by subsection (b), applies to the preparation of applications before, on, or after the date of the enactment of this Act.

SEC. 213. NEW CRIMINAL PENALTIES FOR FAILURE TO DISCLOSE ROLE AS PREPARER OF FALSE APPLICATION FOR IMMIGRATION BENEFITS.

Section 274C (8 U.S.C. 1324c) is amended by adding at the end the following new subsection:

''(e) CRIMINAL PENALTIES FOR FAILURE TO DISCLOSE ROLE AS DOCUMENT PREPARER.—(1) Whoever, in any matter within the jurisdiction of the Service, knowingly and willfully fails to disclose, conceals, or covers up the fact that they have, on behalf of any person and for a fee or other remuneration, prepared or assisted in preparing an application which was falsely made (as defined in subsection (f)) for immigration benefits, shall be fined in accordance with title 18, United States Code, imprisoned for not more than 5 years, or both, and prohibited from preparing or assisting in preparing, whether or not for a fee or other remuneration, any other such application.

''(2) Whoever, having been convicted of a violation of paragraph (1), knowingly and willfully prepares or assists in preparing an application for immigration benefits pursuant to this Act, or the regulations promulgated thereunder, whether or not for a fee or other remuneration and regardless of whether in any matter within the jurisdiction of the Service, shall be fined in accordance with title 18, United States Code, imprisoned for not more than 15 years, or both, and prohibited from preparing or assisting in preparing any other such application.''.

SEC. 214. CRIMINAL PENALTY FOR KNOWINGLY PRESENTING DOCUMENT WHICH FAILS TO CONTAIN REASONABLE BASIS IN LAW OR FACT.

The fourth paragraph of section 1546(a) of title 18, United States Code, is amended by striking ''containing any such false statement'' and inserting ''which contains any such false statement or which fails to contain any reasonable basis in law or fact''.

SEC. 215. CRIMINAL PENALTY FOR FALSE CLAIM TO CITIZENSHIP.

Section 1015 of title 18, United States Code, is amended—

(1) by striking the dash at the end of paragraph (d) and inserting ''; or'', and

(2) by inserting after paragraph (d) the following:

''(e) Whoever knowingly makes any false statement or claim that he is, or at any time has been, a citizen or national of the United States, with the intent to obtain on behalf of himself, or any other person, any Federal or State benefit or service, or to engage unlawfully in employment in the United States; or

''(f) Whoever knowingly makes any false statement or claim that he is a citizen of the United States in order to register to vote or to vote in any Federal, State, or local election (including an initiative, recall, or referendum)—''.

SEC. 216. CRIMINAL PENALTY FOR VOTING BY ALIENS IN FEDERAL ELECTION.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after section 610 the following:

''§ 611. Voting by aliens

''(a) It shall be unlawful for any alien to vote in any election held solely or in part for the purpose of electing a candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, Delegate from the District of Columbia, or Resident Commissioner, unless—

''(1) the election is held partly for some other purpose;

''(2) aliens are authorized to vote for such other purpose under a State constitution or statute or a local ordinance; and

''(3) voting for such other purpose is conducted independently of voting for a candidate for such Federal offices, in such a manner that an alien has the opportunity to vote for such other purpose, but not an opportunity to vote for a candidate for any one or more of such Federal offices.

''(b) Any person who violates this section shall be fined under this title, imprisoned not more than one year, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 29 of title 18, United States Code, is amended by inserting after the item relating to section 610 the following new item:

''611. Voting by aliens.''.

SEC. 217. CRIMINAL FORFEITURE FOR PASSPORT AND VISA RELATED OFFENSES.

Section 982(a) of title 18, United States Code, is amended by inserting after paragraph (5) the following new paragraph:

''(6)(A) The court, in imposing sentence on a person convicted of a violation of, or conspiracy to violate, section 1425, 1426, 1427, 1541, 1542, 1543, 1544, or 1546 of this title, or a violation of, or conspiracy to violate, section 1028 of this title if committed in connection with passport or visa issuance or use, shall order that the person forfeit to the United States, regardless of any provision of State law—

''(i) any conveyance, including any vessel, vehicle, or aircraft used in the commission of a violation of, or a conspiracy to violate, subsection (a); and

''(ii) any property real or personal—

''(I) that constitutes, or is derived from or is traceable to the proceeds obtained directly or indirectly from the commission of a violation of, or a conspiracy to violate, subsection (a), section 274A(a)(1) or 274A(a)(2) of the Immigration and Nationality Act, or section 1028, 1425, 1426, 1427, 1541, 1542, 1543, 1544, or 1546 of this title; or

''(II) that is used to facilitate, or is intended to be used to facilitate, the commission of a violation of, or a conspiracy to violate, subsection (a), section 274A(a)(1) or 274A(a)(2) of the Immigration and Nationality Act, or section 1028, 1425, 1426, 1427, 1541, 1542, 1543, 1544, or 1546 of this title.

The court, in imposing sentence on such person, shall order that the person forfeit to the United States all property described in this subparagraph.

''(B) The criminal forfeiture of property under subparagraph (A), including any seizure and disposition of the property and any related administrative or judicial proceeding, shall be governed by the provisions of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853), other than subsections (a) and (d) of such section 413.''.

SEC. 218. CRIMINAL PENALTIES FOR INVOLUNTARY SERVITUDE.

(a) AMENDMENTS TO TITLE 18.—Sections 1581, 1583, 1584, and 1588 of title 18, United States Code, are amended by striking ''five'' each place it appears and inserting ''10''.

(b) REVIEW OF SENTENCING GUIDELINES.—The United States Sentencing Commission shall ascertain whether there exists an unwarranted disparity—

(1) between the sentences for peonage, involuntary servitude, and slave trade offenses, and the sentences for kidnapping offenses in effect on the date of the enactment of this Act; and

(2) between the sentences for peonage, involuntary servitude, and slave trade offenses, and the sentences for alien smuggling offenses in effect on the date of the enactment of this Act and after the amendment made by subsection (a).

(c) AMENDMENT OF SENTENCING GUIDELINES.—

(1) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall review its guidelines on sentencing for peonage, involuntary servitude, and slave trade offenses under sections 1581 through 1588 of title 18, United States Code, and shall amend such guidelines as necessary to—

(A) reduce or eliminate any unwarranted disparity found under subsection (b) that exists between the sentences for peonage, involuntary servitude, and slave trade offenses, and the sentences for kidnapping offenses and alien smuggling offenses;

(B) ensure that the applicable guidelines for defendants convicted of peonage, involuntary servitude, and slave trade offenses are sufficiently stringent to deter such offenses and adequately reflect the heinous nature of such offenses; and

(C) ensure that the guidelines reflect the general appropriateness of enhanced sentences for defendants whose peonage, involuntary servitude, or slave trade offenses involve—

(i) a large number of victims;

(ii) the use or threatened use of a dangerous weapon; or

(iii) a prolonged period of peonage or involuntary servitude.

(2) EMERGENCY AUTHORITY TO SENTENCING COMMISSION.—The Commission shall promulgate the guidelines or amendments provided for under this subsection as soon as practicable in accordance with the procedure set forth in section 21(a) of the Sentencing Act of 1987, as though the authority under that Act had not expired.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to offenses occurring on or after the date of the enactment of this Act.

SEC. 219. ADMISSIBILITY OF VIDEOTAPED WITNESS TESTIMONY.

Section 274 (8 U.S.C. 1324) is amended by adding at the end thereof the following new subsection:

''(d) Notwithstanding any provision of the Federal Rules of Evidence, the videotaped (or otherwise audiovisually preserved) deposition of a witness to a violation of subsection (a) who has been deported or otherwise expelled from the United States, or is otherwise unable to testify, may be admitted into evidence in an action brought for that violation if the witness was available for cross examination and the deposition otherwise complies with the Federal Rules of Evidence.''.

SEC. 220. SUBPOENA AUTHORITY IN DOCUMENT FRAUD ENFORCEMENT.

Section 274C(d)(1) (8 U.S.C. 1324c(d)(1)) is amended—

(1) by striking ''and'' at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting '', and''; and

(3) by inserting after subparagraph (B) the following:

''(C) immigration officers designated by the Commissioner may compel by subpoena the attendance of witnesses and the production of evidence at any designated place prior to the filing of a complaint in a case under paragraph (2).''.

TITLE III—INSPECTION, APPREHENSION, DETENTION, ADJUDICATION, AND REMOVAL OF INADMISSIBLE AND DEPORTABLE ALIENS

Subtitle A—Revision of Procedures for Removal of Aliens

SEC. 301. TREATING PERSONS PRESENT IN THE UNITED STATES WITHOUT AUTHORIZATION AS NOT ADMITTED.

(a) ''ADMISSION'' DEFINED.—Paragraph (13) of section 101(a) (8 U.S.C. 1101(a)) is amended to read as follows:

''(13)(A) The terms 'admission' and 'admitted' mean, with respect to an alien, the lawful entry of the alien into the United States after inspection and authorization by an immigration officer.

''(B) An alien who is paroled under section 212(d)(5) or permitted to land temporarily as an alien crewman shall not be considered to have been admitted.

''(C) An alien lawfully admitted for permanent residence in the United States shall not be regarded as seeking an admission into the United States for purposes of the immigration laws unless the alien—

''(i) has abandoned or relinquished that status,

''(ii) has been absent from the United States for a continuous period in excess of 180 days,

''(iii) has engaged in illegal activity after having departed the United States,

''(iv) has departed from the United States while under legal process seeking removal of the alien from the United States, including removal proceedings under this Act and extradition proceedings,

''(v) has committed an offense identified in section 212(a)(2), unless since such offense the alien has been granted relief under section 212(h) or 240A(a), or

''(vi) is attempting to enter at a time or place other than as designated by immigration officers or has not been admitted to the United States after inspection and authorization by an immigration officer.''.

(b) INADMISSIBILITY OF ALIENS PREVIOUSLY REMOVED AND UNLAWFULLY PRESENT.—

(1) IN GENERAL.—Section 212(a) (8 U.S.C. 1182(a)) is amended by redesignating paragraph (9) as paragraph (10) and by inserting after paragraph (8) the following new paragraph:

''(9) ALIENS PREVIOUSLY REMOVED.—

''(A) CERTAIN ALIENS PREVIOUSLY REMOVED.—

''(i) ARRIVING ALIENS.—Any alien who has been ordered removed under section 235(b)(1) or at the end of proceedings under section 240 initiated upon the alien's arrival in the United States and who again seeks admission within 5 years of the date of such removal (or within 20 years in the case of a second or subsequent removal or at any time in the case of an alien convicted of an aggravated felony) is inadmissible.

''(ii) OTHER ALIENS.—Any alien not described in clause (i) who—

''(I) has been ordered removed under section 240 or any other provision of law, or

''(II) departed the United States while an order of removal was outstanding,

and who seeks admission within 10 years of the date of such alien's departure or removal (or within 20 years of such date in the case of a second or subsequent removal or at any time in the case of an alien convicted of an aggravated felony) is inadmissible.

''(iii) EXCEPTION.—Clauses (i) and (ii) shall not apply to an alien seeking admission within a period if, prior to the date of the alien's reembarkation at a place outside the United States or attempt to be admitted from foreign contiguous territory, the Attorney General has consented to the alien's reapplying for admission.

''(B) ALIENS UNLAWFULLY PRESENT.—

''(i) IN GENERAL.—Any alien (other than an alien lawfully admitted for permanent residence) who—

''(I) was unlawfully present in the United States for a period of more than 180 days but less than 1 year, voluntarily departed the United States (whether or not pursuant to section 244(e)) prior to the commencement of proceedings under section 235(b)(1) or section 240, and again seeks admission within 3 years of the date of such alien's departure or removal, or

''(II) has been unlawfully present in the United States for one year or more, and who again seeks admission within 10 years of the date of such alien's departure or removal from the United States,

is inadmissible.

''(ii) CONSTRUCTION OF UNLAWFUL PRESENCE.—For purposes of this paragraph, an alien is deemed to be unlawfully present in the United States if the alien is present in the United States after the expiration of the period of stay authorized by the Attorney General or is present in the United States without being admitted or paroled.

''(iii) EXCEPTIONS.—

''(I) MINORS.—No period of time in which an alien is under 18 years of age shall be taken into account in determining the period of unlawful presence in the United States under clause (i).

''(II) ASYLEES.—No period of time in which an alien has a bona fide application for asylum pending under section 208 shall be taken into account in determining the period of unlawful presence in the United States under clause (i) unless the alien during such period was employed without authorization in the United States.

''(III) FAMILY UNITY.—No period of time in which the alien is a beneficiary of family unity protection pursuant to section 301 of the Immigration Act of 1990 shall be taken into account in determining the period of unlawful presence in the United States under clause (i).

''(IV) BATTERED WOMEN AND CHILDREN.—Clause (i) shall not apply to an alien who would be described in paragraph (6)(A)(ii) if 'violation of the terms of the alien's nonimmigrant visa' were substituted for 'unlawful entry into the United States' in subclause (III) of that paragraph.

''(iv) TOLLING FOR GOOD CAUSE.—In the case of an alien who—

''(I) has been lawfully admitted or paroled into the United States,

''(II) has filed a nonfrivolous application for a change or extension of status before the date of expiration of the period of stay authorized by the Attorney General, and

''(III) has not been employed without authorization in the United States before or during the pendency of such application,

the calculation of the period of time specified in clause (i)(I) shall be tolled during the pendency of such application, but not to exceed 120 days.

''(v) WAIVER.—The Attorney General has sole discretion to waive clause (i) in the case of an immigrant who is the spouse or son or daughter of a United States citizen or of an alien lawfully admitted for permanent residence, if it is established to the satisfaction of the Attorney General that the refusal of admission to such immigrant alien would result in extreme hardship to the citizen or lawfully resident spouse or parent of such alien. No court shall have jurisdiction to review a decision or action by the Attorney General regarding a waiver under this clause.

''(C) ALIENS UNLAWFULLY PRESENT AFTER PREVIOUS IMMIGRATION VIOLATIONS.—

''(i) IN GENERAL.—Any alien who—

''(I) has been unlawfully present in the United States for an aggregate period of more than 1 year, or

''(II) has been ordered removed under section 235(b)(1), section 240, or any other provision of law,

and who enters or attempts to reenter the United States without being admitted is inadmissible.

''(ii) EXCEPTION.—Clause (i) shall not apply to an alien seeking admission more than 10 years after the date of the alien's last departure from

the United States if, prior to the alien's reembarkation at a place outside the United States or attempt to be readmitted from a foreign contiguous territory, the Attorney General has consented to the alien's reapplying for admission.''.

(2) LIMITATION ON CHANGE OF STATUS.—Section 248 (8 U.S.C. 1258) is amended by inserting ''and who is not inadmissible under section 212(a)(9)(B)(i) (or whose inadmissibility under such section is waived under section 212(a)(9)(B)(v))'' after ''maintain that status''.

(3) TREATMENT OF UNLAWFUL PRESENCE BEFORE EFFECTIVE DATE.—In applying section 212(a)(9)(B) of the Immigration and Nationality Act, as inserted by paragraph (1), no period before the title III–A effective date shall be included in a period of unlawful presence in the United States.

(c) REVISION TO GROUND OF INADMISSIBILITY FOR ILLEGAL ENTRANTS AND IMMIGRATION VIOLATORS.—

(1) IN GENERAL.—Subparagraphs (A) and (B) of section 212(a)(6) (8 U.S.C. 1182(a)(6)) are amended to read as follows:

''(A) ALIENS PRESENT WITHOUT ADMISSION OR PAROLE.—

''(i) IN GENERAL.—An alien present in the United States without being admitted or paroled, or who arrives in the United States at any time or place other than as designated by the Attorney General, is inadmissible.

''(ii) EXCEPTION FOR CERTAIN BATTERED WOMEN AND CHILDREN.—Clause (i) shall not apply to an alien who demonstrates that—

''(I) the alien qualifies for immigrant status under subparagraph (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of section 204(a)(1),

''(II)(a) the alien has been battered or subjected to extreme cruelty by a spouse or parent, or by a member of the spouse's or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, or (b) the alien's child has been battered or subjected to extreme cruelty by a spouse or parent of the alien (without the active participation of the alien in the battery or cruelty) or by a member of the spouse's or parent's family residing in the same household as the alien when the spouse or parent consented to or acquiesced in such battery or cruelty and the alien did not actively participate in such battery or cruelty, and

''(III) there was a substantial connection between the battery or cruelty described in subclause (I) or (II) and the alien's unlawful entry into the United States.

''(B) FAILURE TO ATTEND REMOVAL PROCEEDING.—Any alien who without reasonable cause fails or refuses to attend or remain in attendance at a proceeding to determine the alien's inadmissibility or deportability and who seeks admission to the United States within 5 years of such alien's subsequent departure or removal is inadmissible. ''.

(2) TRANSITION FOR BATTERED SPOUSE OR CHILD PROVISION.—The requirements of subclauses (II) and (III) of section 212(a)(6)(A)(ii) of the Immigration and Nationality Act, as inserted by paragraph (1), shall not apply to an alien who demonstrates that the alien first arrived in the United States before the title III–A effective date (described in section 309(a) of this division).

(d) ADJUSTMENT IN GROUNDS FOR DEPORTATION.—Section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division, is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking ''in the United States'' and inserting ''in and admitted to the United States'';

(2) in subsection (a)(1), by striking ''EXCLUDABLE'' each place it appears and inserting ''INADMISSIBLE'';

(3) in subsection (a)(1)(A), by striking ''excludable'' and inserting ''inadmissible''; and

(4) by amending subparagraph (B) of subsection (a)(1) to read as follows:

''(B) PRESENT IN VIOLATION OF LAW.—Any alien who is present in the United States in violation of this Act or any other law of the United States is deportable.

SEC. 302. INSPECTION OF ALIENS; EXPEDITED REMOVAL OF INADMISSIBLE ARRIVING ALIENS; REFERRAL FOR HEARING (REVISED SECTION 235).

(a) IN GENERAL.—Section 235 (8 U.S.C. 1225) is amended to read as follows:

''INSPECTION BY IMMIGRATION OFFICERS; EXPEDITED REMOVAL OF INADMISSIBLE ARRIVING ALIENS; REFERRAL FOR HEARING

''SEC. 235. (a) INSPECTION.—

''(1) ALIENS TREATED AS APPLICANTS FOR ADMISSION.—An alien present in the United States who has not been admitted or who arrives in the United States (whether or not at a designated port of arrival and including an alien who is brought to the United States after having been interdicted in international or United States waters) shall be deemed for purposes of this Act an applicant for admission.

''(2) STOWAWAYS.—An arriving alien who is a stowaway is not eligible to apply for admission or to be admitted and shall be ordered removed upon inspection by an immigration officer. Upon such inspection if the alien indicates an intention to apply for asylum under section 208 or a fear of persecution, the officer shall refer the alien for an interview under subsection (b)(1)(B). A stowaway may apply for asylum only if the stowaway is found to have a credible fear of persecution under subsection (b)(1)(B). In no case may a stowaway be considered an applicant for admission or eligible for a hearing under section 240.

''(3) INSPECTION.—All aliens (including alien crewmen) who are applicants for admission or otherwise seeking admission or readmission to or transit through the United States shall be inspected by immigration officers.

''(4) WITHDRAWAL OF APPLICATION FOR ADMISSION.—An alien applying for admission may, in the discretion of the Attorney General and at any time, be permitted to withdraw the application for admission and depart immediately from the United States.

''(5) STATEMENTS.—An applicant for admission may be required to state under oath any information sought by an immigration officer regarding the purposes and intentions of the applicant in seeking admission to the United States, including the applicant's intended length of stay and whether the applicant intends to remain permanently or become a United States citizen, and whether the applicant is inadmissible.

''(b) INSPECTION OF APPLICANTS FOR ADMISSION.—

''(1) INSPECTION OF ALIENS ARRIVING IN THE UNITED STATES AND CERTAIN OTHER ALIENS WHO HAVE NOT BEEN ADMITTED OR PAROLED.—

''(A) SCREENING.—

''(i) IN GENERAL.—If an immigration officer determines that an alien (other than an alien described in subparagraph (F)) who is arriving in the United States or is described in clause (iii) is inadmissible under section 212(a)(6)(C) or 212(a)(7), the officer shall order the alien removed from the United States without further hearing or review unless the alien indicates either an intention to apply for asylum under section 208 or a fear of persecution.

''(ii) CLAIMS FOR ASYLUM.—If an immigration officer determines that an alien (other than an alien described in subparagraph (F)) who is arriving in the United States or is described in clause (iii) is inadmissible under section 212(a)(6)(C) or 212(a)(7) and the alien indicates either an intention to apply for asylum under section 208 or a fear of persecution, the officer shall refer the alien for an interview by an asylum officer under subparagraph (B).

''(iii) APPLICATION TO CERTAIN OTHER ALIENS.—

''(I) IN GENERAL.—The Attorney General may apply clauses (i) and (ii) of this subparagraph to any or all aliens described in subclause (II) as designated by the Attorney General. Such designation shall be in the sole and unreviewable discretion of the Attorney General and may be modified at any time.

''(II) ALIENS DESCRIBED.—An alien described in this clause is an alien who is not described in subparagraph (F), who has not been admitted or paroled into the United States, and who has not affirmatively shown, to the satisfaction of an immigration officer, that the alien has been physically present in the United States continuously for the 2-year period immediately prior to the date of the determination of inadmissibility under this subparagraph.

''(B) ASYLUM INTERVIEWS.—

''(i) CONDUCT BY ASYLUM OFFICERS.—An asylum officer shall conduct interviews of aliens referred under subparagraph (A)(ii), either at a port of entry or at such other place designated by the Attorney General.

''(ii) REFERRAL OF CERTAIN ALIENS.—If the officer determines at the time of the interview that an alien has a credible fear of persecution (within the meaning of clause (v)), the alien shall be detained for further consideration of the application for asylum.

''(iii) REMOVAL WITHOUT FURTHER REVIEW IF NO CREDIBLE FEAR OF PERSECUTION.—

''(I) IN GENERAL.—Subject to subclause (III), if the officer determines that an alien does not have a credible fear of persecution, the officer shall order the alien removed from the United States without further hearing or review.

''(II) RECORD OF DETERMINATION.—The officer shall prepare a written record of a determination under subclause (I). Such record shall include a summary of the material facts as stated by the applicant, such additional facts (if any) relied upon by the officer, and the officer's analysis of why, in the light of such facts, the alien has not established a credible fear of persecution. A copy of the officer's interview notes shall be attached to the written summary.

''(III) REVIEW OF DETERMINATION.—The Attorney General shall provide by regulation and upon the alien's request for prompt review by an immigration judge of a determination under subclause (I) that the alien does not have a credible fear of persecution. Such review shall include an opportunity for the alien to be heard and questioned by the immigration judge, either in person or by telephonic or video connection. Review shall be concluded as expeditiously as possible, to the maximum extent practicable within 24 hours, but in no case later than 7 days after the date of the determination under subclause (I).

''(IV) MANDATORY DETENTION.—Any alien subject to the procedures under this clause shall be detained pending a final determination of credible fear of persecution and, if found not to have such a fear, until removed.

''(iv) INFORMATION ABOUT INTERVIEWS.—The Attorney General shall provide information concerning the asylum interview described in this subparagraph to aliens who may be eligible. An alien who is eligible for such interview may consult with a person or persons of the alien's choosing prior to the interview or any review thereof, according to regulations prescribed by the Attorney General. Such consultation shall be at no expense to the Government and shall not unreasonably delay the process.

''(v) CREDIBLE FEAR OF PERSECUTION DEFINED.—For purposes of this subparagraph, the term 'credible fear of persecution' means that there is a significant possibility, taking into account the credibility of the statements made by the alien in support of the alien's claim and such other facts as are known to the officer, that the alien could establish eligibility for asylum under section 208.

''(C) LIMITATION ON ADMINISTRATIVE REVIEW.—Except as provided in subparagraph (B)(iii)(III), a removal order entered in accordance with subparagraph (A)(i) or (B)(iii)(I) is not subject to administrative appeal, except that

the Attorney General shall provide by regulation for prompt review of such an order under subparagraph (A)(i) against an alien who claims under oath, or as permitted under penalty of perjury under section 1746 of title 28, United States Code, after having been warned of the penalties for falsely making such claim under such conditions, to have been lawfully admitted for permanent residence, to have been admitted as a refugee under section 207, or to have been granted asylum under section 208.

''(D) LIMIT ON COLLATERAL ATTACKS.—In any action brought against an alien under section 275(a) or section 276, the court shall not have jurisdiction to hear any claim attacking the validity of an order of removal entered under subparagraph (A)(i) or (B)(iii).

''(E) ASYLUM OFFICER DEFINED.—As used in this paragraph, the term 'asylum officer' means an immigration officer who—

''(i) has had professional training in country conditions, asylum law, and interview techniques comparable to that provided to full-time adjudicators of applications under section 208, and

''(ii) is supervised by an officer who meets the condition described in clause (i) and has had substantial experience adjudicating asylum applications.

''(F) EXCEPTION.—Subparagraph (A) shall not apply to an alien who is a native or citizen of a country in the Western Hemisphere with whose government the United States does not have full diplomatic relations and who arrives by aircraft at a port of entry.

''(2) INSPECTION OF OTHER ALIENS.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), in the case of an alien who is an applicant for admission, if the examining immigration officer determines that an alien seeking admission is not clearly and beyond a doubt entitled to be admitted, the alien shall be detained for a proceeding under section 240.

''(B) EXCEPTION.—Subparagraph (A) shall not apply to an alien—

''(i) who is a crewman,

''(ii) to whom paragraph (1) applies, or

''(iii) who is a stowaway.

''(C) TREATMENT OF ALIENS ARRIVING FROM CONTIGUOUS TERRITORY.—In the case of an alien described in subparagraph (A) who is arriving on land (whether or not at a designated port of arrival) from a foreign territory contiguous to the United States, the Attorney General may return the alien to that territory pending a proceeding under section 240.

''(3) CHALLENGE OF DECISION.—The decision of the examining immigration officer, if favorable to the admission of any alien, shall be subject to challenge by any other immigration officer and such challenge shall operate to take the alien whose privilege to be admitted is so challenged, before an immigration judge for a proceeding under section 240.

''(c) REMOVAL OF ALIENS INADMISSIBLE ON SECURITY AND RELATED GROUNDS.—

''(1) REMOVAL WITHOUT FURTHER HEARING.—If an immigration officer or an immigration judge suspects that an arriving alien may be inadmissible under subparagraph (A) (other than clause (ii)), (B), or (C) of section 212(a)(3), the officer or judge shall—

''(A) order the alien removed, subject to review under paragraph (2);

''(B) report the order of removal to the Attorney General; and

''(C) not conduct any further inquiry or hearing until ordered by the Attorney General.

''(2) REVIEW OF ORDER.—(A) The Attorney General shall review orders issued under paragraph (1).

''(B) If the Attorney General—

''(i) is satisfied on the basis of confidential information that the alien is inadmissible under subparagraph (A) (other than clause (ii)), (B), or (C) of section 212(a)(3), and

''(ii) after consulting with appropriate security agencies of the United States Government, concludes that disclosure of the information would be prejudicial to the public interest, safety, or security,

the Attorney General may order the alien removed without further inquiry or hearing by an immigration judge.

''(C) If the Attorney General does not order the removal of the alien under subparagraph (B), the Attorney General shall specify the further inquiry or hearing that shall be conducted in the case.

''(3) SUBMISSION OF STATEMENT AND INFORMATION.—The alien or the alien's representative may submit a written statement and additional information for consideration by the Attorney General.

''(d) AUTHORITY RELATING TO INSPECTIONS.—

''(1) AUTHORITY TO SEARCH CONVEYANCES.—Immigration officers are authorized to board and search any vessel, aircraft, railway car, or other conveyance or vehicle in which they believe aliens are being brought into the United States.

''(2) AUTHORITY TO ORDER DETENTION AND DELIVERY OF ARRIVING ALIENS.—Immigration officers are authorized to order an owner, agent, master, commanding officer, person in charge, purser, or consignee of a vessel or aircraft bringing an alien (except an alien crewmember) to the United States—

''(A) to detain the alien on the vessel or at the airport of arrival, and

''(B) to deliver the alien to an immigration officer for inspection or to a medical officer for examination.

''(3) ADMINISTRATION OF OATH AND CONSIDERATION OF EVIDENCE.—The Attorney General and any immigration officer shall have power to administer oaths and to take and consider evidence of or from any person touching the privilege of any alien or person he believes or suspects to be an alien to enter, reenter, transit through, or reside in the United States or concerning any matter which is material and relevant to the enforcement of this Act and the administration of the Service.

''(4) SUBPOENA AUTHORITY.—(A) The Attorney General and any immigration officer shall have power to require by subpoena the attendance and testimony of witnesses before immigration officers and the production of books, papers, and documents relating to the privilege of any person to enter, reenter, reside in, or pass through the United States or concerning any matter which is material and relevant to the enforcement of this Act and the administration of the Service, and to that end may invoke the aid of any court of the United States.

''(B) Any United States district court within the jurisdiction of which investigations or inquiries are being conducted by an immigration officer may, in the event of neglect or refusal to respond to a subpoena issued under this paragraph or refusal to testify before an immigration officer, issue an order requiring such persons to appear before an immigration officer, produce books, papers, and documents if demanded, and testify, and any failure to obey such order of the court may be punished by the court as a contempt thereof.''.

(b) GAO STUDY ON OPERATION OF EXPEDITED REMOVAL PROCEDURES.—

(1) STUDY.—The Comptroller General shall conduct a study on the implementation of the expedited removal procedures under section 235(b)(1) of the Immigration and Nationality Act, as amended by subsection (a). The study shall examine—

(A) the effectiveness of such procedures in deterring illegal entry,

(B) the detention and adjudication resources saved as a result of the procedures,

(C) the administrative and other costs expended to comply with the provision,

(D) the effectiveness of such procedures in processing asylum claims by undocumented aliens who assert a fear of persecution, including the accuracy of credible fear determinations, and

(E) the cooperation of other countries and air carriers in accepting and returning aliens removed under such procedures.

(2) REPORT.—By not later than 18 months after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on the Judiciary of the House of Representatives and the Senate a report on the study conducted under paragraph (1).

SEC. 303. APPREHENSION AND DETENTION OF ALIENS (REVISED SECTION 236).

(a) IN GENERAL.—Section 236 (8 U.S.C. 1226) is amended to read as follows:

''APPREHENSION AND DETENTION OF ALIENS

''SEC. 236. (a) ARREST, DETENTION, AND RELEASE.—On a warrant issued by the Attorney General, an alien may be arrested and detained pending a decision on whether the alien is to be removed from the United States. Except as provided in subsection (c) and pending such decision, the Attorney General—

''(1) may continue to detain the arrested alien; and

''(2) may release the alien on—

''(A) bond of at least $1,500 with security approved by, and containing conditions prescribed by, the Attorney General; or

''(B) conditional parole; but

''(3) may not provide the alien with work authorization (including an 'employment authorized' endorsement or other appropriate work permit), unless the alien is lawfully admitted for permanent residence or otherwise would (without regard to removal proceedings) be provided such authorization.

''(b) REVOCATION OF BOND OR PAROLE.—The Attorney General at any time may revoke a bond or parole authorized under subsection (a), rearrest the alien under the original warrant, and detain the alien.

''(c) DETENTION OF CRIMINAL ALIENS.—

''(1) CUSTODY.—The Attorney General shall take into custody any alien who—

''(A) is inadmissible by reason of having committed any offense covered in section 212(a)(2),

''(B) is deportable by reason of having committed any offense covered in section 237(a)(2)(A)(ii), (A)(iii), (B), (C), or (D),

''(C) is deportable under section 237(a)(2)(A)(i) on the basis of an offense for which the alien has been sentence to a term of imprisonment of at least 1 year, or

''(D) is inadmissible under section 212(a)(3)(B) or deportable under section 237(a)(4)(B),

when the alien is released, without regard to whether the alien is released on parole, supervised release, or probation, and without regard to whether the alien may be arrested or imprisoned again for the same offense.

''(2) RELEASE.—The Attorney General may release an alien described in paragraph (1) only if the Attorney General decides pursuant to section 3521 of title 18, United States Code, that release of the alien from custody is necessary to provide protection to a witness, a potential witness, a person cooperating with an investigation into major criminal activity, or an immediate family member or close associate of a witness, potential witness, or person cooperating with such an investigation, and the alien satisfies the Attorney General that the alien will not pose a danger to the safety of other persons or of property and is likely to appear for any scheduled proceeding. A decision relating to such release shall take place in accordance with a procedure that considers the severity of the offense committed by the alien.

''(d) IDENTIFICATION OF CRIMINAL ALIENS.—(1) The Attorney General shall devise and implement a system—

''(A) to make available, daily (on a 24-hour basis), to Federal, State, and local authorities the investigative resources of the Service to determine whether individuals arrested by such authorities for aggravated felonies are aliens;

''(B) to designate and train officers and employees of the Service to serve as a liaison to Federal, State, and local law enforcement and correctional agencies and courts with respect to the arrest, conviction, and release of any alien charged with an aggravated felony; and

''(C) which uses computer resources to maintain a current record of aliens who have been convicted of an aggravated felony, and indicates those who have been removed.

''(2) The record under paragraph (1)(C) shall be made available—

''(A) to inspectors at ports of entry and to border patrol agents at sector headquarters for purposes of immediate identification of any alien who was previously ordered removed and is seeking to reenter the United States, and

''(B) to officials of the Department of State for use in its automated visa lookout system.

''(3) Upon the request of the governor or chief executive officer of any State, the Service shall provide assistance to State courts in the identification of aliens unlawfully present in the United States pending criminal prosecution.

''(e) JUDICIAL REVIEW.—The Attorney General's discretionary judgment regarding the application of this section shall not be subject to review. No court may set aside any action or decision by the Attorney General under this section regarding the detention or release of any alien or the grant, revocation, or denial of bond or parole.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall become effective on the title III–A effective date.

(2) NOTIFICATION REGARDING CUSTODY.—If the Attorney General, not later than 10 days after the date of the enactment of this Act, notifies in writing the Committees on the Judiciary of the House of Representatives and the Senate that there is insufficient detention space and Immigration and Naturalization Service personnel available to carry out section 236(c) of the Immigration and Nationality Act, as amended by subsection (a), or the amendments made by section 440(c) of Public Law 104–132, the provisions in paragraph (3) shall be in effect for a 1-year period beginning on the date of such notification, instead of such section or such amendments. The Attorney General may extend such 1-year period for an additional year if the Attorney General provides the same notice not later than 10 days before the end of the first 1-year period. After the end of such 1-year or 2-year periods, the provisions of such section 236(c) shall apply to individuals released after such periods.

(3) TRANSITION PERIOD CUSTODY RULES.—

(A) IN GENERAL.—During the period in which this paragraph is in effect pursuant to paragraph (2), the Attorney General shall take into custody any alien who—

(i) has been convicted of an aggravated felony (as defined under section 101(a)(43) of the Immigration and Nationality Act, as amended by section 321 of this division),

(ii) is inadmissible by reason of having committed any offense covered in section 212(a)(2) of such Act,

(iii) is deportable by reason of having committed any offense covered in section 241(a)(2)(A)(ii), (A)(iii), (B), (C), or (D) of such Act (before redesignation under this subtitle), or

(iv) is inadmissible under section 212(a)(3)(B) of such Act or deportable under section 241(a)(4)(B) of such Act (before redesignation under this subtitle),

when the alien is released, without regard to whether the alien is released on parole, supervised release, or probation, and without regard to whether the alien may be arrested or imprisoned again for the same offense.

(B) RELEASE.—The Attorney General may release the alien only if the alien is an alien described in subparagraph (A)(ii) or (A)(iii) and—

(i) the alien was lawfully admitted to the United States and satisfies the Attorney General that the alien will not pose a danger to the safety of other persons or of property and is likely to appear for any scheduled proceeding, or

(ii) the alien was not lawfully admitted to the United States, cannot be removed because the designated country of removal will not accept the alien, and satisfies the Attorney General that the alien will not pose a danger to the safety of other persons or of property and is likely to appear for any scheduled proceeding.

SEC. 304. REMOVAL PROCEEDINGS; CANCELLATION OF REMOVAL AND ADJUSTMENT OF STATUS; VOLUNTARY DEPARTURE (REVISED AND NEW SECTIONS 239 TO 240C).

(a) IN GENERAL.—Chapter 4 of title II is amended—

(1) by redesignating section 239 (8 U.S.C. 1229) as section 234 and by moving such section to immediately follow section 233;

(2) by redesignating section 240 (8 U.S.C. 1230) as section 240C; and

(3) by inserting after section 238 the following new sections:

''INITIATION OF REMOVAL PROCEEDINGS

''SEC. 239. (a) NOTICE TO APPEAR.—

''(1) IN GENERAL.—In removal proceedings under section 240, written notice (in this section referred to as a 'notice to appear') shall be given in person to the alien (or, if personal service is not practicable, through service by mail to the alien or to the alien's counsel of record, if any) specifying the following:

''(A) The nature of the proceedings against the alien.

''(B) The legal authority under which the proceedings are conducted.

''(C) The acts or conduct alleged to be in violation of law.

''(D) The charges against the alien and the statutory provisions alleged to have been violated.

''(E) The alien may be represented by counsel and the alien will be provided (i) a period of time to secure counsel under subsection (b)(1) and (ii) a current list of counsel prepared under subsection (b)(2).

''(F)(i) The requirement that the alien must immediately provide (or have provided) the Attorney General with a written record of an address and telephone number (if any) at which the alien may be contacted respecting proceedings under section 240.

''(ii) The requirement that the alien must provide the Attorney General immediately with a written record of any change of the alien's address or telephone number.

''(iii) The consequences under section 240(b)(5) of failure to provide address and telephone information pursuant to this subparagraph.

''(G)(i) The time and place at which the proceedings will be held.

''(ii) The consequences under section 240(b)(5) of the failure, except under exceptional circumstances, to appear at such proceedings.

''(2) NOTICE OF CHANGE IN TIME OR PLACE OF PROCEEDINGS.—

''(A) IN GENERAL.—In removal proceedings under section 240, in the case of any change or postponement in the time and place of such proceedings, subject to subparagraph (B) a written notice shall be given in person to the alien (or, if personal service is not practicable, through service by mail to the alien or to the alien's counsel of record, if any) specifying—

''(i) the new time or place of the proceedings, and

''(ii) the consequences under section 240(b)(5) of failing, except under exceptional circumstances, to attend such proceedings.

''(B) EXCEPTION.—In the case of an alien not in detention, a written notice shall not be required under this paragraph if the alien has failed to provide the address required under paragraph (1)(F).

''(3) CENTRAL ADDRESS FILES.—The Attorney General shall create a system to record and preserve on a timely basis notices of addresses and telephone numbers (and changes) provided under paragraph (1)(F).

''(b) SECURING OF COUNSEL.—

''(1) IN GENERAL.—In order that an alien be permitted the opportunity to secure counsel before the first hearing date in proceedings under section 240, the hearing date shall not be scheduled earlier than 10 days after the service of the notice to appear, unless the alien requests in writing an earlier hearing date.

''(2) CURRENT LISTS OF COUNSEL.—The Attorney General shall provide for lists (updated not less often than quarterly) of persons who have indicated their availability to represent pro bono aliens in proceedings under section 240. Such lists shall be provided under subsection (a)(1)(E) and otherwise made generally available.

''(3) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to prevent the Attorney General from proceeding against an alien pursuant to section 240 if the time period described in paragraph (1) has elapsed and the alien has failed to secure counsel.

''(c) SERVICE BY MAIL.—Service by mail under this section shall be sufficient if there is proof of attempted delivery to the last address provided by the alien in accordance with subsection (a)(1)(F).

''(d) PROMPT INITIATION OF REMOVAL.—(1) In the case of an alien who is convicted of an offense which makes the alien deportable, the Attorney General shall begin any removal proceeding as expeditiously as possible after the date of the conviction.

''(2) Nothing in this subsection shall be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.

''REMOVAL PROCEEDINGS

''SEC. 240. (a) PROCEEDING.—

''(1) IN GENERAL.—An immigration judge shall conduct proceedings for deciding the inadmissibility or deportability of an alien.

''(2) CHARGES.—An alien placed in proceedings under this section may be charged with any applicable ground of inadmissibility under section 212(a) or any applicable ground of deportability under section 237(a).

''(3) EXCLUSIVE PROCEDURES.—Unless otherwise specified in this Act, a proceeding under this section shall be the sole and exclusive procedure for determining whether an alien may be admitted to the United States or, if the alien has been so admitted, removed from the United States. Nothing in this section shall affect proceedings conducted pursuant to section 238.

''(b) CONDUCT OF PROCEEDING.—

''(1) AUTHORITY OF IMMIGRATION JUDGE.—The immigration judge shall administer oaths, receive evidence, and interrogate, examine, and cross-examine the alien and any witnesses. The immigration judge may issue subpoenas for the attendance of witnesses and presentation of evidence. The immigration judge shall have authority (under regulations prescribed by the Attorney General) to sanction by civil money penalty any action (or inaction) in contempt of the judge's proper exercise of authority under this Act.

''(2) FORM OF PROCEEDING.—

''(A) IN GENERAL.—The proceeding may take place—

''(i) in person,

''(ii) where agreed to by the parties, in the absence of the alien,

''(iii) through video conference, or

''(iv) subject to subparagraph (B), through telephone conference.

''(B) CONSENT REQUIRED IN CERTAIN CASES.—An evidentiary hearing on the merits may only be conducted through a telephone conference with the consent of the alien involved after the alien has been advised of the right to proceed in person or through video conference.

''(3) PRESENCE OF ALIEN.—If it is impracticable by reason of an alien's mental incompetency

for the alien to be present at the proceeding, the Attorney General shall prescribe safeguards to protect the rights and privileges of the alien.

''(4) ALIENS RIGHTS IN PROCEEDING.—In proceedings under this section, under regulations of the Attorney General—

''(A) the alien shall have the privilege of being represented, at no expense to the Government, by counsel of the alien's choosing who is authorized to practice in such proceedings,

''(B) the alien shall have a reasonable opportunity to examine the evidence against the alien, to present evidence on the alien's own behalf, and to cross-examine witnesses presented by the Government but these rights shall not entitle the alien to examine such national security information as the Government may proffer in opposition to the alien's admission to the United States or to an application by the alien for discretionary relief under this Act, and

''(C) a complete record shall be kept of all testimony and evidence produced at the proceeding.

''(5) CONSEQUENCES OF FAILURE TO APPEAR.—

''(A) IN GENERAL.—Any alien who, after written notice required under paragraph (1) or (2) of section 239(a) has been provided to the alien or the alien's counsel of record, does not attend a proceeding under this section, shall be ordered removed in absentia if the Service establishes by clear, unequivocal, and convincing evidence that the written notice was so provided and that the alien is removable (as defined in subsection (e)(2)). The written notice by the Attorney General shall be considered sufficient for purposes of this subparagraph if provided at the most recent address provided under section 239(a)(1)(F).

''(B) NO NOTICE IF FAILURE TO PROVIDE ADDRESS INFORMATION.—No written notice shall be required under subparagraph (A) if the alien has failed to provide the address required under section 239(a)(1)(F).

''(C) RESCISSION OF ORDER.—Such an order may be rescinded only—

''(i) upon a motion to reopen filed within 180 days after the date of the order of removal if the alien demonstrates that the failure to appear was because of exceptional circumstances (as defined in subsection (e)(1)), or

''(ii) upon a motion to reopen filed at any time if the alien demonstrates that the alien did not receive notice in accordance with paragraph (1) or (2) of section 239(a) or the alien demonstrates that the alien was in Federal or State custody and the failure to appear was through no fault of the alien.

The filing of the motion to reopen described in clause (i) or (ii) shall stay the removal of the alien pending disposition of the motion by the immigration judge.

''(D) EFFECT ON JUDICIAL REVIEW.—Any petition for review under section 242 of an order entered in absentia under this paragraph shall (except in cases described in section 242(b)(5)) be confined to (i) the validity of the notice provided to the alien, (ii) the reasons for the alien's not attending the proceeding, and (iii) whether or not the alien is removable.

''(E) ADDITIONAL APPLICATION TO CERTAIN ALIENS IN CONTIGUOUS TERRITORY.—The preceding provisions of this paragraph shall apply to all aliens placed in proceedings under this section, including any alien who remains in a contiguous foreign territory pursuant to section 235(b)(2)(C).

''(6) TREATMENT OF FRIVOLOUS BEHAVIOR.—The Attorney General shall, by regulation—

''(A) define in a proceeding before an immigration judge or before an appellate administrative body under this title, frivolous behavior for which attorneys may be sanctioned,

''(B) specify the circumstances under which an administrative appeal of a decision or ruling will be considered frivolous and will be summarily dismissed, and

''(C) impose appropriate sanctions (which may include suspension and disbarment) in the case of frivolous behavior.

Nothing in this paragraph shall be construed as limiting the authority of the Attorney General to take actions with respect to inappropriate behavior.

''(7) LIMITATION ON DISCRETIONARY RELIEF FOR FAILURE TO APPEAR.—Any alien against whom a final order of removal is entered in absentia under this subsection and who, at the time of the notice described in paragraph (1) or (2) of section 239(a), was provided oral notice, either in the alien's native language or in another language the alien understands, of the time and place of the proceedings and of the consequences under this paragraph of failing, other than because of exceptional circumstances (as defined in subsection (e)(1)) to attend a proceeding under this section, shall not be eligible for relief under section 240A, 240B, 245, 248, or 249 for a period of 10 years after the date of the entry of the final order of removal.

''(c) DECISION AND BURDEN OF PROOF.—

''(1) DECISION.—

''(A) IN GENERAL.—At the conclusion of the proceeding the immigration judge shall decide whether an alien is removable from the United States. The determination of the immigration judge shall be based only on the evidence produced at the hearing.

''(B) CERTAIN MEDICAL DECISIONS.—If a medical officer or civil surgeon or board of medical officers has certified under section 232(b) that an alien has a disease, illness, or addiction which would make the alien inadmissible under paragraph (1) of section 212(a), the decision of the immigration judge shall be based solely upon such certification.

''(2) BURDEN ON ALIEN.—In the proceeding the alien has the burden of establishing—

''(A) if the alien is an applicant for admission, that the alien is clearly and beyond doubt entitled to be admitted and is not inadmissible under section 212; or

''(B) by clear and convincing evidence, that the alien is lawfully present in the United States pursuant to a prior admission.

In meeting the burden of proof under subparagraph (B), the alien shall have access to the alien's visa or other entry document, if any, and any other records and documents, not considered by the Attorney General to be confidential, pertaining to the alien's admission or presence in the United States.

''(3) BURDEN ON SERVICE IN CASES OF DEPORTABLE ALIENS.—

''(A) IN GENERAL.—In the proceeding the Service has the burden of establishing by clear and convincing evidence that, in the case of an alien who has been admitted to the United States, the alien is deportable. No decision on deportability shall be valid unless it is based upon reasonable, substantial, and probative evidence.

''(B) PROOF OF CONVICTIONS.—In any proceeding under this Act, any of the following documents or records (or a certified copy of such an official document or record) shall constitute proof of a criminal conviction:

''(i) An official record of judgment and conviction.

''(ii) An official record of plea, verdict, and sentence.

''(iii) A docket entry from court records that indicates the existence of the conviction.

''(iv) Official minutes of a court proceeding or a transcript of a court hearing in which the court takes notice of the existence of the conviction.

''(v) An abstract of a record of conviction prepared by the court in which the conviction was entered, or by a State official associated with the State's repository of criminal justice records, that indicates the charge or section of law violated, the disposition of the case, the existence and date of conviction, and the sentence.

''(vi) Any document or record prepared by, or under the direction of, the court in which the conviction was entered that indicates the existence of a conviction.

''(vii) Any document or record attesting to the conviction that is maintained by an official of a State or Federal penal institution, which is the basis for that institution's authority to assume custody of the individual named in the record.

''(C) ELECTRONIC RECORDS.—In any proceeding under this Act, any record of conviction or abstract that has been submitted by electronic means to the Service from a State or court shall be admissible as evidence to prove a criminal conviction if it is—

''(i) certified by a State official associated with the State's repository of criminal justice records as an official record from its repository or by a court official from the court in which the conviction was entered as an official record from its repository, and

''(ii) certified in writing by a Service official as having been received electronically from the State's record repository or the court's record repository.

A certification under clause (i) may be by means of a computer-generated signature and statement of authenticity.

''(4) NOTICE.—If the immigration judge decides that the alien is removable and orders the alien to be removed, the judge shall inform the alien of the right to appeal that decision and of the consequences for failure to depart under the order of removal, including civil and criminal penalties.

''(5) MOTIONS TO RECONSIDER.—

''(A) IN GENERAL.—The alien may file one motion to reconsider a decision that the alien is removable from the United States.

''(B) DEADLINE.—The motion must be filed within 30 days of the date of entry of a final administrative order of removal.

''(C) CONTENTS.—The motion shall specify the errors of law or fact in the previous order and shall be supported by pertinent authority.

''(6) MOTIONS TO REOPEN.—

''(A) IN GENERAL.—An alien may file one motion to reopen proceedings under this section.

''(B) CONTENTS.—The motion to reopen shall state the new facts that will be proven at a hearing to be held if the motion is granted, and shall be supported by affidavits or other evidentiary material.

''(C) DEADLINE.—

''(i) IN GENERAL.—Except as provided in this subparagraph, the motion to reopen shall be filed within 90 days of the date of entry of a final administrative order of removal.

''(ii) ASYLUM.—There is no time limit on the filing of a motion to reopen if the basis of the motion is to apply for relief under sections 208 or 241(b)(3) and is based on changed country conditions arising in the country of nationality or the country to which removal has been ordered, if such evidence is material and was not available and would not have been discovered or presented at the previous proceeding.

''(iii) FAILURE TO APPEAR.—The filing of a motion to reopen an order entered pursuant to subsection (b)(5) is subject to the deadline specified in subparagraph (C) of such subsection.

''(d) STIPULATED REMOVAL.—The Attorney General shall provide by regulation for the entry by an immigration judge of an order of removal stipulated to by the alien (or the alien's representative) and the Service. A stipulated order shall constitute a conclusive determination of the alien's removability from the United States.

''(e) DEFINITIONS.—In this section and section 240A:

''(1) EXCEPTIONAL CIRCUMSTANCES.—The term 'exceptional circumstances' refers to exceptional circumstances (such as serious illness of the alien or serious illness or death of the spouse, child, or parent of the alien, but not including less compelling circumstances) beyond the control of the alien.

''(2) REMOVABLE.—The term 'removable' means—

''(A) in the case of an alien not admitted to the United States, that the alien is inadmissible under section 212, or

''(B) in the case of an alien admitted to the United States, that the alien is deportable under section 237.

''CANCELLATION OF REMOVAL; ADJUSTMENT OF STATUS

''SEC. 240A. (a) CANCELLATION OF REMOVAL FOR CERTAIN PERMANENT RESIDENTS.—The Attorney General may cancel removal in the case of an alien who is inadmissible or deportable from the United States if the alien—

''(1) has been an alien lawfully admitted for permanent residence for not less than 5 years,

''(2) has resided in the United States continuously for 7 years after having been admitted in any status, and

''(3) has not been convicted of any aggravated felony.

''(b) CANCELLATION OF REMOVAL AND ADJUSTMENT OF STATUS FOR CERTAIN NONPERMANENT RESIDENTS.—

''(1) IN GENERAL.—The Attorney General may cancel removal in the case of an alien who is inadmissible or deportable from the United States if the alien—

''(A) has been physically present in the United States for a continuous period of not less than 10 years immediately preceding the date of such application;

''(B) has been a person of good moral character during such period;

''(C) has not been convicted of an offense under section 212(a)(2), 237(a)(2), or 237(a)(3); and

''(D) establishes that removal would result in exceptional and extremely unusual hardship to the alien's spouse, parent, or child, who is a citizen of the United States or an alien lawfully admitted for permanent residence.

''(2) SPECIAL RULE FOR BATTERED SPOUSE OR CHILD.—The Attorney General may cancel removal in the case of an alien who is inadmissible or deportable from the United States if the alien demonstrates that—

''(A) the alien has been battered or subjected to extreme cruelty in the United States by a spouse or parent who is a United States citizen or lawful permanent resident (or is the parent of a child of a United States citizen or lawful permanent resident and the child has been battered or subjected to extreme cruelty in the United States by such citizen or permanent resident parent);

''(B) the alien has been physically present in the United States for a continuous period of not less than 3 years immediately preceding the date of such application;

''(C) the alien has been a person of good moral character during such period;

''(D) the alien is not inadmissible under paragraph (2) or (3) of section 212(a), is not deportable under paragraph (1)(G) or (2) through (4) of section 237(a), and has not been convicted of an aggravated felony; and

''(E) the removal would result in extreme hardship to the alien, the alien's child, or (in the case of an alien who is a child) to the alien's parent.

In acting on applications under this paragraph, the Attorney General shall consider any credible evidence relevant to the application. The determination of what evidence is credible and the weight to be given that evidence shall be within the sole discretion of the Attorney General.

''(3) ADJUSTMENT OF STATUS.—The Attorney General may adjust to the status of an alien lawfully admitted for permanent residence any alien who the Attorney General determines meets the requirements of paragraph (1) or (2). The number of adjustments under this paragraph shall not exceed 4,000 for any fiscal year. The Attorney General shall record the alien's lawful admission for permanent residence as of the date the Attorney General's cancellation of removal under paragraph (1) or (2) or determination under this paragraph.

''(c) ALIENS INELIGIBLE FOR RELIEF.—The provisions of subsections (a) and (b)(1) shall not apply to any of the following aliens:

''(1) An alien who entered the United States as a crewman subsequent to June 30, 1964.

''(2) An alien who was admitted to the United States as a nonimmigrant exchange alien as defined in section 101(a)(15)(J), or has acquired the status of such a nonimmigrant exchange alien after admission, in order to receive graduate medical education or training, regardless of whether or not the alien is subject to or has fulfilled the two-year foreign residence requirement of section 212(e).

''(3) An alien who—

''(A) was admitted to the United States as a nonimmigrant exchange alien as defined in section 101(a)(15)(J) or has acquired the status of such a nonimmigrant exchange alien after admission other than to receive graduate medical education or training,

''(B) is subject to the two-year foreign residence requirement of section 212(e), and

''(C) has not fulfilled that requirement or received a waiver thereof.

''(4) An alien who is inadmissible under section 212(a)(3) or deportable under section 237(a)(4).

''(5) An alien who is described in section 241(b)(3)(B)(i).

''(6) An alien whose removal has previously been cancelled under this section or whose deportation was suspended under section 244(a) or who has been granted relief under section 212(c), as such sections were in effect before the date of the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

''(d) SPECIAL RULES RELATING TO CONTINUOUS RESIDENCE OR PHYSICAL PRESENCE.—

''(1) TERMINATION OF CONTINUOUS PERIOD.—For purposes of this section, any period of continuous residence or continuous physical presence in the United States shall be deemed to end when the alien is served a notice to appear under section 239(a) or when the alien has committed an offense referred to in section 212(a)(2) that renders the alien inadmissible to the United States under section 212(a)(2) or removable from the United States under section 237(a)(2) or 237(a)(4), whichever is earliest.

''(2) TREATMENT OF CERTAIN BREAKS IN PRESENCE.—An alien shall be considered to have failed to maintain continuous physical presence in the United States under subsections (b)(1) and (b)(2) if the alien has departed from the United States for any period in excess of 90 days or for any periods in the aggregate exceeding 180 days.

''(3) CONTINUITY NOT REQUIRED BECAUSE OF HONORABLE SERVICE IN ARMED FORCES AND PRESENCE UPON ENTRY INTO SERVICE.—The requirements of continuous residence or continuous physical presence in the United States under subsections (a) and (b) shall not apply to an alien who—

''(A) has served for a minimum period of 24 months in an active-duty status in the Armed Forces of the United States and, if separated from such service, was separated under honorable conditions, and

''(B) at the time of the alien's enlistment or induction was in the United States.

''(e) ANNUAL LIMITATION.—The Attorney General may not cancel the removal and adjust the status under this section, nor suspend the deportation and adjust the status under section 244(a) (as in effect before the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996), of a total of more than 4,000 aliens in any fiscal year. The previous sentence shall apply regardless of when an alien applied for such cancellation and adjustment and whether such an alien had previously applied for suspension of deportation under such section 244(a).

''VOLUNTARY DEPARTURE

''SEC. 240B. (a) CERTAIN CONDITIONS.—

''(1) IN GENERAL.—The Attorney General may permit an alien voluntarily to depart the United States at the alien's own expense under this subsection, in lieu of being subject to proceedings under section 240 or prior to the completion of such proceedings, if the alien is not deportable under section 237(a)(2)(A)(iii) or section 237(a)(4)(B).

''(2) PERIOD.—Permission to depart voluntarily under this subsection shall not be valid for a period exceeding 120 days.

''(3) BOND.—The Attorney General may require an alien permitted to depart voluntarily under this subsection to post a voluntary departure bond, to be surrendered upon proof that the alien has departed the United States within the time specified.

''(4) TREATMENT OF ALIENS ARRIVING IN THE UNITED STATES.—In the case of an alien who is arriving in the United States and with respect to whom proceedings under section 240 are (or would otherwise be) initiated at the time of such alien's arrival, paragraph (1) shall not apply. Nothing in this paragraph shall be construed as preventing such an alien from withdrawing the application for admission in accordance with section 235(a)(4).

''(b) AT CONCLUSION OF PROCEEDINGS.—

''(1) IN GENERAL.—The Attorney General may permit an alien voluntarily to depart the United States at the alien's own expense if, at the conclusion of a proceeding under section 240, the immigration judge enters an order granting voluntary departure in lieu of removal and finds that—

''(A) the alien has been physically present in the United States for a period of at least one year immediately preceding the date the notice to appear was served under section 239(a);

''(B) the alien is, and has been, a person of good moral character for at least 5 years immediately preceding the alien's application for voluntary departure;

''(C) the alien is not deportable under section 237(a)(2)(A)(iii) or section 237(a)(4); and

''(D) the alien has established by clear and convincing evidence that the alien has the means to depart the United States and intends to do so.

''(2) PERIOD.—Permission to depart voluntarily under this subsection shall not be valid for a period exceeding 60 days.

''(3) BOND.—An alien permitted to depart voluntarily under this subsection shall be required to post a voluntary departure bond, in an amount necessary to ensure that the alien will depart, to be surrendered upon proof that the alien has departed the United States within the time specified.

''(c) ALIENS NOT ELIGIBLE.—The Attorney General shall not permit an alien to depart voluntarily under this section if the alien was previously permitted to so depart after having been found inadmissible under section 212(a)(6)(A).

''(d) CIVIL PENALTY FOR FAILURE TO DEPART.—If an alien is permitted to depart voluntarily under this section and fails voluntarily to depart the United States within the time period specified, the alien shall be subject to a civil penalty of not less than $1,000 and not more than $5,000, and be ineligible for a period of 10 years for any further relief under this section and sections 240A, 245, 248, and 249. The order permitting the alien to depart voluntarily shall inform the alien of the penalties under this subsection.

''(e) ADDITIONAL CONDITIONS.—The Attorney General may by regulation limit eligibility for voluntary departure under this section for any class or classes of aliens. No court may review any regulation issued under this subsection.

''(f) JUDICIAL REVIEW.—No court shall have jurisdiction over an appeal from denial of a request for an order of voluntary departure under subsection (b), nor shall any court order a stay of an alien's removal pending consideration of any claim with respect to voluntary departure.''.

(b) REPEAL OF SECTION 212(c).—Section 212(c) (8 U.S.C. 1182(c)) is repealed.

(c) STREAMLINING REMOVAL OF CRIMINAL ALIENS.—

(1) IN GENERAL.—Section 242A(b)(4) (8 U.S.C. 1252a(b)(4)), as amended by section 442(a) of Public Law 104–132 and before redesignation by section 308(b)(5) of this division, is amended—

(A) by striking subparagraph (D);

(B) by amending subparagraph (E) to read as follows:

''(D) a determination is made for the record that the individual upon whom the notice for the proceeding under this section is served (either in person or by mail) is, in fact, the alien named in such notice;''; and

(C) by redesignating subparagraphs (F) and (G) as subparagraph (E) and (F), respectively.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall be effective as if included in the enactment of section 442(a) of Public Law 104–132.

SEC. 305. DETENTION AND REMOVAL OF ALIENS ORDERED REMOVED (NEW SECTION 241).

(a) IN GENERAL.—Title II is further amended—

(1) by striking section 237 (8 U.S.C. 1227),

(2) by redesignating section 241 (8 U.S.C. 1251) as section 237 and by moving such section to immediately follow section 236, and

(3) by inserting after section 240C (as redesignated by section 304(a)(2)) of this division the following new section:

''DETENTION AND REMOVAL OF ALIENS ORDERED REMOVED

''SEC. 241. (a) DETENTION, RELEASE, AND REMOVAL OF ALIENS ORDERED REMOVED.—

''(1) REMOVAL PERIOD.—

''(A) IN GENERAL.—Except as otherwise provided in this section, when an alien is ordered removed, the Attorney General shall remove the alien from the United States within a period of 90 days (in this section referred to as the 'removal period').

''(B) BEGINNING OF PERIOD.—The removal period begins on the latest of the following:

''(i) The date the order of removal becomes administratively final.

''(ii) If the removal order is judicially reviewed and if a court orders a stay of the removal of the alien, the date of the court's final order.

''(iii) If the alien is detained or confined (except under an immigration process), the date the alien is released from detention or confinement.

''(C) SUSPENSION OF PERIOD.—The removal period shall be extended beyond a period of 90 days and the alien may remain in detention during such extended period if the alien fails or refuses to make timely application in good faith for travel or other documents necessary to the alien's departure or conspires or acts to prevent the alien's removal subject to an order of removal.

''(2) DETENTION.—During the removal period, the Attorney General shall detain the alien. Under no circumstance during the removal period shall the Attorney General release an alien who has been found inadmissible under section 212(a)(2) or 212(a)(3)(B) or deportable under section 237(a)(2) or 237(a)(4)(B).

''(3) SUPERVISION AFTER 90-DAY PERIOD.—If the alien does not leave or is not removed within the removal period, the alien, pending removal, shall be subject to supervision under regulations prescribed by the Attorney General. The regulations shall include provisions requiring the alien—

''(A) to appear before an immigration officer periodically for identification;

''(B) to submit, if necessary, to a medical and psychiatric examination at the expense of the United States Government;

''(C) to give information under oath about the alien's nationality, circumstances, habits, associations, and activities, and other information the Attorney General considers appropriate; and

''(D) to obey reasonable written restrictions on the alien's conduct or activities that the Attorney General prescribes for the alien.

''(4) ALIENS IMPRISONED, ARRESTED, OR ON PAROLE, SUPERVISED RELEASE, OR PROBATION.—

''(A) IN GENERAL.—Except as provided in section 343(a) of the Public Health Service Act (42 U.S.C. 259(a)) and paragraph (2), the Attorney General may not remove an alien who is sentenced to imprisonment until the alien is released from imprisonment. Parole, supervised release, probation, or possibility of arrest or further imprisonment is not a reason to defer removal.

''(B) EXCEPTION FOR REMOVAL OF NONVIOLENT OFFENDERS PRIOR TO COMPLETION OF SENTENCE OF IMPRISONMENT.—The Attorney General is authorized to remove an alien in accordance with applicable procedures under this Act before the alien has completed a sentence of imprisonment—

''(i) in the case of an alien in the custody of the Attorney General, if the Attorney General determines that (I) the alien is confined pursuant to a final conviction for a nonviolent offense (other than an offense related to smuggling or harboring of aliens or an offense described in section 101(a)(43)(B), (C), (E), (I), or (L) and (II) the removal of the alien is appropriate and in the best interest of the United States; or

''(ii) in the case of an alien in the custody of a State (or a political subdivision of a State), if the chief State official exercising authority with respect to the incarceration of the alien determines that (I) the alien is confined pursuant to a final conviction for a nonviolent offense (other than an offense described in section 101(a)(43)(C) or (E)), (II) the removal is appropriate and in the best interest of the State, and (III) submits a written request to the Attorney General that such alien be so removed.

''(C) NOTICE.—Any alien removed pursuant to this paragraph shall be notified of the penalties under the laws of the United States relating to the reentry of deported aliens, particularly the expanded penalties for aliens removed under subparagraph (B).

''(D) NO PRIVATE RIGHT.—No cause or claim may be asserted under this paragraph against any official of the United States or of any State to compel the release, removal, or consideration for release or removal of any alien.

''(5) REINSTATEMENT OF REMOVAL ORDERS AGAINST ALIENS ILLEGALLY REENTERING.—If the Attorney General finds that an alien has reentered the United States illegally after having been removed or having departed voluntarily, under an order of removal, the prior order of removal is reinstated from its original date and is not subject to being reopened or reviewed, the alien is not eligible and may not apply for any relief under this Act, and the alien shall be removed under the prior order at any time after the reentry.

''(6) INADMISSIBLE OR CRIMINAL ALIENS.—An alien ordered removed who is inadmissible under section 212, removable under section 237(a)(1)(C), 237(a)(2), or 237(a)(4) or who has been determined by the Attorney General to be a risk to the community or unlikely to comply with the order of removal, may be detained beyond the removal period and, if released, shall be subject to the terms of supervision in paragraph (3).

''(7) EMPLOYMENT AUTHORIZATION.—No alien ordered removed shall be eligible to receive authorization to be employed in the United States unless the Attorney General makes a specific finding that—

''(A) the alien cannot be removed due to the refusal of all countries designated by the alien or under this section to receive the alien, or

''(B) the removal of the alien is otherwise impracticable or contrary to the public interest.

''(b) COUNTRIES TO WHICH ALIENS MAY BE REMOVED.—

''(1) ALIENS ARRIVING AT THE UNITED STATES.—Subject to paragraph (3)—

''(A) IN GENERAL.—Except as provided by subparagraphs (B) and (C), an alien who arrives at the United States and with respect to whom proceedings under section 240 were initiated at the time of such alien's arrival shall be removed to the country in which the alien boarded the vessel or aircraft on which the alien arrived in the United States.

''(B) TRAVEL FROM CONTIGUOUS TERRITORY.—If the alien boarded the vessel or aircraft on which the alien arrived in the United States in a foreign territory contiguous to the United States, an island adjacent to the United States, or an island adjacent to a foreign territory contiguous to the United States, and the alien is not a native, citizen, subject, or national of, or does not reside in, the territory or island, removal shall be to the country in which the alien boarded the vessel that transported the alien to the territory or island.

''(C) ALTERNATIVE COUNTRIES.—If the government of the country designated in subparagraph (A) or (B) is unwilling to accept the alien into that country's territory, removal shall be to any of the following countries, as directed by the Attorney General:

''(i) The country of which the alien is a citizen, subject, or national.

''(ii) The country in which the alien was born.

''(iii) The country in which the alien has a residence.

''(iv) A country with a government that will accept the alien into the country's territory if removal to each country described in a previous clause of this subparagraph is impracticable, inadvisable, or impossible.

''(2) OTHER ALIENS.—Subject to paragraph (3)—

''(A) SELECTION OF COUNTRY BY ALIEN.—Except as otherwise provided in this paragraph—

''(i) any alien not described in paragraph (1) who has been ordered removed may designate one country to which the alien wants to be removed, and

''(ii) the Attorney General shall remove the alien to the country the alien so designates.

''(B) LIMITATION ON DESIGNATION.—An alien may designate under subparagraph (A)(i) a foreign territory contiguous to the United States, an adjacent island, or an island adjacent to a foreign territory contiguous to the United States as the place to which the alien is to be removed only if the alien is a native, citizen, subject, or national of, or has resided in, that designated territory or island.

''(C) DISREGARDING DESIGNATION.—The Attorney General may disregard a designation under subparagraph (A)(i) if—

''(i) the alien fails to designate a country promptly;

''(ii) the government of the country does not inform the Attorney General finally, within 30 days after the date the Attorney General first inquires, whether the government will accept the alien into the country;

''(iii) the government of the country is not willing to accept the alien into the country; or

''(iv) the Attorney General decides that removing the alien to the country is prejudicial to the United States.

''(D) ALTERNATIVE COUNTRY.—If an alien is not removed to a country designated under subparagraph (A)(i), the Attorney General shall remove the alien to a country of which the alien is a subject, national, or citizen unless the government of the country—

''(i) does not inform the Attorney General or the alien finally, within 30 days after the date the Attorney General first inquires or within another period of time the Attorney General decides is reasonable, whether the government will accept the alien into the country; or

''(ii) is not willing to accept the alien into the country.

''(E) ADDITIONAL REMOVAL COUNTRIES.—If an alien is not removed to a country under the previous subparagraphs of this paragraph, the Attorney General shall remove the alien to any of the following countries:

''(i) The country from which the alien was admitted to the United States.

''(ii) The country in which is located the foreign port from which the alien left for the United States or for a foreign territory contiguous to the United States.

''(iii) A country in which the alien resided before the alien entered the country from which the alien entered the United States.

''(iv) The country in which the alien was born.

''(v) The country that had sovereignty over the alien's birthplace when the alien was born.

''(vi) The country in which the alien's birthplace is located when the alien is ordered removed.

''(vii) If impracticable, inadvisable, or impossible to remove the alien to each country described in a previous clause of this subparagraph, another country whose government will accept the alien into that country.

''(F) REMOVAL COUNTRY WHEN UNITED STATES IS AT WAR.—When the United States is at war and the Attorney General decides that it is impracticable, inadvisable, inconvenient, or impossible to remove an alien under this subsection because of the war, the Attorney General may remove the alien—

''(i) to the country that is host to a government in exile of the country of which the alien is a citizen or subject if the government of the host country will permit the alien's entry; or

''(ii) if the recognized government of the country of which the alien is a citizen or subject is not in exile, to a country, or a political or territorial subdivision of a country, that is very near the country of which the alien is a citizen or subject, or, with the consent of the government of the country of which the alien is a citizen or subject, to another country.

''(3) RESTRICTION ON REMOVAL TO A COUNTRY WHERE ALIEN'S LIFE OR FREEDOM WOULD BE THREATENED.—

''(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), the Attorney General may not remove an alien to a country if the Attorney General decides that the alien's life or freedom would be threatened in that country because of the alien's race, religion, nationality, membership in a particular social group, or political opinion.

''(B) EXCEPTION.—Subparagraph (A) does not apply to an alien deportable under section 237(a)(4)(D) or if the Attorney General decides that—

''(i) the alien ordered, incited, assisted, or otherwise participated in the persecution of an individual because of the individual's race, religion, nationality, membership in a particular social group, or political opinion;

''(ii) the alien, having been convicted by a final judgment of a particularly serious crime is a danger to the community of the United States;

''(iii) there are serious reasons to believe that the alien committed a serious nonpolitical crime outside the United States before the alien arrived in the United States; or

''(iv) there are reasonable grounds to believe that the alien is a danger to the security of the United States.

For purposes of clause (ii), an alien who has been convicted of an aggravated felony (or felonies) for which the alien has been sentenced to an aggregate term of imprisonment of at least 5 years shall be considered to have committed a particularly serious crime. The previous sentence shall not preclude the Attorney General from determining that, notwithstanding the length of sentence imposed, an alien has been convicted of a particularly serious crime. For purposes of clause (iv), an alien who is described in section 237(a)(4)(B) shall be considered to be an alien with respect to whom there are reasonable grounds for regarding as a danger to the security of the United States.

''(c) REMOVAL OF ALIENS ARRIVING AT PORT OF ENTRY.—

''(1) VESSELS AND AIRCRAFT.—An alien arriving at a port of entry of the United States who is ordered removed either without a hearing under section 235(b)(1) or 235(c) or pursuant to proceedings under section 240 initiated at the time of such alien's arrival shall be removed immediately on a vessel or aircraft owned by the owner of the vessel or aircraft on which the alien arrived in the United States, unless—

''(A) it is impracticable to remove the alien on one of those vessels or aircraft within a reasonable time, or

''(B) the alien is a stowaway—

''(i) who has been ordered removed in accordance with section 235(a)(1),

''(ii) who has requested asylum, and

''(iii) whose application has not been adjudicated or whose asylum application has been denied but who has not exhausted all appeal rights.

''(2) STAY OF REMOVAL.—

''(A) IN GENERAL.—The Attorney General may stay the removal of an alien under this subsection if the Attorney General decides that—

''(i) immediate removal is not practicable or proper; or

''(ii) the alien is needed to testify in the prosecution of a person for a violation of a law of the United States or of any State.

''(B) PAYMENT OF DETENTION COSTS.—During the period an alien is detained because of a stay of removal under subparagraph (A)(ii), the Attorney General may pay from the appropriation 'Immigration and Naturalization Service—Salaries and Expenses'—

''(i) the cost of maintenance of the alien; and

''(ii) a witness fee of $1 a day.

''(C) RELEASE DURING STAY.—The Attorney General may release an alien whose removal is stayed under subparagraph (A)(ii) on—

''(i) the alien's filing a bond of at least $500 with security approved by the Attorney General;

''(ii) condition that the alien appear when required as a witness and for removal; and

''(iii) other conditions the Attorney General may prescribe.

''(3) COSTS OF DETENTION AND MAINTENANCE PENDING REMOVAL.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) and subsection (d), an owner of a vessel or aircraft bringing an alien to the United States shall pay the costs of detaining and maintaining the alien—

''(i) while the alien is detained under subsection (d)(1), and

''(ii) in the case of an alien who is a stowaway, while the alien is being detained pursuant to—

''(I) subsection (d)(2)(A) or (d)(2)(B)(i),

''(II) subsection (d)(2)(B)(ii) or (iii) for the period of time reasonably necessary for the owner to arrange for repatriation or removal of the stowaway, including obtaining necessary travel documents, but not to extend beyond the date on which it is ascertained that such travel documents cannot be obtained from the country to which the stowaway is to be returned, or

''(III) section 235(b)(1)(B)(ii), for a period not to exceed 15 days (excluding Saturdays, Sundays, and holidays) commencing on the first such day which begins on the earlier of 72 hours after the time of the initial presentation of the stowaway for inspection or at the time the stowaway is determined to have a credible fear of persecution.

''(B) NONAPPLICATION.—Subparagraph (A) shall not apply if—

''(i) the alien is a crewmember;

''(ii) the alien has an immigrant visa;

''(iii) the alien has a nonimmigrant visa or other documentation authorizing the alien to apply for temporary admission to the United States and applies for admission not later than 120 days after the date the visa or documentation was issued;

''(iv) the alien has a reentry permit and applies for admission not later than 120 days after the date of the alien's last inspection and admission;

''(v)(I) the alien has a nonimmigrant visa or other documentation authorizing the alien to apply for temporary admission to the United States or a reentry permit;

''(II) the alien applies for admission more than 120 days after the date the visa or documentation was issued or after the date of the last inspection and admission under the reentry permit; and

''(III) the owner of the vessel or aircraft satisfies the Attorney General that the existence of the condition relating to inadmissibility could not have been discovered by exercising reasonable care before the alien boarded the vessel or aircraft; or

''(vi) the individual claims to be a national of the United States and has a United States passport.

''(d) REQUIREMENTS OF PERSONS PROVIDING TRANSPORTATION.—

''(1) REMOVAL AT TIME OF ARRIVAL.—An owner, agent, master, commanding officer, person in charge, purser, or consignee of a vessel or aircraft bringing an alien (except an alien crewmember) to the United States shall—

''(A) receive an alien back on the vessel or aircraft or another vessel or aircraft owned or operated by the same interests if the alien is ordered removed under this part; and

''(B) take the alien to the foreign country to which the alien is ordered removed.

''(2) ALIEN STOWAWAYS.—An owner, agent, master, commanding officer, charterer, or consignee of a vessel or aircraft arriving in the United States with an alien stowaway—

''(A) shall detain the alien on board the vessel or aircraft, or at such place as the Attorney General shall designate, until completion of the inspection of the alien by an immigration officer;

''(B) may not permit the stowaway to land in the United States, except pursuant to regulations of the Attorney General temporarily—

''(i) for medical treatment,

''(ii) for detention of the stowaway by the Attorney General, or

''(iii) for departure or removal of the stowaway; and

''(C) if ordered by an immigration officer, shall remove the stowaway on the vessel or aircraft or on another vessel or aircraft.

The Attorney General shall grant a timely request to remove the stowaway under subparagraph (C) on a vessel or aircraft other than that on which the stowaway arrived if the requester has obtained any travel documents necessary for departure or repatriation of the stowaway and removal of the stowaway will not be unreasonably delayed.

''(3) REMOVAL UPON ORDER.—An owner, agent, master, commanding officer, person in charge, purser, or consignee of a vessel, aircraft, or other transportation line shall comply with an order of the Attorney General to take on board, guard safely, and transport to the destination specified any alien ordered to be removed under this Act.

''(e) PAYMENT OF EXPENSES OF REMOVAL.—

''(1) COSTS OF REMOVAL AT TIME OF ARRIVAL.—In the case of an alien who is a stowaway or who is ordered removed either without a hearing under section 235(a)(1) or 235(c) or pursuant to proceedings under section 240 initiated at the time of such alien's arrival, the owner of the vessel or aircraft (if any) on which the alien arrived in the United States shall pay the transportation cost of removing the alien. If removal is on a vessel or aircraft not owned by the owner of the vessel or aircraft on which the alien arrived in the United States, the Attorney General may—

''(A) pay the cost from the appropriation 'Immigration and Naturalization Service—Salaries and Expenses'; and

''(B) recover the amount of the cost in a civil action from the owner, agent, or consignee of the vessel or aircraft (if any) on which the alien arrived in the United States.

''(2) COSTS OF REMOVAL TO PORT OF REMOVAL FOR ALIENS ADMITTED OR PERMITTED TO LAND.—

In the case of an alien who has been admitted or permitted to land and is ordered removed, the cost (if any) of removal of the alien to the port of removal shall be at the expense of the appropriation for the enforcement of this Act.

''(3) COSTS OF REMOVAL FROM PORT OF REMOVAL FOR ALIENS ADMITTED OR PERMITTED TO LAND.—

''(A) THROUGH APPROPRIATION.—Except as provided in subparagraph (B), in the case of an alien who has been admitted or permitted to land and is ordered removed, the cost (if any) of removal of the alien from the port of removal shall be at the expense of the appropriation for the enforcement of this Act.

''(B) THROUGH OWNER.—

''(i) IN GENERAL.—In the case of an alien described in clause (ii), the cost of removal of the alien from the port of removal may be charged to any owner of the vessel, aircraft, or other transportation line by which the alien came to the United States.

''(ii) ALIENS DESCRIBED.—An alien described in this clause is an alien who—

''(I) is admitted to the United States (other than lawfully admitted for permanent residence) and is ordered removed within 5 years of the date of admission based on a ground that existed before or at the time of admission, or

''(II) is an alien crewman permitted to land temporarily under section 252 and is ordered removed within 5 years of the date of landing.

''(C) COSTS OF REMOVAL OF CERTAIN ALIENS GRANTED VOLUNTARY DEPARTURE.—In the case of an alien who has been granted voluntary departure under section 240B and who is financially unable to depart at the alien's own expense and whose removal the Attorney General deems to be in the best interest of the United States, the expense of such removal may be paid from the appropriation for the enforcement of this Act.

''(f) ALIENS REQUIRING PERSONAL CARE DURING REMOVAL.—

''(1) IN GENERAL.—If the Attorney General believes that an alien being removed requires personal care because of the alien's mental or physical condition, the Attorney General may employ a suitable person for that purpose who shall accompany and care for the alien until the alien arrives at the final destination.

''(2) COSTS.—The costs of providing the service described in paragraph (1) shall be defrayed in the same manner as the expense of removing the accompanied alien is defrayed under this section.

''(g) PLACES OF DETENTION.—

''(1) IN GENERAL.—The Attorney General shall arrange for appropriate places of detention for aliens detained pending removal or a decision on removal. When United States Government facilities are unavailable or facilities adapted or suitably located for detention are unavailable for rental, the Attorney General may expend from the appropriation 'Immigration and Naturalization Service—Salaries and Expenses', without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), amounts necessary to acquire land and to acquire, build, remodel, repair, and operate facilities (including living quarters for immigration officers if not otherwise available) necessary for detention.

''(2) DETENTION FACILITIES OF THE IMMIGRATION AND NATURALIZATION SERVICE.—Prior to initiating any project for the construction of any new detention facility for the Service, the Commissioner shall consider the availability for purchase or lease of any existing prison, jail, detention center, or other comparable facility suitable for such use.

''(h) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.''.

(b) REENTRY OF ALIEN REMOVED PRIOR TO COMPLETION OF TERM OF IMPRISONMENT.—Section 276(b) (8 U.S.C. 1326(b)), as amended by section 321(b) of this division, is amended—

(1) by striking ''or'' at the end of paragraph (2),

(2) by adding ''or'' at the end of paragraph (3), and

(3) by inserting after paragraph (3) the following new paragraph:

''(4) who was removed from the United States pursuant to section 241(a)(4)(B) who thereafter, without the permission of the Attorney General, enters, attempts to enter, or is at any time found in, the United States (unless the Attorney General has expressly consented to such alien's reentry) shall be fined under title 18, United States Code, imprisoned for not more than 10 years, or both.

(c) MISCELLANEOUS CONFORMING AMENDMENT.—Section 212(a)(4) (8 U.S.C. 1182(a)(4)), as amended by section 621(a) of this division, is amended by striking ''241(a)(5)(B)'' each place it appears and inserting ''237(a)(5)(B)''.

SEC. 306. APPEALS FROM ORDERS OF REMOVAL (NEW SECTION 242).

(a) IN GENERAL.—Section 242 (8 U.S.C. 1252) is amended—

(1) by redesignating subsection (j) as subsection (i) and by moving such subsection and adding it at the end of section 241, as inserted by section 305(a)(3) of this division; and

(2) by amending the remainder of section 242 to read as follows:

''JUDICIAL REVIEW OF ORDERS OF REMOVAL

''SEC. 242. (a) APPLICABLE PROVISIONS.—

''(1) GENERAL ORDERS OF REMOVAL.—Judicial review of a final order of removal (other than an order of removal without a hearing pursuant to section 235(b)(1)) is governed only by chapter 158 of title 28 of the United States Code, except as provided in subsection (b) and except that the court may not order the taking of additional evidence under section 2347(c) of such title.

''(2) MATTERS NOT SUBJECT TO JUDICIAL REVIEW.—

''(A) REVIEW RELATING TO SECTION 235(b)(1).—Notwithstanding any other provision of law, no court shall have jurisdiction to review—

''(i) except as provided in subsection (e), any individual determination or to entertain any other cause or claim arising from or relating to the implementation or operation of an order of removal pursuant to section 235(b)(1),

''(ii) except as provided in subsection (e), a decision by the Attorney General to invoke the provisions of such section,

''(iii) the application of such section to individual aliens, including the determination made under section 235(b)(1)(B), or

''(iv) except as provided in subsection (e), procedures and policies adopted by the Attorney General to implement the provisions of section 235(b)(1).

''(B) DENIALS OF DISCRETIONARY RELIEF.—Notwithstanding any other provision of law, no court shall have jurisdiction to review—

''(i) any judgment regarding the granting of relief under section 212(h), 212(i), 240A, 240B, or 245, or

''(ii) any other decision or action of the Attorney General the authority for which is specified under this title to be in the discretion of the Attorney General, other than the granting of relief under section 208(a).

''(C) ORDERS AGAINST CRIMINAL ALIENS.—Notwithstanding any other provision of law, no court shall have jurisdiction to review any final order of removal against an alien who is removable by reason of having committed a criminal offense covered in section 212(a)(2) or 237(a)(2)(A)(iii), (B), (C), or (D), or any offense covered by section 237(a)(2)(A)(ii) for which both predicate offenses are, without regard to their date of commission, otherwise covered by section 237(a)(2)(A)(i).

''(3) TREATMENT OF CERTAIN DECISIONS.—No alien shall have a right to appeal from a decision of an immigration judge which is based solely on a certification described in section 240(c)(1)(B).

''(b) REQUIREMENTS FOR REVIEW OF ORDERS OF REMOVAL.—With respect to review of an order of removal under subsection (a)(1), the following requirements apply:

''(1) DEADLINE.—The petition for review must be filed not later than 30 days after the date of the final order of removal.

''(2) VENUE AND FORMS.—The petition for review shall be filed with the court of appeals for the judicial circuit in which the immigration judge completed the proceedings. The record and briefs do not have to be printed. The court of appeals shall review the proceeding on a typewritten record and on typewritten briefs.

''(3) SERVICE.—

''(A) IN GENERAL.—The respondent is the Attorney General. The petition shall be served on the Attorney General and on the officer or employee of the Service in charge of the Service district in which the final order of removal under section 240 was entered.

''(B) STAY OF ORDER.—Service of the petition on the officer or employee does not stay the removal of an alien pending the court's decision on the petition, unless the court orders otherwise.

''(C) ALIEN'S BRIEF.—The alien shall serve and file a brief in connection with a petition for judicial review not later than 40 days after the date on which the administrative record is available, and may serve and file a reply brief not later than 14 days after service of the brief of the Attorney General, and the court may not extend these deadlines except upon motion for good cause shown. If an alien fails to file a brief within the time provided in this paragraph, the court shall dismiss the appeal unless a manifest injustice would result.

''(4) SCOPE AND STANDARD FOR REVIEW.—Except as provided in paragraph (5)(B)—

''(A) the court of appeals shall decide the petition only on the administrative record on which the order of removal is based,

''(B) the administrative findings of fact are conclusive unless any reasonable adjudicator would be compelled to conclude to the contrary,

''(C) a decision that an alien is not eligible for admission to the United States is conclusive unless manifestly contrary to law, and

''(D) the Attorney General's discretionary judgment whether to grant relief under section 208(a) shall be conclusive unless manifestly contrary to the law and an abuse of discretion.

''(5) TREATMENT OF NATIONALITY CLAIMS.—

''(A) COURT DETERMINATION IF NO ISSUE OF FACT.—If the petitioner claims to be a national of the United States and the court of appeals finds from the pleadings and affidavits that no genuine issue of material fact about the petitioner's nationality is presented, the court shall decide the nationality claim.

''(B) TRANSFER IF ISSUE OF FACT.—If the petitioner claims to be a national of the United States and the court of appeals finds that a genuine issue of material fact about the petitioner's nationality is presented, the court shall transfer the proceeding to the district court of the United States for the judicial district in which the petitioner resides for a new hearing on the nationality claim and a decision on that claim as if an action had been brought in the district court under section 2201 of title 28, United States Code.

''(C) LIMITATION ON DETERMINATION.—The petitioner may have such nationality claim decided only as provided in this paragraph.

''(6) CONSOLIDATION WITH REVIEW OF MOTIONS TO REOPEN OR RECONSIDER.—When a petitioner seeks review of an order under this section, any review sought of a motion to reopen or reconsider the order shall be consolidated with the review of the order.

''(7) CHALLENGE TO VALIDITY OF ORDERS IN CERTAIN CRIMINAL PROCEEDINGS.—

''(A) IN GENERAL.—If the validity of an order of removal has not been judicially decided, a defendant in a criminal proceeding charged with

violating section 243(a) may challenge the validity of the order in the criminal proceeding only by filing a separate motion before trial. The district court, without a jury, shall decide the motion before trial.

''(B) CLAIMS OF UNITED STATES NATIONALITY.—If the defendant claims in the motion to be a national of the United States and the district court finds that—

''(i) no genuine issue of material fact about the defendant's nationality is presented, the court shall decide the motion only on the administrative record on which the removal order is based and the administrative findings of fact are conclusive if supported by reasonable, substantial, and probative evidence on the record considered as a whole; or

''(ii) a genuine issue of material fact about the defendant's nationality is presented, the court shall hold a new hearing on the nationality claim and decide that claim as if an action had been brought under section 2201 of title 28, United States Code.

The defendant may have such nationality claim decided only as provided in this subparagraph.

''(C) CONSEQUENCE OF INVALIDATION.—If the district court rules that the removal order is invalid, the court shall dismiss the indictment for violation of section 243(a). The United States Government may appeal the dismissal to the court of appeals for the appropriate circuit within 30 days after the date of the dismissal.

''(D) LIMITATION ON FILING PETITIONS FOR REVIEW.—The defendant in a criminal proceeding under section 243(a) may not file a petition for review under subsection (a) during the criminal proceeding.

''(8) CONSTRUCTION.—This subsection—

''(A) does not prevent the Attorney General, after a final order of removal has been issued, from detaining the alien under section 241(a);

''(B) does not relieve the alien from complying with section 241(a)(4) and section 243(g); and

''(C) does not require the Attorney General to defer removal of the alien.

''(9) CONSOLIDATION OF QUESTIONS FOR JUDICIAL REVIEW.—Judicial review of all questions of law and fact, including interpretation and application of constitutional and statutory provisions, arising from any action taken or proceeding brought to remove an alien from the United States under this title shall be available only in judicial review of a final order under this section.

''(c) REQUIREMENTS FOR PETITION.—A petition for review or for habeas corpus of an order of removal—

''(1) shall attach a copy of such order, and

''(2) shall state whether a court has upheld the validity of the order, and, if so, shall state the name of the court, the date of the court's ruling, and the kind of proceeding.

''(d) REVIEW OF FINAL ORDERS.—A court may review a final order of removal only if—

''(1) the alien has exhausted all administrative remedies available to the alien as of right, and

''(2) another court has not decided the validity of the order, unless the reviewing court finds that the petition presents grounds that could not have been presented in the prior judicial proceeding or that the remedy provided by the prior proceeding was inadequate or ineffective to test the validity of the order.

''(e) JUDICIAL REVIEW OF ORDERS UNDER SECTION 235(b)(1).—

''(1) LIMITATIONS ON RELIEF.—Without regard to the nature of the action or claim and without regard to the identity of the party or parties bringing the action, no court may—

''(A) enter declaratory, injunctive, or other equitable relief in any action pertaining to an order to exclude an alien in accordance with section 235(b)(1) except as specifically authorized in a subsequent paragraph of this subsection, or

''(B) certify a class under Rule 23 of the Federal Rules of Civil Procedure in any action for which judicial review is authorized under a subsequent paragraph of this subsection.

''(2) HABEAS CORPUS PROCEEDINGS.—Judicial review of any determination made under section 235(b)(1) is available in habeas corpus proceedings, but shall be limited to determinations of—

''(A) whether the petitioner is an alien,

''(B) whether the petitioner was ordered removed under such section, and

''(C) whether the petitioner can prove by a preponderance of the evidence that the petitioner is an alien lawfully admitted for permanent residence, has been admitted as a refugee under section 207, or has been granted asylum under section 208, such status not having been terminated, and is entitled to such further inquiry as prescribed by the Attorney General pursuant to section 235(b)(1)(C).

''(3) CHALLENGES ON VALIDITY OF THE SYSTEM.—

''(A) IN GENERAL.—Judicial review of determinations under section 235(b) and its implementation is available in an action instituted in the United States District Court for the District of Columbia, but shall be limited to determinations of—

''(i) whether such section, or any regulation issued to implement such section, is constitutional; or

''(ii) whether such a regulation, or a written policy directive, written policy guideline, or written procedure issued by or under the authority of the Attorney General to implement such section, is not consistent with applicable provisions of this title or is otherwise in violation of law.

''(B) DEADLINES FOR BRINGING ACTIONS.—Any action instituted under this paragraph must be filed no later than 60 days after the date the challenged section, regulation, directive, guideline, or procedure described in clause (i) or (ii) of subparagraph (A) is first implemented.

''(C) NOTICE OF APPEAL.—A notice of appeal of an order issued by the District Court under this paragraph may be filed not later than 30 days after the date of issuance of such order.

''(D) EXPEDITIOUS CONSIDERATION OF CASES.—It shall be the duty of the District Court, the Court of Appeals, and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any case considered under this paragraph.

''(4) DECISION.—In any case where the court determines that the petitioner—

''(A) is an alien who was not ordered removed under section 235(b)(1), or

''(B) has demonstrated by a preponderance of the evidence that the alien is an alien lawfully admitted for permanent residence, has been admitted as a refugee under section 207, or has been granted asylum under section 208,

the court may order no remedy or relief other than to require that the petitioner be provided a hearing in accordance with section 240. Any alien who is provided a hearing under section 240 pursuant to this paragraph may thereafter obtain judicial review of any resulting final order of removal pursuant to subsection (a)(1).

''(5) SCOPE OF INQUIRY.—In determining whether an alien has been ordered removed under section 235(b)(1), the court's inquiry shall be limited to whether such an order in fact was issued and whether it relates to the petitioner. There shall be no review of whether the alien is actually inadmissible or entitled to any relief from removal.

''(f) LIMIT ON INJUNCTIVE RELIEF.—

(1) IN GENERAL.—Regardless of the nature of the action or claim or of the identity of the party or parties bringing the action, no court (other than the Supreme Court) shall have jurisdiction or authority to enjoin or restrain the operation of the provisions of chapter 4 of title II, as amended by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, other than with respect to the application of such provisions to an individual alien against whom proceedings under such chapter have been initiated.

(2) PARTICULAR CASES.—Notwithstanding any other provision of law, no court shall enjoin the removal of any alien pursuant to a final order under this section unless the alien shows by clear and convincing evidence that the entry or execution of such order is prohibited as a matter of law.

''(g) EXCLUSIVE JURISDICTION.—Except as provided in this section and notwithstanding any other provision of law, no court shall have jurisdiction to hear any cause or claim by or on behalf of any alien arising from the decision or action by the Attorney General to commence proceedings, adjudicate cases, or execute removal orders against any alien under this Act.''.

(b) REPEAL OF SECTION 106.—Section 106 (8 U.S.C. 1105a) is repealed.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsections (a) and (b) shall apply to all final orders of deportation or removal and motions to reopen filed on or after the date of the enactment of this Act and subsection (g) of section 242 of the Immigration and Nationality Act (as added by subsection (a)), shall apply without limitation to claims arising from all past, pending, or future exclusion, deportation, or removal proceedings under such Act.

(2) LIMITATION.—Paragraph (1) shall not be considered to invalidate or to require the reconsideration of any judgment or order entered under section 106 of the Immigration and Nationality Act, as amended by section 440 of Public Law 104–132.

(d) TECHNICAL AMENDMENT.—Effective as if included in the enactment of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), subsections (a), (c), (d), (g), and (h) of section 440 of such Act are amended by striking ''any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i)'' and inserting ''any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are, without regard to the date of their commission, otherwise covered by section 241(a)(2)(A)(i)''.

SEC. 307. PENALTIES RELATING TO REMOVAL (REVISED SECTION 243).

(a) IN GENERAL.—Section 243 (8 U.S.C. 1253) is amended to read as follows:

''PENALTIES RELATED TO REMOVAL

''SEC. 243. (a) PENALTY FOR FAILURE TO DEPART.—

''(1) IN GENERAL.—Any alien against whom a final order of removal is outstanding by reason of being a member of any of the classes described in section 237(a), who—

''(A) willfully fails or refuses to depart from the United States within a period of 90 days from the date of the final order of removal under administrative processes, or if judicial review is had, then from the date of the final order of the court,

''(B) willfully fails or refuses to make timely application in good faith for travel or other documents necessary to the alien's departure,

''(C) connives or conspires, or takes any other action, designed to prevent or hamper or with the purpose of preventing or hampering the alien's departure pursuant to such, or

''(D) willfully fails or refuses to present himself or herself for removal at the time and place required by the Attorney General pursuant to such order,

shall be fined under title 18, United States Code, or imprisoned not more than four years (or 10 years if the alien is a member of any of the classes described in paragraph (1)(E), (2), (3), or (4) of section 237(a)), or both.

''(2) EXCEPTION.—It is not a violation of paragraph (1) to take any proper steps for the purpose of securing cancellation of or exemption from such order of removal or for the purpose of

securing the alien's release from incarceration or custody.

''(3) SUSPENSION.—The court may for good cause suspend the sentence of an alien under this subsection and order the alien's release under such conditions as the court may prescribe. In determining whether good cause has been shown to justify releasing the alien, the court shall take into account such factors as—

''(A) the age, health, and period of detention of the alien;

''(B) the effect of the alien's release upon the national security and public peace or safety;

''(C) the likelihood of the alien's resuming or following a course of conduct which made or would make the alien deportable;

''(D) the character of the efforts made by such alien himself and by representatives of the country or countries to which the alien's removal is directed to expedite the alien's departure from the United States;

''(E) the reason for the inability of the Government of the United States to secure passports, other travel documents, or removal facilities from the country or countries to which the alien has been ordered removed; and

''(F) the eligibility of the alien for discretionary relief under the immigration laws.

''(b) WILLFUL FAILURE TO COMPLY WITH TERMS OF RELEASE UNDER SUPERVISION.—An alien who shall willfully fail to comply with regulations or requirements issued pursuant to section 241(a)(3) or knowingly give false information in response to an inquiry under such section shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

''(c) PENALTIES RELATING TO VESSELS AND AIRCRAFT.—

''(1) CIVIL PENALTIES.—

''(A) FAILURE TO CARRY OUT CERTAIN ORDERS.—If the Attorney General is satisfied that a person has violated subsection (d) or (e) of section 241, the person shall pay to the Commissioner the sum of $2,000 for each violation.

''(B) FAILURE TO REMOVE ALIEN STOWAWAYS.—If the Attorney General is satisfied that a person has failed to remove an alien stowaway as required under section 241(d)(2), the person shall pay to the Commissioner the sum of $5,000 for each alien stowaway not removed.

''(C) NO COMPROMISE.—The Attorney General may not compromise the amount of such penalty under this paragraph.

''(2) CLEARING VESSELS AND AIRCRAFT.—

''(A) CLEARANCE BEFORE DECISION ON LIABILITY.—A vessel or aircraft may be granted clearance before a decision on liability is made under paragraph (1) only if a bond approved by the Attorney General or an amount sufficient to pay the civil penalty is deposited with the Commissioner.

''(B) PROHIBITION ON CLEARANCE WHILE PENALTY UNPAID.—A vessel or aircraft may not be granted clearance if a civil penalty imposed under paragraph (1) is not paid.

''(d) DISCONTINUING GRANTING VISAS TO NATIONALS OF COUNTRY DENYING OR DELAYING ACCEPTING ALIEN.—On being notified by the Attorney General that the government of a foreign country denies or unreasonably delays accepting an alien who is a citizen, subject, national, or resident of that country after the Attorney General asks whether the government will accept the alien under this section, the Secretary of State shall order consular officers in that foreign country to discontinue granting immigrant visas or nonimmigrant visas, or both, to citizens, subjects, nationals, and residents of that country until the Attorney General notifies the Secretary that the country has accepted the alien.''.

SEC. 308. REDESIGNATION AND REORGANIZATION OF OTHER PROVISIONS; ADDITIONAL CONFORMING AMENDMENTS.

(a) CONFORMING AMENDMENT TO TABLE OF CONTENTS; OVERVIEW OF REORGANIZED CHAPTERS.—The table of contents, as amended by sections 123(b) and 671(e)(1) of this division, is amended—

(1) by striking the item relating to section 106, and

(2) by striking the item relating to chapter 4 of title II and all that follows through the item relating to section 244A and inserting the following:

''CHAPTER 4—INSPECTION, APPREHENSION, EXAMINATION, EXCLUSION, AND REMOVAL

''Sec. 231. Lists of alien and citizen passengers arriving or departing; record of resident aliens and citizens leaving permanently for foreign country.
''Sec. 232. Detention of aliens for physical and mental examination.
''Sec. 233. Entry through or from foreign territory and adjacent islands; landing stations.
''Sec. 234. Designation of ports of entry for aliens arriving by civil aircraft.
''Sec. 235. Inspection by immigration officers; expedited removal of inadmissible arriving aliens; referral for hearing.
''Sec. 235A. Preinspection at foreign airports.
''Sec. 236. Apprehension and detention of aliens not lawfully in the United States.
''Sec. 237. General classes of deportable aliens.
''Sec. 238. Expedited removal of aliens convicted of committing aggravated felonies.
''Sec. 239. Initiation of removal proceedings.
''Sec. 240. Removal proceedings.
''Sec. 240A. Cancellation of removal; adjustment of status.
''Sec. 240B. Voluntary departure.
''Sec. 240C. Records of admission.
''Sec. 241. Detention and removal of aliens ordered removed.
''Sec. 242. Judicial review of orders of removal.
''Sec. 243. Penalties relating to removal.
''Sec. 244. Temporary protected status.

''CHAPTER 5—ADJUSTMENT AND CHANGE OF STATUS''.

(b) REORGANIZATION OF OTHER PROVISIONS.—Chapters 4 and 5 of title II are amended as follows:

(1) AMENDING CHAPTER HEADING.—Amend the heading for chapter 4 of title II to read as follows:

''CHAPTER 4—INSPECTION, APPREHENSION, EXAMINATION, EXCLUSION, AND REMOVAL''.

(2) REDESIGNATING SECTION 232 AS SECTION 232(a).—Amend section 232 (8 U.S.C. 1222)—

(A) by inserting ''(a) DETENTION OF ALIENS.—'' after ''SEC. 232.'', and

(B) by amending the section heading to read as follows:

''DETENTION OF ALIENS FOR PHYSICAL AND MENTAL EXAMINATION''.

(3) REDESIGNATING SECTION 234 AS SECTION 232(b).—Amend section 234 (8 U.S.C. 1224)—

(A) by striking the heading,

(B) by striking ''SEC. 234.'' and inserting the following: ''(b) PHYSICAL AND MENTAL EXAMINATION.—'', and

(C) by moving such provision to the end of section 232.

(4) REDESIGNATING SECTION 238 AS SECTION 233.—Redesignate section 238 (8 U.S.C. 1228) as section 233 and move the section to immediately follow section 232.

(5) REDESIGNATING SECTION 242A AS SECTION 238.—Redesignate section 242A as section 238, strike ''DEPORTATION'' in its heading and insert ''REMOVAL'', and move the section to immediately follow section 237 (as redesignated by section 305(a)(2)).

(6) STRIKING SECTION 242B.—Strike section 242B (8 U.S.C. 1252b).

(7) STRIKING SECTION 244 AND REDESIGNATING SECTION 244A AS SECTION 244.—Strike section 244 (8 U.S.C. 1254) and redesignate section 244A as section 244.

(8) AMENDING CHAPTER HEADING.—Amend the heading for chapter 5 of title II to read as follows:

''CHAPTER 5—ADJUSTMENT AND CHANGE OF STATUS''.

(c) ADDITIONAL CONFORMING AMENDMENTS.—

(1) EXPEDITED PROCEDURES FOR AGGRAVATED FELONS (FORMER SECTION 242A).—Section 238 (which, previous to redesignation under section 308(b)(5) of this division, was section 242A) is amended—

(A) in subsection (a)(1), by striking ''section 242'' and inserting ''section 240'';

(B) in subsection (a)(2), by striking ''section 242(a)(2)'' and inserting ''section 236(c)''; and

(C) in subsection (b)(1), by striking ''section 241(a)(2)(A)(iii)'' and inserting ''section 237(a)(2)(A)(iii)''.

(2) TREATMENT OF CERTAIN HELPLESS ALIENS.—

(A) CERTIFICATION OF HELPLESS ALIENS.—Section 232 (8 U.S.C. 1222), as amended by section 308(b)(2) of this division, is further amended by adding at the end the following new subsection:

''(c) CERTIFICATION OF CERTAIN HELPLESS ALIENS.—If an examining medical officer determines that an alien arriving in the United States is inadmissible, is helpless from sickness, mental or physical disability, or infancy, and is accompanied by another alien whose protection or guardianship may be required, the officer may certify such fact for purposes of applying section 212(a)(10)(B) with respect to the other alien.''.

(B) GROUND OF INADMISSIBILITY FOR PROTECTION AND GUARDIANSHIP OF ALIENS DENIED ADMISSION FOR HEALTH OR INFANCY.—Subparagraph (B) of section 212(a)(10) (8 U.S.C. 1182(a)(10)), as redesignated by section 301(a)(1) of this division, is amended to read as follows:

''(B) GUARDIAN REQUIRED TO ACCOMPANY HELPLESS ALIEN.—Any alien—

''(i) who is accompanying another alien who is inadmissible and who is certified to be helpless from sickness, mental or physical disability, or infancy pursuant to section 232(c), and

''(ii) whose protection or guardianship is determined to be required by the alien described in clause (i),

is inadmissible.''.

(3) CONTINGENT CONSIDERATION IN RELATION TO REMOVAL OF ALIENS.—Section 273(a) (8 U.S.C. 1323(a)) is amended—

(A) by inserting ''(1)'' after ''(a)'', and

(B) by adding at the end the following new paragraph:

''(2) It is unlawful for an owner, agent, master, commanding officer, person in charge, purser, or consignee of a vessel or aircraft who is bringing an alien (except an alien crewmember) to the United States to take any consideration to be kept or returned contingent on whether an alien is admitted to, or ordered removed from, the United States.''.

(4) CLARIFICATION.—(A) Section 238(a)(1), which, previous to redesignation under section 308(b)(5) of this division, was section 242A(a)(1), is amended by adding at the end the following: ''Nothing in this section shall be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.''.

(B) Section 225 of the Immigration and Nationality Technical Corrections Act of 1994 (Public Law 103–416) is amended by striking ''and nothing in'' and all that follows up to ''shall''.

(d) ADDITIONAL CONFORMING AMENDMENTS RELATING TO EXCLUSION AND INADMISSIBILITY.—

(1) SECTION 212.—Section 212 (8 U.S.C. 1182(a)) is amended—

(A) in the heading, by striking ''EXCLUDED FROM'' and inserting ''INELIGIBLE FOR'';

(B) in the matter in subsection (a) before paragraph (1), by striking all that follows ''(a)'' and inserting the following: ''CLASSES OF

ALIENS INELIGIBLE FOR VISAS OR ADMISSION.—Except as otherwise provided in this Act, aliens who are inadmissible under the following paragraphs are ineligible to receive visas and ineligible to be admitted to the United States:'';

(C) in subsection (a), by striking ''is excludable'' and inserting ''is inadmissible'' each place it appears;

(D) in subsections (a)(5)(C) (before redesignation by section 343(c)(1) of this division), (d)(1), and (k), by striking ''exclusion'' and inserting ''inadmissibility'';

(E) in subsections (b), (d)(3), (h)(1)(A)(i), and (k), by striking ''excludable'' each place it appears and inserting ''inadmissible'';

(F) in subsection (b)(2), by striking ''or ineligible for entry'';

(G) in subsection (d)(7), by striking ''excluded from'' and inserting ''denied''; and

(H) in subsection (h)(1)(B), by striking ''exclusion'' and inserting ''denial of admission''.

(2) SECTION 241.—Section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division, is amended—

(A) in subsection (a)(1)(H), by striking ''excludable'' and inserting ''inadmissible'';

(B) in subsection (a)(4)(C)(ii), by striking ''excludability'' and inserting ''inadmissibility'';

(C) in subsection (c), by striking ''exclusion'' and inserting ''inadmissibility''; and

(D) effective upon enactment of this Act, by striking subsection (d), as added by section 414(a) of the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104–132).

(3) OTHER GENERAL REFERENCES.—The following provisions are amended by striking ''excludability'' and ''excludable'' each place each appears and inserting ''inadmissibility'' and ''inadmissible'', respectively:

(A) Sections 101(f)(3), 213, 234 (before redesignation by section 308(b) of this division), 241(a)(1) (before redesignation by section 305(a)(2) of this division), 272(a), 277, 286(h)(2)(A)(v), and 286(h)(2)(A)(vi).

(B) Section 601(c) of the Immigration Act of 1990.

(C) Section 128 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102–138).

(D) Section 1073 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337).

(E) Section 221 of the Immigration and Nationality Technical Corrections Act of 1994 (Public Law 103–416).

(4) RELATED TERMS.—

(A) Section 101(a)(17) (8 U.S.C. 1101(a)(17)) is amended by striking ''or expulsion'' and inserting ''expulsion, or removal''.

(B) Section 102 (8 U.S.C. 1102) is amended by striking ''exclusion or deportation'' and inserting ''removal''.

(C) Section 103(c)(2) (8 U.S.C. 1103(c)(2)) is amended by striking ''been excluded or deported'' and inserting ''not been admitted or have been removed''.

(D) Section 206 (8 U.S.C. 1156) is amended by striking ''excluded from admission to the United States and deported'' and inserting ''denied admission to the United States and removed''.

(E) Section 216(f) (8 U.S.C. 1186a) is amended by striking ''exclusion'' and inserting ''inadmissibility''.

(F) Section 217 (8 U.S.C. 1187) is amended by striking ''excluded from admission'' and inserting ''denied admission at the time of arrival'' each place it appears.

(G) Section 221(f) (8 U.S.C. 1201) is amended by striking ''exclude'' and inserting ''deny admission to''.

(H) Section 232(a) (8 U.S.C. 1222(a)), as redesignated by subsection (b)(2), is amended by striking ''excluded by'' and ''the excluded classes'' and inserting ''inadmissible under'' and ''inadmissible classes'', respectively.

(I)(i) Section 272 (8 U.S.C. 1322) is amended—

(I) by striking ''EXCLUSION'' in the heading and inserting ''DENIAL OF ADMISSION'',

(II) in subsection (a), by striking ''excluding condition'' and inserting ''condition causing inadmissibility'', and

(III) in subsection (c), by striking ''excluding''.

(ii) The item in the table of contents relating to such section is amended by striking ''exclusion'' and inserting ''denial of admission''.

(J) Section 276(a) (8 U.S.C. 1326(a)) is amended—

(i) in paragraph (1), as amended by section 324(a) of this division—

(I) by striking ''arrested and deported, has been excluded and deported,'' and inserting ''denied admission, excluded, deported, or removed'', and

(II) by striking ''exclusion or deportation'' and inserting ''exclusion, deportation, or removal''; and

(ii) in paragraph (2)(B), by striking ''excluded and deported'' and inserting ''denied admission and removed''.

(K) Section 286(h)(2)(A)(vi) (8 U.S.C. 1356(h)(2)(A)(vi)) is amended by striking ''exclusion'' each place it appears and inserting ''removal''.

(L) Section 287 (8 U.S.C. 1357) is amended—

(i) in subsection (a), by striking ''or expulsion'' each place it appears and inserting ''expulsion, or removal'', and

(ii) in subsection (c), by striking ''exclusion from'' and inserting ''denial of admission to''.

(M) Section 290(a) (8 U.S.C. 1360(a)) is amended by striking ''admitted to the United States, or excluded therefrom'' each place it appears and inserting ''admitted or denied admission to the United States''.

(N) Section 291 (8 U.S.C. 1361) is amended by striking ''subject to exclusion'' and inserting ''inadmissible'' each place it appears.

(O) Section 292 (8 U.S.C. 1362) is amended by striking ''exclusion or deportation'' each place it appears and inserting ''removal''.

(P) Section 360 (8 U.S.C. 1503) is amended—

(i) in subsection (a), by striking ''exclusion'' each place it appears and inserting ''removal'', and

(ii) in subsection (c), by striking ''excluded from'' and inserting ''denied''.

(Q) Section 507(b)(2)(D) (8 U.S.C. 1537(b)(2)(D)) is amended by striking ''exclusion because such alien is excludable'' and inserting ''removal because such alien is inadmissible''.

(R) Section 301(a)(1) of the Immigration Act of 1990 is amended by striking ''exclusion'' and inserting ''inadmissibility''.

(S) Section 401(c) of the Refugee Act of 1980 is amended by striking ''deportation or exclusion'' and inserting ''removal''.

(T) Section 501(e)(2) of the Refugee Education Assistance Act of 1980 (Public Law 96–422) is amended—

(i) by striking ''exclusion or deportation'' each place it appears and inserting ''removal'', and

(ii) by striking ''deportation or exclusion'' each place it appears and inserting ''removal''.

(U) Section 4113(c) of title 18, United States Code, is amended by striking ''exclusion and deportation'' and inserting ''removal''.

(5) REPEAL OF SUPERSEDED PROVISION.—Effective as of the date of the enactment of the Antiterrorism and Effective Death Penalty Act of 1996, section 422 of such Act is repealed and the Immigration and Nationality Act shall be applied as if such section had not been enacted.

(e) REVISION OF TERMINOLOGY RELATING TO DEPORTATION.—

(1) Each of the following is amended by striking ''deportation'' each place it appears and inserting ''removal'':

(A) Subparagraphs (A)(iii)(II), (A)(iv)(II), and (B)(iii)(II) of section 204(a)(1) (8 U.S.C. 1154(a)(1)).

(B) Section 212(d)(1) (8 U.S.C. 1182(d)(1)).

(C) Section 212(d)(11) (8 U.S.C. 1182(d)(11)).

(D) Section 214(k)(4)(C) (8 U.S.C. 1184(k)(4)(C)), as redesignated by section 671(a)(3)(A) of this division.

(E) Section 241(a)(1)(H) (8 U.S.C. 1251(a)(1)(H)), before redesignation as section 237 by section 305(a)(2) of this division.

(F) Section 242A (8 U.S.C. 1252a), before redesignation as section 238 by subsection (b)(5).

(G) Subsections (a)(3) and (b)(5)(B) of section 244A (8 U.S.C. 1254a), before redesignation as section 244 by subsection (b)(7).

(H) Section 246(a) (8 U.S.C. 1256(a)).

(I) Section 254 (8 U.S.C. 1284).

(J) Section 263(a)(4) (8 U.S.C. 1303(a)(4)).

(K) Section 276(b) (8 U.S.C. 1326(b)).

(L) Section 286(h)(2)(A)(v) (8 U.S.C. 1356(h)(2)(A)(v)).

(M) Section 287(g) (8 U.S.C. 1357(g)) (as added by section 122 of this division).

(N) Section 291 (8 U.S.C. 1361).

(O) Section 318 (8 U.S.C. 1429).

(P) Section 130005(a) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322).

(Q) Section 4113(b) of title 18, United States Code.

(2) Each of the following is amended by striking ''deported'' each place it appears and inserting ''removed'':

(A) Section 212(d)(7) (8 U.S.C. 1182(d)(7)).

(B) Section 214(d) (8 U.S.C. 1184(d)).

(C) Section 241(a) (8 U.S.C. 1251(a)), before redesignation as section 237 by section 305(a)(2) of this division.

(D) Section 242A(c)(2)(D)(iv) (8 U.S.C. 1252a(c)(2)(D)(iv)), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5).

(E) Section 252(b) (8 U.S.C. 1282(b)).

(F) Section 254 (8 U.S.C. 1284).

(G) Subsections (b) and (c) of section 266 (8 U.S.C. 1306).

(H) Section 301(a)(1) of the Immigration Act of 1990.

(I) Section 4113 of title 18, United States Code.

(3) Section 101(g) (8 U.S.C. 1101(g)) is amended by inserting ''or removed'' after ''deported'' each place it appears.

(4) Section 103(c)(2) (8 U.S.C. 1103(c)(2)) is amended by striking ''suspension of deportation'' and inserting ''cancellation of removal''.

(5) Section 201(b)(1)(D) (8 U.S.C. 1151(b)(1)(D)) is amended by striking ''deportation is suspended'' and inserting ''removal is canceled''.

(6) Section 212(l)(2)(B) (8 U.S.C. 1182(l)(2)(B)) is amended by striking ''deportation against'' and inserting ''removal of''.

(7) Subsections (b)(2), (c)(2)(B), (c)(3)(D), (c)(4)(A), and (d)(2)(C) of section 216 (8 U.S.C. 1186a) are each amended by striking ''DEPORTATION'', ''deportation'', ''deport'', and ''deported'' each place each appears and inserting ''REMOVAL'', ''removal'', ''remove'', and ''removed'', respectively.

(8) Subsections (b)(2), (c)(2)(B), (c)(3)(D), and (d)(2)(C) of section 216A (8 U.S.C. 1186b) are each amended by striking ''DEPORTATION'', ''deportation'', ''deport'', and ''deported'' and inserting ''REMOVAL'', ''removal'', ''remove'', and ''removed'', respectively.

(9) Section 217(b)(2) (8 U.S.C. 1187(b)(2)) is amended by striking ''deportation against'' and inserting ''removal of''.

(10) Section 242A (8 U.S.C. 1252a), before redesignation as section 238 by subsection (b)(6), is amended, in the headings to various subdivisions, by striking ''DEPORTATION'' and ''DEPORTATION'' and inserting ''REMOVAL'' and ''REMOVAL'', respectively.

(11) Section 244A(a)(1)(A) (8 U.S.C. 1254a(a)(1)(A)), before redesignation as section 244 by subsection (b)(8), is amended—

(A) in subsection (a)(1)(A), by striking ''deport'' and inserting ''remove'', and

(B) in subsection (e), by striking ''SUSPENSION OF DEPORTATION'' and inserting ''CANCELLATION OF REMOVAL''.

(12) Section 254 (8 U.S.C. 1284) is amended by striking ''deport'' each place it appears and inserting ''remove''.

(13) Section 273(d) (8 U.S.C. 1323(d)) is repealed.

(14)(A) Section 276 (8 U.S.C. 1326) is amended by striking ''DEPORTED'' and inserting ''REMOVED''.

(B) The item in the table of contents relating to such section is amended by striking ''deported'' and inserting ''removed''.

(15) Section 318 (8 U.S.C. 1429) is amended by striking ''suspending'' and inserting ''canceling''.

(16) Section 301(a) of the Immigration Act of 1990 is amended by striking ''DEPORTATION'' and inserting ''REMOVAL''.

*(17) The heading of section 130005 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) is amended by striking ''**DEPORTATION**'' and inserting ''**REMOVAL**''.*

(18) Section 9 of the Peace Corps Act (22 U.S.C. 2508) is amended by striking ''deported'' and all that follows through ''Deportation'' and inserting ''removed pursuant to chapter 4 of title II of the Immigration and Nationality Act''.

(19) Section 8(c) of the Foreign Agents Registration Act (22 U.S.C. 618(c)) is amended by striking ''deportation'' and all that follows and inserting ''removal pursuant to chapter 4 of title II of the Immigration and Nationality Act.''.

(f) REVISION OF REFERENCES TO ENTRY.—

(1) The following provisions are amended by striking ''entry'' and inserting ''admission'' each place it appears:

(A) Section 101(a)(15)(K) (8 U.S.C. 1101(a)(15)(K)).

(B) Section 101(a)(30) (8 U.S.C. 1101(a)(30)).

(C) Section 212(a)(2)(D) (8 U.S.C. 1182(a)(2)(D)).

(D) Section 212(a)(6)(C)(i) (8 U.S.C. 1182(a)(6)(C)(i)).

(E) Section 212(h)(1)(A)(i) (8 U.S.C. 1182(h)(1)(A)(i)).

(F) Section 212(j)(1)(D) (8 U.S.C. 1182(j)(1)(D)).

(G) Section 214(c)(2)(A) (8 U.S.C. 1184(c)(2)(A)).

(H) Section 214(d) (8 U.S.C. 1184(d)).

(I) Section 216(b)(1)(A)(i) (8 U.S.C. 1186a(b)(1)(A)(i)).

(J) Section 216(d)(1)(A)(i)(III) (8 U.S.C. 1186a(d)(1)(A)(i)(III)).

(K) Subsection (b) of section 240 (8 U.S.C. 1230), before redesignation as section 240C by section 304(a)(2) of this division.

(L) Subsection (a)(1)(G) of section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division.

(M) Subsection (a)(1)(H) of section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division, other than the last time it appears.

(N) Paragraphs (2) and (4) of subsection (a) of section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division.

(O) Section 245(e)(3) (8 U.S.C. 1255(e)(3)).

(P) Section 247(a) (8 U.S.C. 1257(a)).

(Q) Section 601(c)(2) of the Immigration Act of 1990.

(2) The following provisions are amended by striking ''enter'' and inserting ''be admitted'':

(A) Section 204(e) (8 U.S.C. 1154(e)).

(B) Section 221(h) (8 U.S.C. 1201(h)).

(C) Section 245(e)(2) (8 U.S.C. 1255(e)(2)).

(3) The following provisions are amended by striking ''enters'' and inserting ''is admitted to'':

(A) Section 212(j)(1)(D)(ii) (8 U.S.C. 1154(e)).

(B) Section 214(c)(5)(B) (8 U.S.C. 1184(c)(5)(B)).

(4) Subsection (a) of section 238 (8 U.S.C. 1228), before redesignation as section 233 by section 308(b)(4) of this division, is amended by striking ''entry and inspection'' and inserting ''inspection and admission''.

(5) Subsection (a)(1)(H)(ii) of section 241 (8 U.S.C. 1251), before redesignation as section 237 by section 305(a)(2) of this division, is amended by striking ''at entry''.

(6) Section 7 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403h) is amended by striking ''that the entry'', ''given entry into'', and ''entering'' and inserting ''that the admission'', ''admitted to'', and ''admitted to''.

(7) Section 4 of the Atomic Weapons and Special Nuclear Materials Rewards Act (50 U.S.C. 47c) is amended by striking ''entry'' and inserting ''admission''.

(g) CONFORMING REFERENCES TO REORGANIZED SECTIONS.—

(1) REFERENCES TO SECTIONS 232, 234, 238, 239, 240, 241, 242A, AND 244A.—Any reference in law in effect on the day before the date of the enactment of this Act to section 232, 234, 238, 239, 240, 241, 242A, or 244A of the Immigration and Nationality Act (or a subdivision of such section) is deemed, as of the title III–A effective date, to refer to section 232(a), 232(b), 233, 234, 234A, 237, 238, or 244 of such Act (or the corresponding subdivision of such section), as redesignated by this subtitle. Any reference in law to section 241 (or a subdivision of such section) of the Immigration and Nationality Act in an amendment made by a subsequent subtitle of this title is deemed a reference (as of the title III–A effective date) to section 237 (or the corresponding subdivision of such section), as redesignated by this subtitle.

(2) REFERENCES TO SECTION 106.—

(A) Sections 242A(b)(3) and 242A(c)(3)(A)(ii) (8 U.S.C. 1252a(b)(3), 1252a(c)(3)(A)(ii)), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), are each amended by striking ''106'' and inserting ''242''.

(B) Sections 210(e)(3)(A) and 245A(f)(4)(A) (8 U.S.C. 1160(e)(3)(A), 1255a(f)(4)(A)) are amended by inserting ''(as in effect before October 1, 1996)'' after ''106''.

(C) Section 242A(c)(3)(A)(iii) (8 U.S.C. 1252a(c)(3)(A)(iii)), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), is amended by striking ''106(a)(1)'' and inserting ''242(b)(1)''.

(3) REFERENCES TO SECTION 236.—

(A) Sections 205 and 209(a)(1) (8 U.S.C. 1155, 1159(a)(1)) are each amended by striking ''236'' and inserting ''240''.

(B) Section 4113(c) of title 18, United States Code, is amended by striking ''1226 of title 8, United States Code'' and inserting ''240 of the Immigration and Nationality Act''.

(4) REFERENCES TO SECTION 237.—

(A) Section 209(a)(1) (8 U.S.C. 1159(a)(1)) is amended by striking ''237'' and inserting ''241''.

(B) Section 212(d)(7) (8 U.S.C. 1182(d)(7)) is amended by striking ''237(a)'' and inserting ''241(c)''.

(C) Section 280(a) (8 U.S.C. 1330(a)) is amended by striking ''237, 239, 243'' and inserting ''234, 243(c)(2)''.

(5) REFERENCES TO SECTION 242.—

(A)(i) Sections 214(d), 252(b), and 287(f)(1) (8 U.S.C. 1184(d), 1282(b), 1357(f)(1)) are each amended by striking ''242'' and inserting ''240''.

(ii) Subsection (c)(4) of section 242A (8 U.S.C. 1252a), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), are each amended by striking ''242'' and inserting ''240''.

(iii) Section 245A(a)(1)(B) (8 U.S.C. 1255a(a)(1)(B)) is amended by inserting ''(as in effect before October 1, 1996)'' after ''242''.

(iv) Section 4113 of title 18, United States Code, is amended—

(I) in subsection (a), by striking ''section 1252(b) or section 1254(e) of title 8, United States Code,'' and inserting ''section 240B of the Immigration and Nationality Act''; and

(II) in subsection (b), by striking ''section 1252 of title 8, United States Code,'' and inserting ''section 240 of the Immigration and Nationality Act''.

(B) Section 130002(a) of Public Law 103–322, as amended by section 345 of this division, is amended by striking ''242(a)(3)(A)'' and inserting ''236(d)''.

(C) Section 242A(b)(1) (8 U.S.C. 1252a(b)(1)), before redesignation as section 238 by section 308(b)(5) of this division, is amended by striking ''242(b)'' and inserting ''240''.

(D) Section 242A(c)(2)(D)(ii) (8 U.S.C. 1252a(c)(2)(D)(ii)), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), is amended by striking ''242(b)'' and inserting ''240''.

(E) Section 1821(e) of title 28, United States Code, is amended by striking ''242(b)'' and inserting ''240''.

(F) Section 130007(a) of Public Law 103–322 is amended by striking ''242(i)'' and inserting ''239(d)''.

(G) Section 20301(c) of Public Law 103–322 is amended by striking ''242(j)(5)'' and ''242(j)'' and inserting ''241(h)(5)'' and ''241(h)'', respectively.

(6) REFERENCES TO SECTION 242B.—

(A) Section 303(d)(2) of the Immigration Act of 1990 is amended by striking ''242B'' and inserting ''240(b)(5)''.

(B) Section 545(g)(1)(B) of the Immigration Act of 1990 is amended by striking ''242B(a)(4)'' and inserting ''239(a)(4)''.

(7) REFERENCES TO SECTION 243.—

(A) Section 214(d) (8 U.S.C. 1184(d)) is amended by striking ''243'' and inserting ''241''.

(B) Section 504(k)(2) (8 U.S.C. 1534(k)(2)) is amended by striking ''withholding of deportation under section 243(h)'' and inserting ''by withholding of removal under section 241(b)(3)''.

(C)(i) Section 315(c) of the Immigration Reform and Control Act of 1986 is amended by striking ''243(g)'' and ''1253(g)''and inserting ''243(d)'' and ''1253(d)'' respectively.

(ii) Section 702(b) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1988 is amended by striking ''243(g)'' and inserting ''243(d)''.

(iii) Section 903(b) of Public Law 100–204 is amended by striking ''243(g)'' and inserting ''243(d)''.

(D)(i) Section 6(f)(2)(F) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f)(2)(F)) is amended by striking ''243(h)'' and inserting ''241(b)(3)''.

(ii) Section 214(a)(5) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a(a)(5)) is amended by striking ''243(h)'' and inserting ''241(b)(3)''.

(E)(i) Subsection (c)(2)(B)(ii) of section 244A (8 U.S.C. 1254a), before redesignated as section 244 by section 308(b)(7), is amended by striking ''243(h)(2)'' and inserting ''208(b)(2)(A)''.

(ii) Section 301(e)(2) of the Immigration Act of 1990 is amended by striking ''243(h)(2)'' and inserting ''208(b)(2)(A)''.

(F) Section 316(f) (8 U.S.C. 1427(f)) is amended by striking ''subparagraphs (A) through (D) of paragraph 243(h)(2)'' and inserting ''clauses (i) through (v) of section 208(b)(2)(A)''.

(8) REFERENCES TO SECTION 244.—

(A)(i) Section 201(b)(1)(D) (8 U.S.C. 1151(b)(1)(D)) and subsection (e) of section 244A (8 U.S.C. 1254a), before redesignation as section 244 by section 308(b)(7) of this division, are each amended by striking ''244(a)'' and inserting ''240A(a)''.

(ii) Section 304(c)(1)(B) of the Miscellaneous and Technical Immigration and Naturalization Amendments of 1991 (Public Law 102–232) is amended by striking ''244(a)'' and inserting ''240A(a)''.

(B) Section 504(k)(3) (8 U.S.C. 1534(k)(3)) is amended by striking ''suspension of deportation under subsection (a) or (e) of section 244'' and inserting ''cancellation of removal under section 240A''.

(C) Section 304(c)(1)(B) of the Miscellaneous and Technical Immigration and Naturalization Amendments of 1991 (Public Law 102–232) is amended by striking ''244(b)(2)'' and inserting ''240A(b)(2)''.

(D) Section 364(a)(2) of this division is amended by striking ''244(a)(3)'' and inserting ''240A(a)(3)''.

(E) Section 431(c)(1)(B)(iii) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as added by section 501 of this division, is amended by striking ''suspension of deportation and adjustment of status pursuant to section 244(a)(3) of such Act'' and inserting ''cancellation of removal under section 240A of such Act''.

(9) REFERENCES TO CHAPTER 5.—

(A) Sections 266(b), 266(c), and 291 (8 U.S.C. 1306(b), 1306(c), 1361) are each amended by striking ''chapter 5'' and inserting ''chapter 4''.

(B) Section 6(b) of the Act of August 1, 1956 (50 U.S.C. 855(b)) is amended by striking ''chapter 5, title II, of the Immigration and Nationality Act (66 Stat. 163)'' and inserting ''chapter 4 of title II of the Immigration and Nationality Act''.

(10) MISCELLANEOUS CROSS-REFERENCE CORRECTIONS FOR NEWLY ADDED PROVISIONS.—

(A) Section 212(h), as amended by section 301(h) of this division, is amended by striking ''section 212(c)'' and inserting ''paragraphs (1) and (2) of section 240A(a)''.

(B) Section 245(c)(6), as amended by section 332(d) of this division, is amended by striking ''241(a)(4)(B)'' and inserting ''237(a)(4)(B)''.

(C) Section 249(d), as amended by section 332(e) of this division, is amended by striking ''241(a)(4)(B)'' and inserting ''237(a)(4)(B)''.

(D) Section 274C(d)(7), as added by section 212(d) of this division, is amended by striking ''withholding of deportation under section 243(h)'' and inserting ''withholding of removal under section 241(b)(3)''.

(E) Section 3563(b)(21) of title 18, United States Code, as inserted by section 374(b) of this division, is amended by striking ''242A(d)(5)'' and inserting ''238(d)(5)''.

(F) Section 130007(a) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended by section 671(a)(6) of this division, is amended by striking ''242A(a)(3)'' and inserting ''238(a)(3)''.

(G) Section 386(b) of this division is amended by striking ''excludable'' and ''EXCLUDABLE'' and inserting ''inadmissible'' and ''INADMISSIBLE'', respectively, each place each appears.

(H) Subsections (a), (c), (d), (g), and (h) of section 440 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), as amended by section 306(d) of this division, are amended by striking ''241(a)(2)(A)(ii)'' and ''241(a)(2)(A)(i)'' and inserting ''237(a)(2)(A)(ii)'' and ''237(a)(2)(A)(i)'', respectively .

SEC. 309. EFFECTIVE DATES; TRANSITION.

(a) IN GENERAL.—Except as provided in this section and sections 303(b)(2), 306(c), 308(d)(2)(D), or 308(d)(5) of this division, this subtitle and the amendments made by this subtitle shall take effect on the first day of the first month beginning more than 180 days after the date of the enactment of this Act (in this title referred to as the ''title III–A effective date'').

(b) PROMULGATION OF REGULATIONS.—The Attorney General shall first promulgate regulations to carry out this subtitle by not later than 30 days before the title III–A effective date.

(c) TRANSITION FOR ALIENS IN PROCEEDINGS.—

(1) GENERAL RULE THAT NEW RULES DO NOT APPLY.—Subject to the succeeding provisions of this subsection, in the case of an alien who is in exclusion or deportation proceedings as of the title III–A effective date—

(A) the amendments made by this subtitle shall not apply, and

(B) the proceedings (including judicial review thereof) shall continue to be conducted without regard to such amendments.

(2) ATTORNEY GENERAL OPTION TO ELECT TO APPLY NEW PROCEDURES.—In a case described in paragraph (1) in which an evidentiary hearing under section 236 or 242 and 242B of the Immigration and Nationality Act has not commenced as of the title III–A effective date, the Attorney General may elect to proceed under chapter 4 of title II of such Act (as amended by this subtitle). The Attorney General shall provide notice of such election to the alien involved not later than 30 days before the date any evidentiary hearing is commenced. If the Attorney General makes such election, the notice of hearing provided to the alien under section 235 or 242(a) of such Act shall be valid as if provided under section 239 of such Act (as amended by this subtitle) to confer jurisdiction on the immigration judge.

(3) ATTORNEY GENERAL OPTION TO TERMINATE AND REINITIATE PROCEEDINGS.—In the case described in paragraph (1), the Attorney General may elect to terminate proceedings in which there has not been a final administrative decision and to reinitiate proceedings under chapter 4 of title II the Immigration and Nationality Act (as amended by this subtitle). Any determination in the terminated proceeding shall not be binding in the reinitiated proceeding.

(4) TRANSITIONAL CHANGES IN JUDICIAL REVIEW.—In the case described in paragraph (1) in which a final order of exclusion or deportation is entered more than 30 days after the date of the enactment of this Act, notwithstanding any provision of section 106 of the Immigration and Nationality Act (as in effect as of the date of the enactment of this Act) to the contrary—

(A) in the case of judicial review of a final order of exclusion, subsection (b) of such section shall not apply and the action for judicial review shall be governed by the provisions of subsections (a) and (c) of such in the same manner as they apply to judicial review of orders of deportation;

(B) a court may not order the taking of additional evidence under section 2347(c) of title 28, United States Code;

(C) the petition for judicial review must be filed not later than 30 days after the date of the final order of exclusion or deportation;

(D) the petition for review shall be filed with the court of appeals for the judicial circuit in which the administrative proceedings before the special inquiry officer or immigration judge were completed;

(E) there shall be no appeal of any discretionary decision under section 212(c), 212(h), 212(i), 244, or 245 of the Immigration and Nationality Act (as in effect as of the date of the enactment of this Act);

(F) service of the petition for review shall not stay the deportation of an alien pending the court's decision on the petition, unless the court orders otherwise; and

(G) there shall be no appeal permitted in the case of an alien who is inadmissible or deportable by reason of having committed a criminal offense covered in section 212(a)(2) or section 241(a)(2)(A)(iii), (B), (C), or (D) of the Immigration and Nationality Act (as in effect as of the date of the enactment of this Act), or any offense covered by section 241(a)(2)(A)(ii) of such Act (as in effect on such date) for which both predicate offenses are, without regard to their date of commission, otherwise covered by section 241(a)(2)(A)(i) of such Act (as so in effect).

(5) TRANSITIONAL RULE WITH REGARD TO SUSPENSION OF DEPORTATION.—Paragraphs (1) and (2) of section 240A(d) of the Immigration and Nationality Act (relating to continuous residence or physical presence) shall apply to notices to appear issued before, on, or after the date of the enactment of this Act.

(6) TRANSITION FOR CERTAIN FAMILY UNITY ALIENS.—The Attorney General may waive the application of section 212(a)(9) of the Immigration and Nationality Act, as inserted by section 301(b)(1) of this division, in the case of an alien who is provided benefits under the provisions of section 301 of the Immigration Act of 1990 (relating to family unity).

(7) LIMITATION ON SUSPENSION OF DEPORTATION.—The Attorney General may not suspend the deportation and adjust the status under section 244 of the Immigration and Nationality Act of more than 4,000 aliens in any fiscal year (beginning after the date of the enactment of this Act). The previous sentence shall apply regardless of when an alien applied for such suspension and adjustment.

(d) TRANSITIONAL REFERENCES.—For purposes of carrying out the Immigration and Nationality Act, as amended by this subtitle—

(1) any reference in section 212(a)(1)(A) of such Act to the term ''inadmissible'' is deemed to include a reference to the term ''excludable'', and

(2) any reference in law to an order of removal shall be deemed to include a reference to an order of exclusion and deportation or an order of deportation.

(e) TRANSITION.—No period of time before the date of the enactment of this Act shall be included in the period of 1 year described in section 212(a)(6)(B)(i) of the Immigration and Nationality Act (as amended by section 301(c) of this division).

Subtitle B—Criminal Alien Provisions

SEC. 321. AMENDED DEFINITION OF AGGRAVATED FELONY.

(a) IN GENERAL.—Section 101(a)(43) (8 U.S.C. 1101(a)(43)), as amended by section 441(e) of the Antiterrorism and Effective Death Penalty Act of 1996 (P.L. 104–132), is amended—

(1) in subparagraph (A), by inserting '', rape, or sexual abuse of a minor'' after ''murder'';

(2) in subparagraph (D), by striking ''$100,000'' and inserting ''$10,000'';

(3) in subparagraphs (F), (G), (N), and (P), by striking ''is at least 5 years'' each place it appears and inserting ''at least one year'';

(4) in subparagraph (J), by striking ''sentence of 5 years' imprisonment'' and inserting ''sentence of one year imprisonment'';

(5) in subparagraph (K)(ii), by inserting ''if committed'' before ''for commercial advantage'';

(6) in subparagraph (L)—

(A) by striking ''or'' at the end of clause (i),

(B) by inserting ''or'' at the end of clause (ii), and

(C) by adding at the end the following new clause:

''(iii) section 601 of the National Security Act of 1947 (relating to protecting the identity of undercover agents);'';

(7) in subparagraph (M), by striking ''$200,000'' each place it appears and inserting ''$10,000'';

(8) in subparagraph (N), by striking ''for which the term'' and all that follows and inserting the following: '', except in the case of a first offense for which the alien has affirmatively shown that the alien committed the offense for the purpose of assisting, abetting, or aiding only the alien's spouse, child, or parent (and no other individual) to violate a provision of this Act'';

(9) in subparagraph (P), by striking ''18 months'' and inserting ''12 months, except in the case of a first offense for which the alien has affirmatively shown that the alien committed the offense for the purpose of assisting, abetting, or aiding only the alien's spouse, child, or parent (and no other individual) to violate a provision of this Act'';

(10) in subparagraph (R), by striking ''for which a sentence of 5 years' imprisonment or more may be imposed'' and inserting ''for which the term of imprisonment is at least one year''; and

(11) in subparagraph (S), by striking ''for which a sentence of 5 years' imprisonment or more may be imposed'' and inserting ''for which the term of imprisonment is at least one year''.

(b) EFFECTIVE DATE OF DEFINITION.—Section 101(a)(43) (8 U.S.C. 1101(a)(43)) is amended by adding at the end the following new sentence: ''Notwithstanding any other provision of law (including any effective date), the term applies regardless of whether the conviction was entered before, on, or after the date of enactment of this paragraph.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions taken on

or after the date of the enactment of this Act, regardless of when the conviction occurred, and shall apply under section 276(b) of the Immigration and Nationality Act only to violations of section 276(a) of such Act occurring on or after such date.

SEC. 322. DEFINITION OF CONVICTION AND TERM OF IMPRISONMENT.

(a) DEFINITION.—

(1) IN GENERAL.—Section 101(a) (8 U.S.C. 1101(a)) is amended by adding at the end the following new paragraph:

''(48)(A) The term 'conviction' means, with respect to an alien, a formal judgment of guilt of the alien entered by a court or, if adjudication of guilt has been withheld, where—

''(i) a judge or jury has found the alien guilty or the alien has entered a plea of guilty or nolo contendere or has admitted sufficient facts to warrant a finding of guilt, and

''(ii) the judge has ordered some form of punishment, penalty, or restraint on the alien's liberty to be imposed.

''(B) Any reference to a term of imprisonment or a sentence with respect to an offense is deemed to include the period of incarceration or confinement ordered by a court of law regardless of any suspension of the imposition or execution of that imprisonment or sentence in whole or in part.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 101(a)(43) (8 U.S.C. 1101(a)(43)) is amended by striking ''imposed (regardless of any suspension of imprisonment)'' each place it appears in subparagraphs (F), (G), (N), and (P).

(B) Section 212(a)(2)(B) (8 U.S.C. 1182(a)(2)(B)) is amended by striking ''actually imposed''.

(b) REFERENCE TO PROOF PROVISIONS.—For provisions relating to proof of convictions, see subparagraphs (B) and (C) of section 240(c)(3) of the Immigration and Nationality Act, as inserted by section 304(a)(3) of this division.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to convictions and sentences entered before, on, or after the date of the enactment of this Act. Subparagraphs (B) and (C) of section 240(c)(3) of the Immigration and Nationality Act, as inserted by section 304(a)(3) of this division, shall apply to proving such convictions.

SEC. 323. AUTHORIZING REGISTRATION OF ALIENS ON CRIMINAL PROBATION OR CRIMINAL PAROLE.

Section 263(a) (8 U.S.C. 1303(a)) is amended by striking ''and (5)'' and inserting ''(5) aliens who are or have been on criminal probation or criminal parole within the United States, and (6)''.

SEC. 324. PENALTY FOR REENTRY OF DEPORTED ALIENS.

(a) IN GENERAL.—Section 276(a)(1) (8 U.S.C. 1326(a)(1)) is amended to read as follows:

''(1) has been arrested and deported, has been excluded and deported, or has departed the United States while an order of exclusion or deportation is outstanding, and thereafter''.

(b) TREATMENT OF STIPULATIONS.—The last sentence of section 276(b) (8 U.S.C. 1326(b)) is amended by inserting ''(or not during)'' after ''during''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to departures that occurred before, on, or after the date of the enactment of this Act, but only with respect to entries (and attempted entries) occurring on or after such date.

SEC. 325. CHANGE IN FILING REQUIREMENT.

Section 2424 of title 18, United States Code, is amended—

(1) in the first undesignated paragraph of subsection (a)—

(A) by striking ''alien'' each place it appears;

(B) by inserting after ''individual'' the first place it appears the following: '', knowing or in reckless disregard of the fact that the individual is an alien''; and

(C) by striking ''within three years after that individual has entered the United States from any country, party to the arrangement adopted July 25, 1902, for the suppression of the white-slave traffic'';

(2) in the second undesignated paragraph of subsection (a)—

(A) by striking ''thirty'' and inserting ''five business''; and

(B) by striking ''within three years after that individual has entered the United States from any country, party to the said arrangement for the suppression of the white-slave traffic,''; and

(3) in the text following the third undesignated paragraph of subsection (a), by striking ''two'' and inserting ''10''.

SEC. 326. CRIMINAL ALIEN IDENTIFICATION SYSTEM.

Subsection (a) of section 130002 of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended by section 432 of Public Law 104–132, is amended to read as follows:

''(a) OPERATION AND PURPOSE.—The Commissioner of Immigration and Naturalization shall, under the authority of section 242(a)(3)(A) of the Immigration and Nationality Act operate a criminal alien identification system. The criminal alien identification system shall be used to assist Federal, State, and local law enforcement agencies in identifying and locating aliens who may be subject to removal by reason of their conviction of aggravated felonies, subject to prosecution under section 275 of such Act, not lawfully present in the United States, or otherwise removable. Such system shall include providing for recording of fingerprint records of aliens who have been previously arrested and removed into appropriate automated fingerprint identification systems.''.

SEC. 327. APPROPRIATIONS FOR CRIMINAL ALIEN TRACKING CENTER.

Section 130002(b) of the Violent Crime Control and Law Enforcement Act of 1994 (8 U.S.C. 1252 note) is amended—

(1) by inserting ''and'' after ''1996;'', and

(2) by striking paragraph (2) and all that follows through the period at the end and inserting the following:

''(2) $5,000,000 for each of fiscal years 1997 through 2001.''.

SEC. 328. PROVISIONS RELATING TO STATE CRIMINAL ALIEN ASSISTANCE PROGRAM.

(a) MODIFICATION OF AUTHORITY.—

(1) IN GENERAL.—Section 241(i), as redesignated by section 306(a)(1) of this division, is amended—

(A) in paragraph (3)(A), by striking ''felony and sentenced to a term of imprisonment'' and inserting ''felony or two or more misdemeanors'', and

(B) by adding at the end the following new paragraph:

''(6) To the extent of available appropriations, funds otherwise made available under this section with respect to a State (or political subdivision, including a municipality) for incarceration of an undocumented criminal alien may, at the discretion of the recipient of the funds, be used for the costs of imprisonment of such alien in a State, local, or municipal prison or jail.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply beginning with fiscal year 1997.

(b) SENSE OF THE CONGRESS WITH RESPECT TO PROGRAM.—

(1) FINDINGS.—The Congress finds as follows:

(A) Of the $130,000,000 appropriated in fiscal year 1995 for the State Criminal Alien Assistance Program, the Department of Justice disbursed the first $43,000,000 to States on October 6, 1994, 32 days before the 1994 general election, and then failed to disburse the remaining $87,000,000 until January 31, 1996, 123 days after the end of fiscal year 1995.

(B) While H.R. 2880, the continuing appropriation measure funding certain operations of the Federal Government from January 26, 1996 to March 15, 1996, included $66,000,000 to reimburse States for the cost of incarcerating documented illegal immigrant felons, the Department of Justice failed to disburse any of the funds to the States during the period of the continuing appropriation.

(2) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(A) the Department of Justice was disturbingly slow in disbursing fiscal year 1995 funds under the State Criminal Alien Assistance Program to States after the initial grants were released just prior to the 1994 election; and

(B) the Attorney General should make it a high priority to expedite the disbursement of Federal funds intended to reimburse States for the cost of incarcerating illegal immigrants, aiming for all State Criminal Alien Assistance Program funds to be disbursed during the fiscal year for which they are appropriated.

SEC. 329. DEMONSTRATION PROJECT FOR IDENTIFICATION OF ILLEGAL ALIENS IN INCARCERATION FACILITY OF ANAHEIM, CALIFORNIA.

(a) AUTHORITY.—The Attorney General shall conduct a project demonstrating the feasibility of identifying, from among the individuals who are incarcerated in local governmental prison facilities prior to arraignment on criminal charges, those individuals who are aliens unlawfully present in the United States.

(b) DESCRIPTION OF PROJECT.—The project authorized by subsection (a) shall include—

(1) the detail to incarceration facilities within the city of Anaheim, California and the county of Ventura, California, of an employee of the Immigration and Naturalization Service who has expertise in the identification of aliens unlawfully in the United States, and

(2) provision of funds sufficient to provide for—

(A) access for such employee to records of the Service necessary to identify such aliens, and

(B) in the case of an individual identified as such an alien, pre-arraignment reporting to the court regarding the Service's intention to remove the alien from the United States.

(c) TERMINATION.—The authority under this section shall cease to be effective 6 months after the date of the enactment of this Act.

SEC. 330. PRISONER TRANSFER TREATIES.

(a) NEGOTIATIONS WITH OTHER COUNTRIES.—(1) Congress advises the President to begin to negotiate and renegotiate, not later than 90 days after the date of enactment of this Act, bilateral prisoner transfer treaties, providing for the incarceration, in the country of the alien's nationality, of any alien who—

(A) is a national of a country that is party to such a treaty; and

(B) has been convicted of a criminal offense under Federal or State law and who—

(i) is not in lawful immigration status in the United States, or

(ii) on the basis of conviction for a criminal offense under Federal or State law, or on any other basis, is subject to deportation or removal under the Immigration and Nationality Act,

for the duration of the prison term to which the alien was sentenced for the offense referred to in subparagraph (B). Any such agreement may provide for the release of such alien pursuant to parole procedures of that country.

(2) In entering into negotiations under paragraph (1), the President may consider providing for appropriate compensation, subject to the availability of appropriations, in cases where the United States is able to independently verify the adequacy of the sites where aliens will be imprisoned and the length of time the alien is actually incarcerated in the foreign country under such a treaty.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the focus of negotiations for such agreements should be—

(A) to expedite the transfer of aliens unlawfully in the United States who are (or are about to be) incarcerated in United States prisons,

(B) to ensure that a transferred prisoner serves the balance of the sentence imposed by the United States courts,

(C) to eliminate any requirement of prisoner consent to such a transfer, and

(D) to allow the Federal Government or the States to keep their original prison sentences in force so that transferred prisoners who return to the United States prior to the completion of their original United States sentences can be returned to custody for the balance of their prisons sentences;

(2) the Secretary of State should give priority to concluding an agreement with any country for which the President determines that the number of aliens described in subsection (a) who are nationals of that country in the United States represents a significant percentage of all such aliens in the United States; and

(3) no new treaty providing for the transfer of aliens from Federal, State, or local incarceration facilities to a foreign incarceration facility should permit the alien to refuse the transfer.

(c) PRISONER CONSENT.—Notwithstanding any other provision of law, except as required by treaty, the transfer of an alien from a Federal, State, or local incarceration facility under an agreement of the type referred to in subsection (a) shall not require consent of the alien.

(d) ANNUAL REPORT.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Attorney General shall submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate stating whether each prisoner transfer treaty to which the United States is a party has been effective in the preceding 12 months in bringing about the return of deportable incarcerated aliens to the country of which they are nationals and in ensuring that they serve the balance of their sentences.

(e) TRAINING FOREIGN LAW ENFORCEMENT PERSONNEL.—(1) Subject to paragraph (2), the President shall direct the Border Patrol Academy and the Customs Service Academy to enroll for training an appropriate number of foreign law enforcement personnel, and shall make appointments of foreign law enforcement personnel to such academies, as necessary to further the following United States law enforcement goals:

(A) Preventing of drug smuggling and other cross-border criminal activity.

(B) Preventing illegal immigration.

(C) Preventing the illegal entry of goods into the United States (including goods the sale of which is illegal in the United States, the entry of which would cause a quota to be exceeded, or the appropriate duty or tariff for which has not been paid).

(2) The appointments described in paragraph (1) shall be made only to the extent there is capacity in such academies beyond what is required to train United States citizens needed in the Border Patrol and Customs Service, and only of personnel from a country with which the prisoner transfer treaty has been stated to be effective in the most recent report referred to in subsection (d).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 331. PRISONER TRANSFER TREATIES STUDY.

(a) REPORT TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State and the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report that describes the use and effectiveness of the prisoner transfer treaties with the three countries with the greatest number of their nationals incarcerated in the United States in removing from the United States such incarcerated nationals.

(b) USE OF TREATY.—The report under subsection (a) shall include—

(1) the number of aliens convicted of a criminal offense in the United States since November 30, 1977, who would have been or are eligible for transfer pursuant to the treaties;

(2) the number of aliens described in paragraph (1) who have been transferred pursuant to the treaties;

(3) the number of aliens described in paragraph (2) who have been incarcerated in full compliance with the treaties;

(4) the number of aliens who are incarcerated in a penal institution in the United States who are eligible for transfer pursuant to the treaties; and

(5) the number of aliens described in paragraph (4) who are incarcerated in Federal, State, and local penal institutions in the United States.

(c) RECOMMENDATIONS.—The report under subsection (a) shall include the recommendations of the Secretary of State and the Attorney General to increase the effectiveness and use of, and full compliance with, the treaties. In considering the recommendations under this subsection, the Secretary and the Attorney General shall consult with such State and local officials in areas disproportionately impacted by aliens convicted of criminal offenses as the Secretary and the Attorney General consider appropriate. Such recommendations shall address—

(1) changes in Federal laws, regulations, and policies affecting the identification, prosecution, and deportation of aliens who have committed criminal offenses in the United States;

(2) changes in State and local laws, regulations, and policies affecting the identification, prosecution, and deportation of aliens who have committed a criminal offense in the United States;

(3) changes in the treaties that may be necessary to increase the number of aliens convicted of criminal offenses who may be transferred pursuant to the treaties;

(4) methods for preventing the unlawful reentry into the United States of aliens who have been convicted of criminal offenses in the United States and transferred pursuant to the treaties;

(5) any recommendations by appropriate officials of the appropriate government agencies of such countries regarding programs to achieve the goals of, and ensure full compliance with, the treaties;

(6) whether the recommendations under this subsection require the renegotiation of the treaties; and

(7) the additional funds required to implement each recommendation under this subsection.

SEC. 332. ANNUAL REPORT ON CRIMINAL ALIENS.

Not later than 12 months after the date of the enactment of this Act, and annually thereafter, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report detailing—

(1) the number of illegal aliens incarcerated in Federal and State prisons for having committed felonies, stating the number incarcerated for each type of offense;

(2) the number of illegal aliens convicted of felonies in any Federal or State court, but not sentenced to incarceration, in the year before the report was submitted, stating the number convicted for each type of offense;

(3) programs and plans underway in the Department of Justice to ensure the prompt removal from the United States of criminal aliens subject to removal; and

(4) methods for identifying and preventing the unlawful reentry of aliens who have been convicted of criminal offenses in the United States and removed from the United States.

SEC. 333. PENALTIES FOR CONSPIRING WITH OR ASSISTING AN ALIEN TO COMMIT AN OFFENSE UNDER THE CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.

(a) REVIEW OF GUIDELINES.—Not later than 6 months after the date of the enactment of this Act, the United States Sentencing Commission shall conduct a review of the guidelines applicable to an offender who conspires with, or aids or abets, a person who is not a citizen or national of the United States in committing any offense under section 1010 of the Controlled Substance Import and Export Act (21 U.S.C. 960).

(b) REVISION OF GUIDELINES.—Following such review, pursuant to section 994(p) of title 28, United States Code, the Commission shall promulgate sentencing guidelines or amend existing sentencing guidelines to ensure an appropriately stringent sentence for such offenders.

SEC. 334. ENHANCED PENALTIES FOR FAILURE TO DEPART, ILLEGAL REENTRY, AND PASSPORT AND VISA FRAUD.

(a) FAILING TO DEPART.—The United States Sentencing Commission shall promptly promulgate, pursuant to section 994 of title 28, United States Code, amendments to the sentencing guidelines to make appropriate increases in the base offense level for offenses under section 242(e) and 276(b) of the Immigration and Nationality Act (8 U.S.C. 1252(e) and 1326(b)) to reflect the amendments made by section 130001 of the Violent Crime Control and Law Enforcement Act of 1994.

(b) PASSPORT AND VISA OFFENSES.—The United States Sentencing Commission shall promptly promulgate, pursuant to section 994 of title 28, United States Code, amendments to the sentencing guidelines to make appropriate increases in the base offense level for offenses under chapter 75 of title 18, United States Code to reflect the amendments made by section 130009 of the Violent Crime Control and Law Enforcement Act of 1994.

Subtitle C—Revision of Grounds for Exclusion and Deportation

SEC. 341. PROOF OF VACCINATION REQUIREMENT FOR IMMIGRANTS.

(a) IN GENERAL.—Section 212(a)(1)(A) (8 U.S.C. 1182(a)(1)(A)) is amended—

(1) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and

(2) by inserting after clause (i) the following new clause:

''(ii) who seeks admission as an immigrant, or who seeks adjustment of status to the status of an alien lawfully admitted for permanent residence, and who has failed to present documentation of having received vaccination against vaccine-preventable diseases, which shall include at least the following diseases: mumps, measles, rubella, polio, tetanus and diphtheria toxoids, pertussis, influenza type B and hepatitis B, and any other vaccinations against vaccine-preventable diseases recommended by the Advisory Committee for Immunization Practices,''.

(b) WAIVER.—Section 212(g) (8 U.S.C. 1182(g)) is amended by striking '', or'' at the end of paragraph (1) and all that follows and inserting a semicolon and the following:

''in accordance with such terms, conditions, and controls, if any, including the giving of bond, as the Attorney General, in the discretion of the Attorney General after consultation with the Secretary of Health and Human Services, may by regulation prescribe;

''(2) subsection (a)(1)(A)(ii) in the case of any alien—

''(A) who receives vaccination against the vaccine-preventable disease or diseases for which the alien has failed to present documentation of previous vaccination,

''(B) for whom a civil surgeon, medical officer, or panel physician (as those terms are defined by section 34.2 of title 42 of the Code of Federal Regulations) certifies, according to such regulations as the Secretary of Health and Human Services may prescribe, that such vaccination would not be medically appropriate, or

''(C) under such circumstances as the Attorney General provides by regulation, with respect to whom the requirement of such a vaccination would be contrary to the alien's religious beliefs or moral convictions; or

''(3) subsection (a)(1)(A)(iii) in the case of any alien, in accordance with such terms, conditions, and controls, if any, including the giving of bond, as the Attorney General, in the discretion of the Attorney General after consultation with the Secretary of Health and Human Services, may by regulation prescribe.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to applications for immigrant visas or for adjustment of status filed after September 30, 1996.

SEC. 342. INCITEMENT OF TERRORIST ACTIVITY AND PROVISION OF FALSE DOCUMENTATION TO TERRORISTS AS A BASIS FOR EXCLUSION FROM THE UNITED STATES.

(a) IN GENERAL.—Section 212(a)(3)(B) (8 U.S.C. 1182(a)(3)(B)) is amended—

(1) by redesignating subclauses (III) and (IV) of clause (i) as subclauses (IV) and (V), respectively;

(2) by inserting after subclause (II) of clause (i) the following new subclause:

''(III) has, under circumstances indicating an intention to cause death or serious bodily harm, incited terrorist activity,''; and

(3) in clause (iii)(III), by inserting ''documentation or'' before ''identification'';

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to incitement regardless of when it occurs.

SEC. 343. CERTIFICATION REQUIREMENTS FOR FOREIGN HEALTH-CARE WORKERS.

Section 212(a)(5) (8 U.S.C. 1182(a)(5)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D), and

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) UNCERTIFIED FOREIGN HEALTH-CARE WORKERS.—Any alien who seeks to enter the United States for the purpose of performing labor as a health-care worker, other than a physician, is excludable unless the alien presents to the consular officer, or, in the case of an adjustment of status, the Attorney General, a certificate from the Commission on Graduates of Foreign Nursing Schools, or a certificate from an equivalent independent credentialing organization approved by the Attorney General in consultation with the Secretary of Health and Human Services, verifying that—

''(i) the alien's education, training, license, and experience—

''(I) meet all applicable statutory and regulatory requirements for entry into the United States under the classification specified in the application;

''(II) are comparable with that required for an American health-care worker of the same type; and

''(III) are authentic and, in the case of a license, unencumbered;

''(ii) the alien has the level of competence in oral and written English considered by the Secretary of Health and Human Services, in consultation with the Secretary of Education, to be appropriate for health care work of the kind in which the alien will be engaged, as shown by an appropriate score on one or more nationally recognized, commercially available, standardized assessments of the applicant's ability to speak and write; and

''(iii) if a majority of States licensing the profession in which the alien intends to work recognize a test predicting the success on the profession's licensing or certification examination, the alien has passed such a test or has passed such an examination.

For purposes of clause (ii), determination of the standardized tests required and of the minimum scores that are appropriate are within the sole discretion of the Secretary of Health and Human Services and are not subject to further administrative or judicial review.''.

SEC. 344. REMOVAL OF ALIENS FALSELY CLAIMING UNITED STATES CITIZENSHIP.

(a) EXCLUSION OF ALIENS WHO HAVE FALSELY CLAIMED UNITED STATES CITIZENSHIP.—Section 212(a)(6)(C) (8 U.S.C. 1182(a)(6)(C)) is amended—

(1) by redesignating clause (ii) as clause (iii), and

(2) by inserting after clause (i) the following new clause:

''(ii) FALSELY CLAIMING CITIZENSHIP.—Any alien who falsely represents, or has falsely represented, himself or herself to be a citizen of the United States for any purpose or benefit under this Act (including section 274A) or any other Federal or State law is excludable.''.

(b) DEPORTATION OF ALIENS WHO HAVE FALSELY CLAIMED UNITED STATES CITIZENSHIP.—Section 241(a)(3) (8 U.S.C. 1251(a)(3)) is amended by adding at the end the following new subparagraph:

''(D) FALSELY CLAIMING CITIZENSHIP.—Any alien who falsely represents, or has falsely represented, himself to be a citizen of the United States for any purpose or benefit under this Act (including section 274A) or any Federal or State law is deportable.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to representations made on or after the date of the enactment of this Act.

SEC. 345. WAIVER OF EXCLUSION AND DEPORTATION GROUND FOR CERTAIN SECTION 274C VIOLATORS.

(a) EXCLUSION GROUNDS.—Section 212 (8 U.S.C. 1182) is amended—

(1) by amending subparagraph (F) of subsection (a)(6) to read as follows:

''(F) SUBJECT OF CIVIL PENALTY.—

''(i) IN GENERAL.—An alien who is the subject of a final order for violation of section 274C is inadmissible.

''(ii) WAIVER AUTHORIZED.—For provision authorizing waiver of clause (i), see subsection (d)(12).''; and

(2) by adding at the end of subsection (d) the following new paragraph:

''(12) The Attorney General may, in the discretion of the Attorney General for humanitarian purposes or to assure family unity, waive application of clause (i) of subsection (a)(6)(F)—

''(A) in the case of an alien lawfully admitted for permanent residence who temporarily proceeded abroad voluntarily and not under an order of deportation or removal and who is otherwise admissible to the United States as a returning resident under section 211(b), and

''(B) in the case of an alien seeking admission or adjustment of status under section 201(b)(2)(A) or under section 203(a),

if no previous civil money penalty was imposed against the alien under section 274C and the offense was committed solely to assist, aid, or support the alien's spouse or child (and not another individual). No court shall have jurisdiction to review a decision of the Attorney General to grant or deny a waiver under this paragraph.''.

(b) GROUND OF DEPORTATION.—Subparagraph (C) of section 241(a)(3) (8 U.S.C. 1251(a)(3)), before redesignation by section 305(a)(2) of this division, is amended to read as follows:

''(C) DOCUMENT FRAUD.—

''(i) IN GENERAL.—An alien who is the subject of a final order for violation of section 274C is deportable.

''(ii) WAIVER AUTHORIZED.—The Attorney General may waive clause (i) in the case of an alien lawfully admitted for permanent residence if no previous civil money penalty was imposed against the alien under section 274C and the offense was incurred solely to assist, aid, or support the alien's spouse or child (and no other individual). No court shall have jurisdiction to review a decision of the Attorney General to grant or deny a waiver under this clause.''.

SEC. 346. INADMISSIBILITY OF CERTAIN STUDENT VISA ABUSERS.

(a) IN GENERAL.—Section 212(a)(6) (8 U.S.C. 1182(a)(6)) is amended by adding at the end the following new subparagraph:

''(G) STUDENT VISA ABUSERS.—An alien who obtains the status of a nonimmigrant under section 101(a)(15)(F)(i) and who violates a term or condition of such status under section 214(l) is excludable until the alien has been outside the United States for a continuous period of 5 years after the date of the violation.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to aliens who obtain the status of a nonimmigrant under section 101(a)(15)(F) of the Immigration and Nationality Act after the end of the 60-day period beginning on the date of the enactment of this Act, including aliens whose status as such a nonimmigrant is extended after the end of such period.

SEC. 347. REMOVAL OF ALIENS WHO HAVE UNLAWFULLY VOTED.

(a) EXCLUSION OF ALIENS WHO HAVE UNLAWFULLY VOTED.—Section 212(a)(10) (8 U.S.C. 1182(a)(10)), as redesignated by section 301(b) of this division, is amended by adding at the end the following new subparagraph:

''(D) UNLAWFUL VOTERS.—Any alien who has voted in violation of any Federal, State, or local constitutional provision, statute, ordinance, or regulation is excludable.''.

(b) DEPORTATION OF ALIENS WHO HAVE UNLAWFULLY VOTED.—Section 241(a) (8 U.S.C. 1251(a)), before redesignation by section 305(a)(2) of this division, is amended by adding at the end the following new paragraph:

''(6) UNLAWFUL VOTERS.—Any alien who has voted in violation of any Federal, State, or local constitutional provision, statute, ordinance, or regulation is deportable.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to voting occurring before, on, or after the date of the enactment of this Act.

SEC. 348. WAIVERS FOR IMMIGRANTS CONVICTED OF CRIMES.

(a) IN GENERAL.—Section 212(h) (8 U.S.C. 1182(h)) is amended by adding at the end the following: ''No waiver shall be granted under this subsection in the case of an alien who has previously been admitted to the United States as an alien lawfully admitted for permanent residence if either since the date of such admission the alien has been convicted of an aggravated felony or the alien has not lawfully resided continuously in the United States for a period of not less than 7 years immediately preceding the date of initiation of proceedings to remove the alien from the United States. No court shall have jurisdiction to review a decision of the Attorney General to grant or deny a waiver under this subsection.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective on the date of the enactment of this Act and shall apply in the case of any alien who is in exclusion or deportation proceedings as of such date unless a final administrative order in such proceedings has been entered as of such date.

SEC. 349. WAIVER OF MISREPRESENTATION GROUND OF INADMISSIBILITY FOR CERTAIN ALIEN.

Subsection (i) of section 212 (8 U.S.C. 1182) is amended to read as follows:

''(i)(1) The Attorney General may, in the discretion of the Attorney General, waive the application of clause (i) of subsection (a)(6)(C) in the case of an immigrant who is the spouse, son, or daughter of a United States citizen or of an alien lawfully admitted for permanent residence if it is established to the satisfaction of the Attorney General that the refusal of admission to the United States of such immigrant alien would result in extreme hardship to the citizen or lawfully resident spouse or parent of such an alien.

''(2) No court shall have jurisdiction to review a decision or action of the Attorney General regarding a waiver under paragraph (1).''.

SEC. 350. OFFENSES OF DOMESTIC VIOLENCE AND STALKING AS GROUND FOR DEPORTATION.

(a) IN GENERAL.—Section 241(a)(2) (8 U.S.C. 1251(a)(2)) is amended by adding at the end the following:

''(E) CRIMES OF DOMESTIC VIOLENCE, STALKING, OR VIOLATION OF PROTECTION ORDER, CRIMES AGAINST CHILDREN AND .—

''(i) DOMESTIC VIOLENCE, STALKING, AND CHILD ABUSE.—Any alien who at any time after entry is convicted of a crime of domestic violence, a crime of stalking, or a crime of child abuse, child neglect, or child abandonment is deportable. For purposes of this clause, the term 'crime of domestic violence' means any crime of violence (as defined in section 16 of title 18, United States Code) against a person committed by a current or former spouse of the person, by an individual with whom the person shares a child in common, by an individual who is cohabiting with or has cohabited with the person as a spouse, by an individual similarly situated to a spouse of the person under the domestic or family violence laws of the jurisdiction where the offense occurs, or by any other individual against a person who is protected from that individual's acts under the domestic or family violence laws of the United States or any State, Indian tribal government, or unit of local government.

''(ii) VIOLATORS OF PROTECTION ORDERS.—Any alien who at any time after entry is enjoined under a protection order issued by a court and whom the court determines has engaged in conduct that violates the portion of a protection order that involves protection against credible threats of violence, repeated harassment, or bodily injury to the person or persons for whom the protection order was issued is deportable. For purposes of this clause, the term 'protection order' means any injunction issued for the purpose of preventing violent or threatening acts of domestic violence, including temporary or final orders issued by civil or criminal courts (other than support or child custody orders or provisions) whether obtained by filing an independent action or as a pendente lite order in another proceeding.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to convictions, or violations of court orders, occurring after the date of the enactment of this Act.

SEC. 351. CLARIFICATION OF DATE AS OF WHICH RELATIONSHIP REQUIRED FOR WAIVER FROM EXCLUSION OR DEPORTATION FOR SMUGGLING.

(a) EXCLUSION.—Section 212(d)(11) (8 U.S.C. 1182(d)(11)) is amended by inserting ''an individual who at the time of such action was'' after ''aided only''.

(b) DEPORTATION.—Section 241(a)(1)(E)(iii) (8 U.S.C. 1251(a)(1)(E)(iii)) is amended by inserting ''an individual who at the time of the offense was'' after ''aided only''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to applications for waivers filed before, on, or after the date of the enactment of this Act, but shall not apply to such an application for which a final determination has been made as of the date of the enactment of this Act.

SEC. 352. EXCLUSION OF FORMER CITIZENS WHO RENOUNCED CITIZENSHIP TO AVOID UNITED STATES TAXATION.

(a) IN GENERAL.—Section 212(a)(10) (8 U.S.C. 1182(a)(10)), as redesignated by section 301(b) of this division and as amended by section 347(a) of this division, is amended by adding at the end the following:

''(E) FORMER CITIZENS WHO RENOUNCED CITIZENSHIP TO AVOID TAXATION.—Any alien who is a former citizen of the United States who officially renounces United States citizenship and who is determined by the Attorney General to have renounced United States citizenship for the purpose of avoiding taxation by the United States is excludable.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who renounce United States citizenship on and after the date of the enactment of this Act.

SEC. 353. REFERENCES TO CHANGES ELSEWHERE IN DIVISION.

(a) DEPORTATION FOR HIGH SPEED FLIGHT.—For provision making high speed flight from an immigration checkpoint subject to deportation, see section 108(c) of this division.

(b) INADMISSIBILITY OF ALIENS PREVIOUSLY REMOVED AND UNLAWFULLY PRESENT.—For provision making aliens previously removed and unlawfully present in the United States inadmissible, see section 301(b) of this division.

(c) INADMISSIBILITY OF ILLEGAL ENTRANTS.—For provision revising the ground of inadmissibility for illegal entrants and immigration violators, see section 301(c) of this division.

(d) DEPORTATION FOR VISA VIOLATORS.—For provision revising the ground of deportation for illegal entrants, see section 301(d) of this division.

(e) LABOR CERTIFICATIONS FOR PROFESSIONAL ATHLETES.—For provision providing for continued validity of labor certifications and classification petitions for professional athletes, see section 624 of this division.

Subtitle D—Changes in Removal of Alien Terrorist Provisions

SEC. 354. TREATMENT OF CLASSIFIED INFORMATION.

(a) LIMITATION ON PROVISION OF SUMMARIES; USE OF SPECIAL ATTORNEYS IN CHALLENGES TO CLASSIFIED INFORMATION.—

(1) NO PROVISION OF SUMMARY IN CERTAIN CASES.—Section 504(e)(3)(D) (8 U.S.C. 1534(e)(3)(D)) is amended—

(A) in clause (ii), by inserting before the period at the end the following: ''unless the judge makes the findings under clause (iii)'', and

(B) by adding at the end the following new clause:

''(iii) FINDINGS.—The findings described in this clause are, with respect to an alien, that—

''(I) the continued presence of the alien in the United States would likely cause serious and irreparable harm to the national security or death or serious bodily injury to any person, and

''(II) the provision of the summary would likely cause serious and irreparable harm to the national security or death or serious bodily injury to any person.''.

(2) SPECIAL CHALLENGE PROCEDURES.—Section 504(e)(3) (8 U.S.C. 1534(e)(3)) is amended by adding at the end the following new subparagraphs:

''(E) CONTINUATION OF HEARING WITHOUT SUMMARY.—If a judge makes the findings described in subparagraph (D)(iii)—

''(i) if the alien involved is an alien lawfully admitted for permanent residence, the procedures described in subparagraph (F) shall apply; and

''(ii) in all cases the special removal hearing shall continue, the Department of Justice shall cause to be delivered to the alien a statement that no summary is possible, and the classified information submitted in camera and ex parte may be used pursuant to this paragraph.

''(F) SPECIAL PROCEDURES FOR ACCESS AND CHALLENGES TO CLASSIFIED INFORMATION BY SPECIAL ATTORNEYS IN CASE OF LAWFUL PERMANENT ALIENS.—

''(i) IN GENERAL.—The procedures described in this subparagraph are that the judge (under rules of the removal court) shall designate a special attorney to assist the alien—

''(I) by reviewing in camera the classified information on behalf of the alien, and

''(II) by challenging through an in camera proceeding the veracity of the evidence contained in the classified information.

''(ii) RESTRICTIONS ON DISCLOSURE.—A special attorney receiving classified information under clause (i)—

''(I) shall not disclose the information to the alien or to any other attorney representing the alien, and

''(II) who discloses such information in violation of subclause (I) shall be subject to a fine under title 18, United States Code, imprisoned for not less than 10 years nor more than 25 years, or both.''.

(3) APPEALS.—Section 505(c) (8 U.S.C. 1535(c)) is amended—

(A) in paragraph (1), by striking ''The decision'' and inserting ''Subject to paragraph (2), the decision'';

(B) in paragraph (3)(D), by inserting before the period at the end the following: '', except that in the case of a review under paragraph (2) in which an alien lawfully admitted for permanent residence was denied a written summary of classified information under section 504(c)(3), the Court of Appeals shall review questions of fact de novo'';

(C) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

''(2) AUTOMATIC APPEALS IN CASES OF PERMANENT RESIDENT ALIENS IN WHICH NO SUMMARY PROVIDED.—

''(A) IN GENERAL.—Unless the alien waives the right to a review under this paragraph, in any case involving an alien lawfully admitted for permanent residence who is denied a written summary of classified information under section 504(e)(3) and with respect to which the procedures described in section 504(e)(3)(F) apply, any order issued by the judge shall be reviewed by the Court of Appeals for the District of Columbia Circuit.

''(B) USE OF SPECIAL ATTORNEY.—With respect to any issue relating to classified information that arises in such review, the alien shall be represented only by the special attorney designated under section 504(e)(3)(F)(i) on behalf of the alien.''.

(4) ESTABLISHMENT OF PANEL OF SPECIAL ATTORNEYS.—Section 502 (8 U.S.C. 1532) is amended by adding at the end the following new subsection:

''(e) ESTABLISHMENT OF PANEL OF SPECIAL ATTORNEYS.—The removal court shall provide for the designation of a panel of attorneys each of whom—

''(1) has a security clearance which affords the attorney access to classified information, and

''(2) has agreed to represent permanent resident aliens with respect to classified information under section 504(e)(3) in accordance with (and subject to the penalties under) this title.''.

(5) DEFINITION OF SPECIAL ATTORNEY.—Section 501 (8 U.S.C. 1531) is amended—

(A) by striking ''and'' at the end of paragraph (5),

(B) by striking the period at the end of paragraph (6) and inserting ''; and'', and

(C) by adding at the end the following new paragraph:

''(7) the term 'special attorney' means an attorney who is on the panel established under section 502(e).''.

(b) OTHER PROVISIONS RELATING TO CLASSIFIED INFORMATION.—

(1) INTRODUCTION OF CLASSIFIED INFORMATION.—Section 504(e) (8 U.S.C. 1534(e)) is amended—

(A) in paragraph (1)—

(i) by inserting after ''(A)'' the following: ''the Government is authorized to use in a removal proceedings the fruits of electronic surveillance and unconsented physical searches authorized under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) without regard to subsections (c), (e), (f), (g), and (h) of section 106 of that Act and'', and

(ii) by striking ''the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.)'' and inserting ''such Act''; and

(B) by striking the period at the end of paragraph (3)(A) and inserting the following: ''and neither the alien nor the public shall be informed of such evidence or its sources other than through reference to the summary provided pursuant to this paragraph. Notwithstanding

the previous sentence, the Department of Justice may, in its discretion and, in the case of classified information, after coordination with the originating agency, elect to introduce such evidence in open session.''.

(2) MAINTENANCE OF CONFIDENTIALITY OF CLASSIFIED INFORMATION IN ARGUMENTS.—Section 504(f) (8 U.S.C. 1534(f)) is amended by adding at the end the following: ''The judge may allow any part of the argument that refers to evidence received in camera and ex parte to be heard in camera and ex parte.''.

(3) MAINTENANCE OF CONFIDENTIALITY OF CLASSIFIED INFORMATION IN ORDERS.—Section 504(j) (8 U.S.C. 1534(j)) is amended by adding at the end the following: ''Any portion of the order that would reveal the substance or source of information received in camera and ex parte pursuant to subsection (e) shall not be made available to the alien or the public.''.

SEC. 355. EXCLUSION OF REPRESENTATIVES OF TERRORISTS ORGANIZATIONS.

Section 212(a)(3)(B)(i)(IV) (8 U.S.C. 1182(a)(3)(B)(i)(VI)), as inserted by section 411(1)(C) of Public Law 104–132, is amended by inserting ''which the alien knows or should have known is a terrorist organization'' after ''219,''.

SEC. 356. STANDARD FOR JUDICIAL REVIEW OF TERRORIST ORGANIZATION DESIGNATIONS.

Section 219(b)(3) (8 U.S.C. 1189(b)(3)), as added by section 302(a) of Public Law 104–132, is amended—

(1) by striking ''or'' at the end of subparagraph (B),

(2) by striking the period at the end of subparagraph (C) and inserting a semicolon, and

(3) by adding at the end the following:

''(D) lacking substantial support in the administrative record taken as a whole or in classified information submitted to the court under paragraph (2), or

''(E) not in accord with the procedures required by law.''.

SEC. 357. REMOVAL OF ANCILLARY RELIEF FOR VOLUNTARY DEPARTURE.

Section 504(k) (8 U.S.C. 1534(k)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) voluntary departure under section 244(e);''.

SEC. 358. EFFECTIVE DATE.

The amendments made by this subtitle shall be effective as if included in the enactment of subtitle A of title IV of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132).

Subtitle E—Transportation of Aliens

SEC. 361. DEFINITION OF STOWAWAY.

(a) STOWAWAY DEFINED.—Section 101(a) (8 U.S.C. 1101(a)), as amended by section 322(a)(1) of this division, is amended by adding at the end the following new paragraph:

''(49) The term 'stowaway' means any alien who obtains transportation without the consent of the owner, charterer, master or person in command of any vessel or aircraft through concealment aboard such vessel or aircraft. A passenger who boards with a valid ticket is not to be considered a stowaway.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 362. TRANSPORTATION CONTRACTS.

(a) COVERAGE OF NONCONTIGUOUS TERRITORY.—Section 238 (8 U.S.C. 1228), before redesignation as section 233 under section 308(b)(4) of this division, is amended—

(1) in the heading, by striking ''CONTIGUOUS'', and

(2) by striking ''contiguous'' each place it appears in subsections (a), (b), and (d).

(b) COVERAGE OF RAILROAD TRAIN.—Subsection (d) of such section is further amended by inserting ''or railroad train'' after ''aircraft''.

Subtitle F—Additional Provisions

SEC. 371. IMMIGRATION JUDGES AND COMPENSATION.

(a) DEFINITION OF TERM.—Paragraph (4) of section 101(b) (8 U.S.C. 1101(b)) is amended to read as follows:

''(4) The term 'immigration judge' means an attorney whom the Attorney General appoints as an administrative judge within the Executive Office for Immigration Review, qualified to conduct specified classes of proceedings, including a hearing under section 240. An immigration judge shall be subject to such supervision and shall perform such duties as the Attorney General shall prescribe, but shall not be employed by the Immigration and Naturalization Service.''.

(b) SUBSTITUTION FOR TERM ''SPECIAL INQUIRY OFFICER''.—The Immigration and Nationality Act is amended by striking ''a special inquiry officer'', ''A special inquiry officer'', ''special inquiry officer'', and ''special inquiry officers'' and inserting ''an immigration judge'', ''An immigration judge'', ''immigration judge'', and ''immigration judges'', respectively, each place it appears in the following sections:

(1) Section 106(a)(2) (8 U.S.C. 1105a(a)(2)), before its repeal by section 306(c) of this division.

(2) Section 209(a)(2) (8 U.S.C. 1159(a)(2)).

(3) Section 234 (8 U.S.C. 1224), before redesignation by section 308(b) of this division.

(4) Section 235 (8 U.S.C. 1225), before amendment by section 302(a) of this division.

(5) Section 236 (8 U.S.C. 1226), before amendment by section 303 of this division.

(6) Section 242(b) (8 U.S.C. 1252(b)), before amendment by section 306(a)(2) of this division.

(7) Section 242B(d)(1) (8 U.S.C. 1252b(d)(1)), before repeal by section 306(b)(6) of this division.

(8) Section 273(d) (8 U.S.C. 1323(d)), before its repeal by section 308(e)(13) of this division.

(9) Section 292 (8 U.S.C. 1362).

(c) COMPENSATION FOR IMMIGRATION JUDGES.—

(1) IN GENERAL.—There shall be four levels of pay for immigration judges, under the Immigration Judge Schedule (designated as IJ–1, 2, 3, and 4, respectively), and each such judge shall be paid at one of those levels, in accordance with the provisions of this subsection.

(2) RATES OF PAY.—

(A) The rates of basic pay for the levels established under paragraph (1) shall be as follows:

IJ–1	70% of the next to highest rate of basic pay for the Senior Executive Service
IJ–2	80% of the next to highest rate of basic pay for the Senior Executive Service
IJ–3	90% of the next to highest rate of basic pay for the Senior Executive Service
IJ–4	92% of the next to highest rate of basic pay for the Senior Executive Service.

(B) Locality pay, where applicable, shall be calculated into the basic pay for immigration judges.

(3) APPOINTMENT.—

(A) Upon appointment, an immigration judge shall be paid at IJ–1, and shall be advanced to IJ–2 upon completion of 104 weeks of service, to IJ–3 upon completion of 104 weeks of service in the next lower rate, and to IJ–4 upon completion of 52 weeks of service in the next lower rate.

(B) Notwithstanding subparagraph (A), the Attorney General may provide for appointment of an immigration judge at an advanced rate under such circumstances as the Attorney General may determine appropriate.

(4) TRANSITION.—Immigration judges serving as of the effective date shall be paid at the rate that corresponds to the amount of time, as provided under paragraph (3)(A), that they have served as an immigration judge, and in no case shall be paid less after the effective date than the rate of pay prior to the effective date.

(d) EFFECTIVE DATES.—

(1) Subsections (a) and (b) shall take effect on the date of the enactment of this Act.

(2) Subsection (c) shall take effect 90 days after the date of the enactment of this Act.

SEC. 372. DELEGATION OF IMMIGRATION ENFORCEMENT AUTHORITY.

Section 103(a) (8 U.S.C. 1103(a)) is amended—

(1) inserting ''(1)'' after ''(a)'',

(2) by designating each sentence (after the first sentence) as a separate paragraph with appropriate consecutive numbering and initial indentation,

(3) by adding at the end the following new paragraph:

''(8) In the event the Attorney General determines that an actual or imminent mass influx of aliens arriving off the coast of the United States, or near a land border, presents urgent circumstances requiring an immediate Federal response, the Attorney General may authorize any State or local law enforcement officer, with the consent of the head of the department, agency, or establishment under whose jurisdiction the individual is serving, to perform or exercise any of the powers, privileges, or duties conferred or imposed by this Act or regulations issued thereunder upon officers or employees of the Service.''.

SEC. 373. POWERS AND DUTIES OF THE ATTORNEY GENERAL AND THE COMMISSIONER.

Section 103 (8 U.S.C. 1103) is amended—

(1) by adding at the end of subsection (a) the following new paragraph:

''(9) The Attorney General, in support of persons in administrative detention in non-Federal institutions, is authorized—

''(A) to make payments from funds appropriated for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration for necessary clothing, medical care, necessary guard hire, and the housing, care, and security of persons detained by the Service pursuant to Federal law under an agreement with a State or political subdivision of a State; and

''(B) to enter into a cooperative agreement with any State, territory, or political subdivision thereof, for the necessary construction, physical renovation, acquisition of equipment, supplies or materials required to establish acceptable conditions of confinement and detention services in any State or unit of local government which agrees to provide guaranteed bed space for persons detained by the Service.''; and

(2) by adding at the end of subsection (c), as redesignated by section 102(d)(1) of this division, the following: ''The Commissioner may enter into cooperative agreements with State and local law enforcement agencies for the purpose of assisting in the enforcement of the immigration laws.''.

SEC. 374. JUDICIAL DEPORTATION.

(a) IN GENERAL.—Section 242A(d) (8 U.S.C. 1252a(d)), as added by section 224(a) of Immigration and Nationality Technical Corrections Act of 1994 and before redesignation by section 308(b)(5) of this division, is amended—

(1) in paragraph (1), by striking ''whose criminal conviction causes such alien to be deportable under section 241(a)(2)(A)'' and inserting ''who is deportable'';

(2) in paragraph (4), by striking ''without a decision on the merits''; and

(3) by adding at the end the following new paragraph:

''(5) STIPULATED JUDICIAL ORDER OF DEPORTATION.—The United States Attorney, with the concurrence of the Commissioner, may, pursuant to Federal Rule of Criminal Procedure 11, enter into a plea agreement which calls for the alien, who is deportable under this Act, to waive the right to notice and a hearing under this section, and stipulate to the entry of a judicial order of deportation from the United States as a condition of the plea agreement or as a condition of probation or supervised release, or both.

The United States district court, in both felony and misdemeanor cases, and a United States magistrate judge in misdemeanor cases, may accept such a stipulation and shall have jurisdiction to enter a judicial order of deportation pursuant to the terms of such stipulation.''.

(b) DEPORTATION AS A CONDITION OF PROBATION.—Section 3563(b) of title 18, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (20);

(2) by redesignating paragraph (21) as paragraph (22); and

(3) by inserting after paragraph (20) the following new paragraph:

''(21) be ordered deported by a United States district court, or United States magistrate judge, pursuant to a stipulation entered into by the defendant and the United States under section 242A(d)(5) of the Immigration and Nationality Act, except that, in the absence of a stipulation, the United States district court or a United States magistrate judge, may order deportation as a condition of probation, if, after notice and hearing pursuant to such section, the Attorney General demonstrates by clear and convincing evidence that the alien is deportable; or''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a)(2) shall be effective as if included in the enactment of section 224(a) of the Immigration and Nationality Technical Corrections Act of 1994.

SEC. 375. LIMITATION ON ADJUSTMENT OF STATUS.

Section 245(c) (8 U.S.C. 1255(c)) is amended—

(1) by striking ''or (6)'' and inserting ''(6)''; and

(2) by inserting before the period at the end the following: ''; (7) any alien who seeks adjustment of status to that of an immigrant under section 203(b) and is not in a lawful nonimmigrant status; or (8) any alien who was employed while the alien was an unauthorized alien, as defined in section 274A(h)(3), or who has otherwise violated the terms of a nonimmigrant visa''.

SEC. 376. TREATMENT OF CERTAIN FEES.

(a) INCREASE IN FEE.—Section 245(i) (8 U.S.C. 1255(i)), as added by section 506(b) of Public Law 103–317, is amended—

(1) in paragraph (1), by striking ''five times the fee required for the processing of applications under this section'' and inserting ''$1,000''; and

(2) by amending paragraph (3) to read as follows:

''(3)(A) The portion of each application fee (not to exceed $200) that the Attorney General determines is required to process an application under this section and is remitted to the Attorney General pursuant to paragraphs (1) and (2) of this subsection shall be disposed of by the Attorney General as provided in subsections (m), (n), and (o) of section 286.

''(B) Any remaining portion of such fees remitted under such paragraphs shall be deposited by the Attorney General into the Immigration Detention Account established under section 286(s).''.

(b) IMMIGRATION DETENTION ACCOUNT.—Section 286 (8 U.S.C. 1356) is amended by adding at the end the following new subsection:

''(s) IMMIGRATION DETENTION ACCOUNT.—(1) There is established in the general fund of the Treasury a separate account which shall be known as the 'Immigration Detention Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the Immigration Detention Account amounts described in section 245(i)(3)(B) to remain available until expended.

''(2)(A) The Secretary of the Treasury shall refund out of the Immigration Detention Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Attorney General for the detention of aliens under sections 236(c) and 241(a).

''(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Attorney General of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amount required to be refunded under subparagraph (A).

''(C) The amounts required to be refunded from the Immigration Detention Account for fiscal year 1997 and thereafter shall be refunded in accordance with estimates made in the budget request of the Attorney General for those fiscal years. Any proposed changes in the amounts designated in such budget requests shall only be made after notification to the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of Public Law 104–134.

''(D) The Attorney General shall prepare and submit annually to the Congress statements of financial condition of the Immigration Detention Account, including beginning account balance, revenues, withdrawals, and ending account balance and projection for the ensuing fiscal year.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to applications made on or after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 377. LIMITATION ON LEGALIZATION LITIGATION.

(a) LIMITATION ON COURT JURISDICTION.—Section 245A(f)(4) (8 U.S.C. 1255a(f)(4)) is amended by adding at the end the following new subparagraph:

''(C) JURISDICTION OF COURTS.—Notwithstanding any other provision of law, no court shall have jurisdiction of any cause of action or claim by or on behalf of any person asserting an interest under this section unless such person in fact filed an application under this section within the period specified by subsection (a)(1), or attempted to file a complete application and application fee with an authorized legalization officer of the Service but had the application and fee refused by that officer.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective as if included in the enactment of the Immigration Reform and Control Act of 1986.

SEC. 378. RESCISSION OF LAWFUL PERMANENT RESIDENT STATUS.

(a) IN GENERAL.—Section 246(a) (8 U.S.C. 1256(a)) is amended by adding at the end the following sentence: ''Nothing in this subsection shall require the Attorney General to rescind the alien's status prior to commencement of procedures to remove the alien under section 240, and an order of removal issued by an immigration judge shall be sufficient to rescind the alien's status.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the title III–A effective date (as defined in section 309(a) of this division).

SEC. 379. ADMINISTRATIVE REVIEW OF ORDERS.

(a) IN GENERAL.—Sections 274A(e)(7) and 274C(d)(4) (8 U.S.C. 1324a(e)(7), 1324c(d)(4)) are each amended—

(1) by striking ''unless, within 30 days, the Attorney General modifies or vacates the decision and order'' and inserting ''unless either (A) within 30 days, an official delegated by regulation to exercise review authority over the decision and order modifies or vacates the decision and order, or (B) within 30 days of the date of such a modification or vacation (or within 60 days of the date of decision and order of an administrative law judge if not so modified or vacated) the decision and order is referred to the Attorney General pursuant to regulations''; and

(2) by striking ''a final order'' and inserting ''the final agency decision and order''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to orders issued on or after the date of the enactment of this Act.

SEC. 380. CIVIL PENALTIES FOR FAILURE TO DEPART.

(a) IN GENERAL.—The Immigration and Nationality Act is amended by inserting after section 274C the following new section:

''CIVIL PENALTIES FOR FAILURE TO DEPART

''SEC. 274D. (a) IN GENERAL.—Any alien subject to a final order of removal who—

''(1) willfully fails or refuses to—

''(A) depart from the United States pursuant to the order,

''(B) make timely application in good faith for travel or other documents necessary for departure, or

''(C) present for removal at the time and place required by the Attorney General; or

''(2) conspires to or takes any action designed to prevent or hamper the alien's departure pursuant to the order,

shall pay a civil penalty of not more than $500 to the Commissioner for each day the alien is in violation of this section.

''(b) CONSTRUCTION.—Nothing in this section shall be construed to diminish or qualify any penalties to which an alien may be subject for activities proscribed by section 243(a) or any other section of this Act.''.

(b) CLERICAL AMENDMENT.—The table of contents is amended by inserting after the item relating to section 274C the following new item:

''Sec. 274D. Civil penalties for failure to depart.''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to actions occurring on or after the title III–A effective date (as defined in section 309(a) of this division).

SEC. 381. CLARIFICATION OF DISTRICT COURT JURISDICTION.

(a) IN GENERAL.—Section 279 (8 U.S.C. 1329) is amended—

(1) by amending the first sentence to read as follows: ''The district courts of the United States shall have jurisdiction of all causes, civil and criminal, brought by the United States that arise under the provisions of this title.'', and

(2) by adding at the end the following new sentence: ''Nothing in this section shall be construed as providing jurisdiction for suits against the United States or its agencies or officers.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to actions filed after the date of the enactment of this Act.

SEC. 382. APPLICATION OF ADDITIONAL CIVIL PENALTIES TO ENFORCEMENT.

(a) IN GENERAL.—Subsection (b) of section 280 (8 U.S.C. 1330) is amended to read as follows:

''(b)(1) There is established in the general fund of the Treasury a separate account which shall be known as the 'Immigration Enforcement Account'. Notwithstanding any other section of this title, there shall be deposited as offsetting receipts into the Immigration Enforcement Account amounts described in paragraph (2) to remain available until expended.

''(2) The amounts described in this paragraph are the following:

''(A) The increase in penalties collected resulting from the amendments made by sections 203(b) and 543(a) of the Immigration Act of 1990.

''(B) Civil penalties collected under sections 240B(d), 274C, 274D, and 275(b).

''(3)(A) The Secretary of the Treasury shall refund out of the Immigration Enforcement Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Attorney General for activities that enhance enforcement of provisions of this title. Such activities include—

''(i) the identification, investigation, apprehension, detention, and removal of criminal aliens;

''(ii) the maintenance and updating of a system to identify and track criminal aliens, deportable aliens, inadmissible aliens, and aliens illegally entering the United States; and

''(iii) for the repair, maintenance, or construction on the United States border, in areas experiencing high levels of apprehensions of illegal

aliens, of structures to deter illegal entry into the United States.

''(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Attorney General of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amount required to be refunded under subparagraph (A).

''(C) The amounts required to be refunded from the Immigration Enforcement Account for fiscal year 1996 and thereafter shall be refunded in accordance with estimates made in the budget request of the Attorney General for those fiscal years. Any proposed changes in the amounts designated in such budget requests shall only be made after notification to the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of Public Law 104–134.

''(D) The Attorney General shall prepare and submit annually to the Congress statements of financial condition of the Immigration Enforcement Account, including beginning account balance, revenues, withdrawals, and ending account balance and projection for the ensuing fiscal year.''.

(b) IMMIGRATION USER FEE ACCOUNT.—Section 286(h)(1)(B) (8 U.S.C. 1356(h)(1)(B)) is amended by striking ''271'' and inserting ''243(c), 271,''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fines and penalties collected on or after the date of the enactment of this Act.

SEC. 383. EXCLUSION OF CERTAIN ALIENS FROM FAMILY UNITY PROGRAM.

(a) IN GENERAL.—Section 301(e) of the Immigration Act of 1990 (8 U.S.C. 1255a note) is amended—

(1) by striking ''or'' at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting '', or'', and

(3) by adding at the end the following new paragraph:

''(3) has committed an act of juvenile delinquency which if committed by an adult would be classified as—

''(A) a felony crime of violence that has an element the use or attempted use of physical force against another individual, or

''(B) a felony offense that by its nature involves a substantial risk that physical force against another individual may be used in the course of committing the offense.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to benefits granted or extended after the date of the enactment of this Act.

SEC. 384. PENALTIES FOR DISCLOSURE OF INFORMATION.

(a) IN GENERAL.—Except as provided in subsection (b), in no case may the Attorney General, or any other official or employee of the Department of Justice (including any bureau or agency of such Department)—

(1) make an adverse determination of admissibility or deportability of an alien under the Immigration and Nationality Act using information furnished solely by—

(A) a spouse or parent who has battered the alien or subjected the alien to extreme cruelty,

(B) a member of the spouse's or parent's family residing in the same household as the alien who has battered the alien or subjected the alien to extreme cruelty when the spouse or parent consented to or acquiesced in such battery or cruelty,

(C) a spouse or parent who has battered the alien's child or subjected the alien's child to extreme cruelty (without the active participation of the alien in the battery or extreme cruelty), or

(D) a member of the spouse's or parent's family residing in the same household as the alien who has battered the alien's child or subjected the alien's child to extreme cruelty when the spouse or parent consented to or acquiesced in such battery or cruelty and the alien did not actively participate in such battery or cruelty,

unless the alien has been convicted of a crime or crimes listed in section 241(a)(2) of the Immigration and Nationality Act; or

(2) permit use by or disclosure to anyone (other than a sworn officer or employee of the Department, or bureau or agency thereof, for legitimate Department, bureau, or agency purposes) of any information which relates to an alien who is the beneficiary of an application for relief under clause (iii) or (iv) of section 204(a)(1)(A), clause (ii) or (iii) of section 204(a)(1)(B), section 216(c)(4)(C), or section 244(a)(3) of such Act as an alien (or the parent of a child) who has been battered or subjected to extreme cruelty.

The limitation under paragraph (2) ends when the application for relief is denied and all opportunities for appeal of the denial have been exhausted.

(b) EXCEPTIONS.—

(1) The Attorney General may provide, in the Attorney General's discretion, for the disclosure of information in the same manner and circumstances as census information may be disclosed by the Secretary of Commerce under section 8 of title 13, United States Code.

(2) The Attorney General may provide in the discretion of the Attorney General for the disclosure of information to law enforcement officials to be used solely for a legitimate law enforcement purpose.

(3) Subsection (a) shall not be construed as preventing disclosure of information in connection with judicial review of a determination in a manner that protects the confidentiality of such information.

(4) Subsection (a)(2) shall not apply if all the battered individuals in the case are adults and they have all waived the restrictions of such subsection.

(c) PENALTIES FOR VIOLATIONS.—Anyone who willfully uses, publishes, or permits information to be disclosed in violation of this section shall be subject to appropriate disciplinary action and subject to a civil money penalty of not more than $5,000 for each such violation.

(d) CONFORMING AMENDMENTS TO OTHER DISCLOSURE RESTRICTIONS.—

(1) IN GENERAL.—The last sentence of section 210(b)(6) and the second sentence of section 245A(c)(5) (8 U.S.C. 1255a(c)(5)) are each amended to read as follows: ''Anyone who uses, publishes, or permits information to be examined in violation of this paragraph shall be subject to appropriate disciplinary action and subject to a civil money penalty of not more than $5,000 for each violation.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to offenses occurring on or after the date of the enactment of this Act.

SEC. 385. AUTHORIZATION OF ADDITIONAL FUNDS FOR REMOVAL OF ALIENS.

In addition to the amounts otherwise authorized to be appropriated for each fiscal year beginning with fiscal year 1996, there are authorized to be appropriated to the Attorney General $150,000,000 for costs associated with the removal of inadmissible or deportable aliens, including costs of detention of such aliens pending their removal, the hiring of more investigators, and the hiring of more detention and deportation officers.

SEC. 386. INCREASE IN INS DETENTION FACILITIES; REPORT ON DETENTION SPACE.

(a) INCREASE IN DETENTION FACILITIES.—Subject to the availability of appropriations, the Attorney General shall provide for an increase in the detention facilities of the Immigration and Naturalization Service to at least 9,000 beds before the end of fiscal year 1997.

(b) REPORT ON DETENTION SPACE.—

(1) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Attorney General shall submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate estimating the amount of detention space that will be required, during the fiscal year in which the report is submitted and the succeeding fiscal year, to detain—

(A) all aliens subject to detention under section 236(c) of the Immigration and Nationality Act (as amended by section 303 of this title) and section 241(a) of the Immigration and Nationality Act (as inserted by section 305(a)(3) of this title);

(B) all excludable or deportable aliens subject to proceedings under section 238 of the Immigration and Nationality Act (as redesignated by section 308(b)(5) of this title) or section 235(b)(2)(A) or 240 of the Immigration and Nationality Act; and

(C) other excludable or deportable aliens in accordance with the priorities established by the Attorney General.

(2) ESTIMATE OF NUMBER OF ALIENS RELEASED INTO THE COMMUNITY.—

(A) CRIMINAL ALIENS.—

(i) IN GENERAL.—The first report submitted under paragraph (1) shall include an estimate of the number of criminal aliens who, in each of the 3 fiscal years concluded prior to the date of the report—

(I) were released from detention facilities of the Immigration and Naturalization Service (whether operated directly by the Service or through contract with other persons or agencies); or

(II) were not taken into custody or detention by the Service upon completion of their incarceration.

(ii) ALIENS CONVICTED OF AGGRAVATED FELONIES.—The estimate under clause (i) shall estimate separately, with respect to each year described in such clause, the number of criminal aliens described in such clause who were convicted of an aggravated felony.

(B) ALL EXCLUDABLE OR DEPORTABLE ALIENS.—The first report submitted under paragraph (1) shall also estimate the number of excludable or deportable aliens who were released into the community due to a lack of detention facilities in each of the 3 fiscal years concluded prior to the date of the report notwithstanding circumstances that the Attorney General believed justified detention (for example, a significant probability that the released alien would not appear, as agreed, at subsequent exclusion or deportation proceedings).

(C) SUBSEQUENT REPORTS.—Each report under paragraph (1) following the first such report shall include the estimates under subparagraphs (A) and (B), made with respect to the 6-month period immediately preceding the date of the submission of the report.

SEC. 387. PILOT PROGRAM ON USE OF CLOSED MILITARY BASES FOR THE DETENTION OF INADMISSIBLE OR DEPORTABLE ALIENS.

(a) ESTABLISHMENT.—The Attorney General and the Secretary of Defense shall establish one or more pilot programs for up to 2 years each to determine the feasibility of the use of military bases, available because of actions under a base closure law, as detention centers by the Immigration and Naturalization Service. In selecting real property at a military base for use as a detention center under the pilot program, the Attorney General and the Secretary shall consult with the redevelopment authority established for the military base and give substantial deference to the redevelopment plan prepared for the military base.

(b) REPORT.—Not later than 30 months after the date of the enactment of this Act, the Attorney General, together with the Secretary of Defense, shall submit a report to the Committees on the Judiciary of the House of Representatives

and of the Senate, and the Committees on Armed Services of the House of Representatives and of the Senate, on the feasibility of using military bases closed under a base closure law as detention centers by the Immigration and Naturalization Service.

(c) DEFINITION.—For purposes of this section, the term ''base closure law'' means each of the following:

(1) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

(4) Any other similar law enacted after the date of the enactment of this Act.

SEC. 388. REPORT ON INTERIOR REPATRIATION PROGRAM.

Not later than 30 months after the date of the enactment of this Act, the Attorney General, in consultation with the Secretary of State, shall submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate on the operation of the program of interior repatriation developed under section 437 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132).

TITLE IV—ENFORCEMENT OF RESTRICTIONS AGAINST EMPLOYMENT

Subtitle A—Pilot Programs for Employment Eligibility Confirmation

SEC. 401. ESTABLISHMENT OF PROGRAMS.

(a) IN GENERAL.—The Attorney General shall conduct 3 pilot programs of employment eligibility confirmation under this subtitle.

(b) IMPLEMENTATION DEADLINE; TERMINATION.—The Attorney General shall implement the pilot programs in a manner that permits persons and other entities to have elections under section 402 of this division made and in effect no later than 1 year after the date of the enactment of this Act. Unless the Congress otherwise provides, the Attorney General shall terminate a pilot program at the end of the 4-year period beginning on the first day the pilot program is in effect.

(c) SCOPE OF OPERATION OF PILOT PROGRAMS.—The Attorney General shall provide for the operation—

(1) of the basic pilot program (described in section 403(a) of this division) in, at a minimum, 5 of the 7 States with the highest estimated population of aliens who are not lawfully present in the United States;

(2) of the citizen attestation pilot program (described in section 403(b) of this division) in at least 5 States (or, if fewer, all of the States) that meet the condition described in section 403(b)(2)(A) of this division; and

(3) of the machine-readable-document pilot program (described in section 403(c) of this division) in at least 5 States (or, if fewer, all of the States) that meet the condition described in section 403(c)(2) of this division.

(d) REFERENCES IN SUBTITLE.—In this subtitle—

(1) PILOT PROGRAM REFERENCES.—The terms ''program'' or ''pilot program'' refer to any of the 3 pilot programs provided for under this subtitle.

(2) CONFIRMATION SYSTEM.—The term ''confirmation system'' means the confirmation system established under section 404 of this division.

(3) REFERENCES TO SECTION 274A.—Any reference in this subtitle to section 274A (or a subdivision of such section) is deemed a reference to such section (or subdivision thereof) of the Immigration and Nationality Act.

(4) I–9 OR SIMILAR FORM.—The term ''I–9 or similar form'' means the form used for purposes of section 274A(b)(1)(A) or such other form as the Attorney General determines to be appropriate.

(5) LIMITED APPLICATION TO RECRUITERS AND REFERRERS.—Any reference to recruitment or referral (or a recruiter or referrer) in relation to employment is deemed a reference only to such recruitment or referral (or recruiter or referrer) that is subject to section 274A(a)(1)(B)(ii).

(6) UNITED STATES CITIZENSHIP.—The term ''United States citizenship'' includes United States nationality.

(7) STATE.—The term ''State'' has the meaning given such term in section 101(a)(36) of the Immigration and Nationality Act.

SEC. 402. VOLUNTARY ELECTION TO PARTICIPATE IN A PILOT PROGRAM.

(a) VOLUNTARY ELECTION.—Subject to subsection (c)(3)(B), any person or other entity that conducts any hiring (or recruitment or referral) in a State in which a pilot program is operating may elect to participate in that pilot program. Except as specifically provided in subsection (e), the Attorney General may not require any person or other entity to participate in a pilot program.

(b) BENEFIT OF REBUTTABLE PRESUMPTION.—

(1) IN GENERAL.—If a person or other entity is participating in a pilot program and obtains confirmation of identity and employment eligibility in compliance with the terms and conditions of the program with respect to the hiring (or recruitment or referral) of an individual for employment in the United States, the person or entity has established a rebuttable presumption that the person or entity has not violated section 274A(a)(1)(A) with respect to such hiring (or such recruitment or referral).

(2) CONSTRUCTION.—Paragraph (1) shall not be construed as preventing a person or other entity that has an election in effect under subsection (a) from establishing an affirmative defense under section 274A(a)(3) if the person or entity complies with the requirements of section 274A(a)(1)(B) but fails to obtain confirmation under paragraph (1).

(c) GENERAL TERMS OF ELECTIONS.—

(1) IN GENERAL.—An election under subsection (a) shall be in such form and manner, under such terms and conditions, and shall take effect, as the Attorney General shall specify. The Attorney General may not impose any fee as a condition of making an election or participating in a pilot program.

(2) SCOPE OF ELECTION.—

(A) IN GENERAL.—Subject to paragraph (3), any electing person or other entity may provide that the election under subsection (a) shall apply (during the period in which the election is in effect)—

(i) to all its hiring (and all recruitment or referral) in the State (or States) in which the pilot program is operating, or

(ii) to its hiring (or recruitment or referral) in one or more pilot program States or one or more places of hiring (or recruitment or referral, as the case may be) in the pilot program States.

(B) APPLICATION OF PROGRAMS IN NON-PILOT PROGRAM STATES.—In addition, the Attorney General may permit a person or entity electing—

(i) the basic pilot program (described in section 403(a) of this division) to provide that the election applies to its hiring (or recruitment or referral) in one or more States or places of hiring (or recruitment or referral) in which the pilot program is not otherwise operating, or

(ii) the citizen attestation pilot program (described in 403(b) of this division) or the machine-readable-document pilot program (described in section 403(c) of this division) to provide that the election applies to its hiring (or recruitment or referral) in one or more States or places of hiring (or recruitment or referral) in which the pilot program is not otherwise operating but only if such States meet the requirements of 403(b)(2)(A) and 403(c)(2) of this division, respectively.

(3) ACCEPTANCE AND REJECTION OF ELECTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Attorney General shall accept all elections made under subsection (a).

(B) REJECTION OF ELECTIONS.—The Attorney General may reject an election by a person or other entity under this section or limit its applicability to certain States or places of hiring (or recruitment or referral) if the Attorney General has determined that there are insufficient resources to provide appropriate services under a pilot program for the person's or entity's hiring (or recruitment or referral) in any or all States or places of hiring.

(4) TERMINATION OF ELECTIONS.—The Attorney General may terminate an election by a person or other entity under this section because the person or entity has substantially failed to comply with its obligations under the pilot program. A person or other entity may terminate an election in such form and manner as the Attorney General shall specify.

(d) CONSULTATION, EDUCATION, AND PUBLICITY.—

(1) CONSULTATION.—The Attorney General shall closely consult with representatives of employers (and recruiters and referrers) in the development and implementation of the pilot programs, including the education of employers (and recruiters and referrers) about such programs.

(2) PUBLICITY.—The Attorney General shall widely publicize the election process and pilot programs, including the voluntary nature of the pilot programs and the advantages to employers (and recruiters and referrers) of making an election under this section.

(3) ASSISTANCE THROUGH DISTRICT OFFICES.—The Attorney General shall designate one or more individuals in each District office of the Immigration and Naturalization Service for a Service District in which a pilot program is being implemented—

(A) to inform persons and other entities that seek information about pilot programs of the voluntary nature of such programs, and

(B) to assist persons and other entities in electing and participating in any pilot programs in effect in the District, in complying with the requirements of section 274A, and in facilitating confirmation of the identity and employment eligibility of individuals consistent with such section.

(e) SELECT ENTITIES REQUIRED TO PARTICIPATE IN A PILOT PROGRAM.—

(1) FEDERAL GOVERNMENT.—

(A) EXECUTIVE DEPARTMENTS.—

(i) IN GENERAL.—Each Department of the Federal Government shall elect to participate in a pilot program and shall comply with the terms and conditions of such an election.

(ii) ELECTION.—Subject to clause (iii), the Secretary of each such Department—

(I) shall elect the pilot program (or programs) in which the Department shall participate, and

(II) may limit the election to hiring occurring in certain States (or geographic areas) covered by the program (or programs) and in specified divisions within the Department, so long as all hiring by such divisions and in such locations is covered.

(iii) ROLE OF ATTORNEY GENERAL.—The Attorney General shall assist and coordinate elections under this subparagraph in such manner as assures that—

(I) a significant portion of the total hiring within each Department within States covered by a pilot program is covered under such a program, and

(II) there is significant participation by the Federal Executive branch in each of the pilot programs.

(B) LEGISLATIVE BRANCH.—Each Member of Congress, each officer of Congress, and the head of each agency of the legislative branch, that conducts hiring in a State in which a pilot program is operating shall elect to participate in a pilot program, may specify which pilot program or programs (if there is more than one) in which the Member, officer, or agency will participate, and shall comply with the terms and conditions of such an election.

(2) APPLICATION TO CERTAIN VIOLATORS.—An order under section 274A(e)(4) or section 274B(g)

of the Immigration and Nationality Act may require the subject of the order to participate in, and comply with the terms of, a pilot program with respect to the subject's hiring (or recruitment or referral) of individuals in a State covered by such a program.

(3) CONSEQUENCE OF FAILURE TO PARTICIPATE.—If a person or other entity is required under this subsection to participate in a pilot program and fails to comply with the requirements of such program with respect to an individual—

(A) such failure shall be treated as a violation of section 274A(a)(1)(B) with respect to that individual, and

(B) a rebuttable presumption is created that the person or entity has violated section 274A(a)(1)(A).

Subparagraph (B) shall not apply in any prosecution under section 274A(f)(1).

(f) CONSTRUCTION.—This subtitle shall not affect the authority of the Attorney General under any other law (including section 274A(d)(4)) to conduct demonstration projects in relation to section 274A.

SEC. 403. PROCEDURES FOR PARTICIPANTS IN PILOT PROGRAMS.

(a) BASIC PILOT PROGRAM.—A person or other entity that elects to participate in the basic pilot program described in this subsection agrees to conform to the following procedures in the case of the hiring (or recruitment or referral) for employment in the United States of each individual covered by the election:

(1) PROVISION OF ADDITIONAL INFORMATION.—The person or entity shall obtain from the individual (and the individual shall provide) and shall record on the I–9 or similar form—

(A) the individual's social security account number, if the individual has been issued such a number, and

(B) if the individual does not attest to United States citizenship under section 274A(b)(2), such identification or authorization number established by the Immigration and Naturalization Service for the alien as the Attorney General shall specify,

and shall retain the original form and make it available for inspection for the period and in the manner required of I–9 forms under section 274A(b)(3).

(2) PRESENTATION OF DOCUMENTATION.—

(A) IN GENERAL.—The person or other entity, and the individual whose identity and employment eligibility are being confirmed, shall, subject to subparagraph (B), fulfill the requirements of section 274A(b) with the following modifications:

(i) A document referred to in section 274A(b)(1)(B)(ii) (as redesignated by section 412(a) of this division) must be designated by the Attorney General as suitable for the purpose of identification in a pilot program.

(ii) A document referred to in section 274A(b)(1)(D) must contain a photograph of the individual.

(iii) The person or other entity has complied with the requirements of section 274A(b)(1) with respect to examination of a document if the document reasonably appears on its face to be genuine and it reasonably appears to pertain to the individual whose identity and work eligibility is being confirmed.

(B) LIMITATION OF REQUIREMENT TO EXAMINE DOCUMENTATION.—If the Attorney General finds that a pilot program would reliably determine with respect to an individual whether—

(i) the person with the identity claimed by the individual is authorized to work in the United States, and

(ii) the individual is claiming the identity of another person,

if a person or entity could fulfill the requirement to examine documentation contained in subparagraph (A) of section 274A(b)(1) by examining a document specified in either subparagraph (B) or (D) of such section, the Attorney General may provide that, for purposes of such requirement, only such a document need be examined. In such case, any reference in section 274A(b)(1)(A) to a verification that an individual is not an unauthorized alien shall be deemed to be a verification of the individual's identity.

(3) SEEKING CONFIRMATION.—

(A) IN GENERAL.—The person or other entity shall make an inquiry, as provided in section 404(a)(1) of this division, using the confirmation system to seek confirmation of the identity and employment eligibility of an individual, by not later than the end of 3 working days (as specified by the Attorney General) after the date of the hiring (or recruitment or referral, as the case may be).

(B) EXTENSION OF TIME PERIOD.—If the person or other entity in good faith attempts to make an inquiry during such 3 working days and the confirmation system has registered that not all inquiries were received during such time, the person or entity can make an inquiry in the first subsequent working day in which the confirmation system registers that it has received all inquiries. If the confirmation system cannot receive inquiries at all times during a day, the person or entity merely has to assert that the entity attempted to make the inquiry on that day for the previous sentence to apply to such an inquiry, and does not have to provide any additional proof concerning such inquiry.

(4) CONFIRMATION OR NONCONFIRMATION.—

(A) CONFIRMATION UPON INITIAL INQUIRY.—If the person or other entity receives an appropriate confirmation of an individual's identity and work eligibility under the confirmation system within the time period specified under section 404(b) of this division, the person or entity shall record on the I–9 or similar form an appropriate code that is provided under the system and that indicates a final confirmation of such identity and work eligibility of the individual.

(B) NONCONFIRMATION UPON INITIAL INQUIRY AND SECONDARY VERIFICATION.—

(i) NONCONFIRMATION.—If the person or other entity receives a tentative nonconfirmation of an individual's identity or work eligibility under the confirmation system within the time period specified under 404(b) of this division, the person or entity shall so inform the individual for whom the confirmation is sought.

(ii) NO CONTEST.—If the individual does not contest the nonconfirmation within the time period specified in section 404(c) of this division, the nonconfirmation shall be considered final. The person or entity shall then record on the I–9 or similar form an appropriate code which has been provided under the system to indicate a tentative nonconfirmation.

(iii) CONTEST.—If the individual does contest the nonconfirmation, the individual shall utilize the process for secondary verification provided under section 404(c) of this division. The nonconfirmation will remain tentative until a final confirmation or nonconfirmation is provided by the confirmation system within the time period specified in such section. In no case shall an employer terminate employment of an individual because of a failure of the individual to have identity and work eligibility confirmed under this section until a nonconfirmation becomes final. Nothing in this clause shall apply to a termination of employment for any reason other than because of such a failure.

(iv) RECORDING OF CONCLUSION ON FORM.—If a final confirmation or nonconfirmation is provided by the confirmation system under section 404(c) of this division regarding an individual, the person or entity shall record on the I–9 or similar form an appropriate code that is provided under the system and that indicates a confirmation or nonconfirmation of identity and work eligibility of the individual.

(C) CONSEQUENCES OF NONCONFIRMATION.—

(i) TERMINATION OR NOTIFICATION OF CONTINUED EMPLOYMENT.—If the person or other entity has received a final nonconfirmation regarding an individual under subparagraph (B), the person or entity may terminate employment (or recruitment or referral) of the individual. If the person or entity does not terminate employment (or recruitment or referral) of the individual, the person or entity shall notify the Attorney General of such fact through the confirmation system or in such other manner as the Attorney General may specify.

(ii) FAILURE TO NOTIFY.—If the person or entity fails to provide notice with respect to an individual as required under clause (i), the failure is deemed to constitute a violation of section 274A(a)(1)(B) with respect to that individual and the applicable civil monetary penalty under section 274A(e)(5) shall be (notwithstanding the amounts specified in such section) no less than $500 and no more than $1,000 for each individual with respect to whom such violation occurred.

(iii) CONTINUED EMPLOYMENT AFTER FINAL NONCONFIRMATION.—If the person or other entity continues to employ (or to recruit or refer) an individual after receiving final nonconfirmation, a rebuttable presumption is created that the person or entity has violated section 274A(a)(1)(A). The previous sentence shall not apply in any prosecution under section 274A(f)(1).

(b) CITIZEN ATTESTATION PILOT PROGRAM.—

(1) IN GENERAL.—Except as provided in paragraphs (3) through (5), the procedures applicable under the citizen attestation pilot program under this subsection shall be the same procedures as those under the basic pilot program under subsection (a).

(2) RESTRICTIONS.—

(A) STATE DOCUMENT REQUIREMENT TO PARTICIPATE IN PILOT PROGRAM.—The Attorney General may not provide for the operation of the citizen attestation pilot program in a State unless each driver's license or similar identification document described in section 274A(b)(1)(D)(i) issued by the State—

(i) contains a photograph of the individual involved, and

(ii) has been determined by the Attorney General to have security features, and to have been issued through application and issuance procedures, which make such document sufficiently resistant to counterfeiting, tampering, and fraudulent use that it is a reliable means of identification for purposes of this section.

(B) AUTHORIZATION TO LIMIT EMPLOYER PARTICIPATION.—The Attorney General may restrict the number of persons or other entities that may elect to participate in the citizen attestation pilot program under this subsection as the Attorney General determines to be necessary to produce a representative sample of employers and to reduce the potential impact of fraud.

(3) NO CONFIRMATION REQUIRED FOR CERTAIN INDIVIDUALS ATTESTING TO U.S. CITIZENSHIP.—In the case of a person or other entity hiring (or recruiting or referring) an individual under the citizen attestation pilot program, if the individual attests to United States citizenship (under penalty of perjury on an I–9 or similar form which form states on its face the criminal and other penalties provided under law for a false representation of United States citizenship)—

(A) the person or entity may fulfill the requirement to examine documentation contained in subparagraph (A) of section 274A(b)(1) by examining a document specified in either subparagraph (B)(i) or (D) of such section; and

(B) the person or other entity is not required to comply with respect to such individual with the procedures described in paragraphs (3) and (4) of subsection (a), but only if the person or entity retains the form and makes it available for inspection in the same manner as in the case of an I–9 form under section 274A(b)(3).

(4) WAIVER OF DOCUMENT PRESENTATION REQUIREMENT IN CERTAIN CASES.—

(A) IN GENERAL.—In the case of a person or entity that elects, in a manner specified by the Attorney General consistent with subparagraph (B), to participate in the pilot program under

this paragraph, if an individual being hired (or recruited or referred) attests (in the manner described in paragraph (3)) to United States citizenship and the person or entity retains the form on which the attestation is made and makes it available for inspection in the same manner as in the case of an I–9 form under section 274A(b)(3), the person or entity is not required to comply with the procedures described in section 274A(b).

(B) RESTRICTION.—The Attorney General shall restrict the election under this paragraph to no more than 1,000 employers and, to the extent practicable, shall select among employers seeking to make such election in a manner that provides for such an election by a representative sample of employers.

(5) NONREVIEWABLE DETERMINATIONS.—The determinations of the Attorney General under paragraphs (2) and (4) are within the discretion of the Attorney General and are not subject to judicial or administrative review.

(c) MACHINE-READABLE-DOCUMENT PILOT PROGRAM.—

(1) IN GENERAL.—Except as provided in paragraph (3), the procedures applicable under the machine-readable-document pilot program under this subsection shall be the same procedures as those under the basic pilot program under subsection (a).

(2) STATE DOCUMENT REQUIREMENT TO PARTICIPATE IN PILOT PROGRAM.—The Attorney General may not provide for the operation of the machine-readable-document pilot program in a State unless driver's licenses and similar identification documents described in section 274A(b)(1)(D)(i) issued by the State include a machine-readable social security account number.

(3) USE OF MACHINE-READABLE DOCUMENTS.—If the individual whose identity and employment eligibility must be confirmed presents to the person or entity hiring (or recruiting or referring) the individual a license or other document described in paragraph (2) that includes a machine-readable social security account number, the person or entity must make an inquiry through the confirmation system by using a machine-readable feature of such document. If the individual does not attest to United States citizenship under section 274A(b)(2), the individual's identification or authorization number described in subsection (a)(1)(B) shall be provided as part of the inquiry.

(d) PROTECTION FROM LIABILITY FOR ACTIONS TAKEN ON THE BASIS OF INFORMATION PROVIDED BY THE CONFIRMATION SYSTEM.—No person or entity participating in a pilot program shall be civilly or criminally liable under any law for any action taken in good faith reliance on information provided through the confirmation system.

SEC. 404. EMPLOYMENT ELIGIBILITY CONFIRMATION SYSTEM.

(a) IN GENERAL.—The Attorney General shall establish a pilot program confirmation system through which the Attorney General (or a designee of the Attorney General, which may be a nongovernmental entity)—

(1) responds to inquiries made by electing persons and other entities (including those made by the transmittal of data from machine-readable documents under the machine-readable pilot program) at any time through a toll-free telephone line or other toll-free electronic media concerning an individual's identity and whether the individual is authorized to be employed, and

(2) maintains records of the inquiries that were made, of confirmations provided (or not provided), and of the codes provided to inquirers as evidence of their compliance with their obligations under the pilot programs.

To the extent practicable, the Attorney General shall seek to establish such a system using one or more nongovernmental entities.

(b) INITIAL RESPONSE.—The confirmation system shall provide confirmation or a tentative nonconfirmation of an individual's identity and employment eligibility within 3 working days of the initial inquiry. If providing confirmation or tentative nonconfirmation, the confirmation system shall provide an appropriate code indicating such confirmation or such nonconfirmation.

(c) SECONDARY VERIFICATION PROCESS IN CASE OF TENTATIVE NONCONFIRMATION.—In cases of tentative nonconfirmation, the Attorney General shall specify, in consultation with the Commissioner of Social Security and the Commissioner of the Immigration and Naturalization Service, an available secondary verification process to confirm the validity of information provided and to provide a final confirmation or nonconfirmation within 10 working days after the date of the tentative nonconfirmation. When final confirmation or nonconfirmation is provided, the confirmation system shall provide an appropriate code indicating such confirmation or nonconfirmation.

(d) DESIGN AND OPERATION OF SYSTEM.—The confirmation system shall be designed and operated—

(1) to maximize its reliability and ease of use by persons and other entities making elections under section 402(a) of this division consistent with insulating and protecting the privacy and security of the underlying information;

(2) to respond to all inquiries made by such persons and entities on whether individuals are authorized to be employed and to register all times when such inquiries are not received;

(3) with appropriate administrative, technical, and physical safeguards to prevent unauthorized disclosure of personal information; and

(4) to have reasonable safeguards against the system's resulting in unlawful discriminatory practices based on national origin or citizenship status, including—

(A) the selective or unauthorized use of the system to verify eligibility;

(B) the use of the system prior to an offer of employment; or

(C) the exclusion of certain individuals from consideration for employment as a result of a perceived likelihood that additional verification will be required, beyond what is required for most job applicants.

(e) RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SECURITY.—As part of the confirmation system, the Commissioner of Social Security, in consultation with the entity responsible for administration of the system, shall establish a reliable, secure method, which, within the time periods specified under subsections (b) and (c), compares the name and social security account number provided in an inquiry against such information maintained by the Commissioner in order to confirm (or not confirm) the validity of the information provided regarding an individual whose identity and employment eligibility must be confirmed, the correspondence of the name and number, and whether the individual has presented a social security account number that is not valid for employment. The Commissioner shall not disclose or release social security information (other than such confirmation or nonconfirmation).

(f) RESPONSIBILITIES OF THE COMMISSIONER OF THE IMMIGRATION AND NATURALIZATION SERVICE.—As part of the confirmation system, the Commissioner of the Immigration and Naturalization Service, in consultation with the entity responsible for administration of the system, shall establish a reliable, secure method, which, within the time periods specified under subsections (b) and (c), compares the name and alien identification or authorization number described in section 403(a)(1)(B) of this division which are provided in an inquiry against such information maintained by the Commissioner in order to confirm (or not confirm) the validity of the information provided, the correspondence of the name and number, and whether the alien is authorized to be employed in the United States.

(g) UPDATING INFORMATION.—The Commissioners of Social Security and the Immigration and Naturalization Service shall update their information in a manner that promotes the maximum accuracy and shall provide a process for the prompt correction of erroneous information, including instances in which it is brought to their attention in the secondary verification process described in subsection (c).

(h) LIMITATION ON USE OF THE CONFIRMATION SYSTEM AND ANY RELATED SYSTEMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, nothing in this subtitle shall be construed to permit or allow any department, bureau, or other agency of the United States Government to utilize any information, data base, or other records assembled under this subtitle for any other purpose other than as provided for under a pilot program.

(2) NO NATIONAL IDENTIFICATION CARD.—Nothing in this subtitle shall be construed to authorize, directly or indirectly, the issuance or use of national identification cards or the establishment of a national identification card.

SEC. 405. REPORTS.

The Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate reports on the pilot programs within 3 months after the end of the third and fourth years in which the programs are in effect. Such reports shall—

(1) assess the degree of fraudulent attesting of United States citizenship,

(2) include recommendations on whether or not the pilot programs should be continued or modified, and

(3) assess the benefits of the pilot programs to employers and the degree to which they assist in the enforcement of section 274A.

Subtitle B—Other Provisions Relating to Employer Sanctions

SEC. 411. LIMITING LIABILITY FOR CERTAIN TECHNICAL VIOLATIONS OF PAPERWORK REQUIREMENTS.

(a) IN GENERAL.—Section 274A(b) (8 U.S.C. 1324a(b)) is amended by adding at the end the following new paragraph:

''(6) GOOD FAITH COMPLIANCE.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), a person or entity is considered to have complied with a requirement of this subsection notwithstanding a technical or procedural failure to meet such requirement if there was a good faith attempt to comply with the requirement.

''(B) EXCEPTION IF FAILURE TO CORRECT AFTER NOTICE.—Subparagraph (A) shall not apply if—

''(i) the Service (or another enforcement agency) has explained to the person or entity the basis for the failure,

''(ii) the person or entity has been provided a period of not less than 10 business days (beginning after the date of the explanation) within which to correct the failure, and

''(iii) the person or entity has not corrected the failure voluntarily within such period.

''(C) EXCEPTION FOR PATTERN OR PRACTICE VIOLATORS.—Subparagraph (A) shall not apply to a person or entity that has or is engaging in a pattern or practice of violations of subsection (a)(1)(A) or (a)(2).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to failures occurring on or after the date of the enactment of this Act.

SEC. 412. PAPERWORK AND OTHER CHANGES IN THE EMPLOYER SANCTIONS PROGRAM.

(a) REDUCING THE NUMBER OF DOCUMENTS ACCEPTED FOR EMPLOYMENT VERIFICATION.—Section 274A(b)(1) (8 U.S.C. 1324a(b)(1)) is amended—

(1) in subparagraph (B)—

(A) by striking clauses (ii) through (iv),

(B) in clause (v), by striking ''or other alien registration card, if the card'' and inserting '', alien registration card, or other document designated by the Attorney General, if the document'' and redesignating such clause as clause (ii), and

(C) in clause (ii), as so redesignated—

(i) in subclause (I), by striking ''or'' before ''such other personal identifying information'' and inserting ''and'',

(ii) by striking ''and'' at the end of subclause (I),

(iii) by striking the period at the end of subclause (II) and inserting '', and'', and

(iv) by adding at the end the following new subclause:

''(III) contains security features to make it resistant to tampering, counterfeiting, and fraudulent use.'';

(2) in subparagraph (C)—

(A) by adding ''or'' at the end of clause (i),

(B) by striking clause (ii), and

(C) by redesignating clause (iii) as clause (ii); and

(3) by adding at the end the following new subparagraph:

''(E) AUTHORITY TO PROHIBIT USE OF CERTAIN DOCUMENTS.—If the Attorney General finds, by regulation, that any document described in subparagraph (B), (C), or (D) as establishing employment authorization or identity does not reliably establish such authorization or identity or is being used fraudulently to an unacceptable degree, the Attorney General may prohibit or place conditions on its use for purposes of this subsection.''.

(b) REDUCTION OF PAPERWORK FOR CERTAIN EMPLOYEES.—Section 274A(a) (8 U.S.C. 1324a(a)) is amended by adding at the end the following new paragraph:

''(6) TREATMENT OF DOCUMENTATION FOR CERTAIN EMPLOYEES.—

''(A) IN GENERAL.—For purposes of this section, if—

''(i) an individual is a member of a collective-bargaining unit and is employed, under a collective bargaining agreement entered into between one or more employee organizations and an association of two or more employers, by an employer that is a member of such association, and

''(ii) within the period specified in subparagraph (B), another employer that is a member of the association (or an agent of such association on behalf of the employer) has complied with the requirements of subsection (b) with respect to the employment of the individual,

the subsequent employer shall be deemed to have complied with the requirements of subsection (b) with respect to the hiring of the employee and shall not be liable for civil penalties described in subsection (e)(5).

''(B) PERIOD.—The period described in this subparagraph is 3 years, or, if less, the period of time that the individual is authorized to be employed in the United States.

''(C) LIABILITY.—

''(i) IN GENERAL.—If any employer that is a member of an association hires for employment in the United States an individual and relies upon the provisions of subparagraph (A) to comply with the requirements of subsection (b) and the individual is an alien not authorized to work in the United States, then for the purposes of paragraph (1)(A), subject to clause (ii), the employer shall be presumed to have known at the time of hiring or afterward that the individual was an alien not authorized to work in the United States.

''(ii) REBUTTAL OF PRESUMPTION.—The presumption established by clause (i) may be rebutted by the employer only through the presentation of clear and convincing evidence that the employer did not know (and could not reasonably have known) that the individual at the time of hiring or afterward was an alien not authorized to work in the United States.

''(iii) EXCEPTION.—Clause (i) shall not apply in any prosecution under subsection (f)(1).''.

(c) ELIMINATION OF DATED PROVISIONS.—Section 274A (8 U.S.C. 1324a) is amended by striking subsections (i) through (n).

(d) CLARIFICATION OF APPLICATION TO FEDERAL GOVERNMENT.—Section 274A(a) (8 U.S.C. 1324a(a)), as amended by subsection (b), is amended by adding at the end the following new paragraph:

''(7) APPLICATION TO FEDERAL GOVERNMENT.—For purposes of this section, the term 'entity' includes an entity in any branch of the Federal Government.''.

(e) EFFECTIVE DATES.—

(1) The amendments made by subsection (a) shall apply with respect to hiring (or recruitment or referral) occurring on or after such date (not later than 12 months after the date of the enactment of this Act) as the Attorney General shall designate.

(2) The amendment made by subsection (b) shall apply to individuals hired on or after 60 days after the date of the enactment of this Act.

(3) The amendment made by subsection (c) shall take effect on the date of the enactment of this Act.

(4) The amendment made by subsection (d) applies to hiring occurring before, on, or after the date of the enactment of this Act, but no penalty shall be imposed under subsection (e) or (f) of section 274A of the Immigration and Nationality Act for such hiring occurring before such date.

SEC. 413. REPORT ON ADDITIONAL AUTHORITY OR RESOURCES NEEDED FOR ENFORCEMENT OF EMPLOYER SANCTIONS PROVISIONS.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report on any additional authority or resources needed—

(1) by the Immigration and Naturalization Service in order to enforce section 274A of the Immigration and Nationality Act, or

(2) by Federal agencies in order to carry out the Executive Order of February 13, 1996 (entitled ''Economy and Efficiency in Government Procurement Through Compliance with Certain Immigration and Naturalization Act Provisions'') and to expand the restrictions in such order to cover agricultural subsidies, grants, job training programs, and other Federally subsidized assistance programs.

(b) REFERENCE TO INCREASED AUTHORIZATION OF APPROPRIATIONS.—For provision increasing the authorization of appropriations for investigators for violations of sections 274 and 274A of the Immigration and Nationality Act, see section 131 of this division.

SEC. 414. REPORTS ON EARNINGS OF ALIENS NOT AUTHORIZED TO WORK.

(a) IN GENERAL.—Subsection (c) of section 290 (8 U.S.C. 1360) is amended to read as follows:

''(c)(1) Not later than 3 months after the end of each fiscal year (beginning with fiscal year 1996), the Commissioner of Social Security shall report to the Committees on the Judiciary of the House of Representatives and the Senate on the aggregate quantity of social security account numbers issued to aliens not authorized to be employed, with respect to which, in such fiscal year, earnings were reported to the Social Security Administration.

''(2) If earnings are reported on or after January 1, 1997, to the Social Security Administration on a social security account number issued to an alien not authorized to work in the United States, the Commissioner of Social Security shall provide the Attorney General with information regarding the name and address of the alien, the name and address of the person reporting the earnings, and the amount of the earnings. The information shall be provided in an electronic form agreed upon by the Commissioner and the Attorney General.''.

(b) REPORT ON FRAUDULENT USE OF SOCIAL SECURITY ACCOUNT NUMBERS.—The Commissioner of Social Security shall transmit to the Attorney General, by not later than 1 year after the date of the enactment of this Act, a report on the extent to which social security account numbers and cards are used by aliens for fraudulent purposes.

SEC. 415. AUTHORIZING MAINTENANCE OF CERTAIN INFORMATION ON ALIENS.

Section 264 (8 U.S.C. 1304) is amended by adding at the end the following new subsection:

''(f) Notwithstanding any other provision of law, the Attorney General is authorized to require any alien to provide the alien's social security account number for purposes of inclusion in any record of the alien maintained by the Attorney General or the Service.''.

SEC. 416. SUBPOENA AUTHORITY.

Section 274A(e)(2) (8 U.S.C. 1324a(e)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting '', and''; and

(3) by inserting after subparagraph (B) the following:

''(C) immigration officers designated by the Commissioner may compel by subpoena the attendance of witnesses and the production of evidence at any designated place prior to the filing of a complaint in a case under paragraph (2).''.

Subtitle C—Unfair Immigration-Related Employment Practices

SEC. 421. TREATMENT OF CERTAIN DOCUMENTARY PRACTICES AS UNFAIR IMMIGRATION-RELATED EMPLOYMENT PRACTICES.

(a) IN GENERAL.—Section 274B(a)(6) (8 U.S.C. 1324b(a)(6)) is amended—

(1) by striking ''For purposes of paragraph (1), a'' and inserting ''A''; and

(2) by striking ''relating to the hiring of individuals'' and inserting the following: ''if made for the purpose or with the intent of discriminating against an individual in violation of paragraph (1)''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to requests made on or after the date of the enactment of this Act.

TITLE V—RESTRICTIONS ON BENEFITS FOR ALIENS

Subtitle A—Eligibility of Aliens for Public Assistance and Benefits

SEC. 501. EXCEPTION TO INELIGIBILITY FOR PUBLIC BENEFITS FOR CERTAIN BATTERED ALIENS.

Section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641) is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN BATTERED ALIENS AS QUALIFIED ALIENS.—For purposes of this title, the term 'qualified alien' includes—

''(1) an alien who—

''(A) has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented to, or acquiesced in, such battery or cruelty, but only if (in the opinion of the Attorney General, which opinion is not subject to review by any court) there is a substantial connection between such battery or cruelty and the need for the benefits to be provided; and

''(B) has been approved or has a petition pending which sets forth a prima facie case for—

''(i) status as a spouse or a child of a United States citizen pursuant to clause (ii), (iii), or (iv) of section 204(a)(1)(A) of the Immigration and Nationality Act,

''(ii) classification pursuant to clause (ii) or (iii) of section 204(a)(1)(B) of the Act,

''(iii) suspension of deportation and adjustment of status pursuant to section 244(a)(3) of such Act, or

''(iv) status as a spouse or child of a United States citizen pursuant to clause (i) of section 204(a)(1)(A) of such Act, or classification pursuant to clause (i) of section 204(a)(1)(B) of such Act; or

''(2) an alien—

''(A) whose child has been battered or subjected to extreme cruelty in the United States by

a spouse or a parent of the alien (without the active participation of the alien in the battery or cruelty), or by a member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented or acquiesced to such battery or cruelty, and the alien did not actively participate in such battery or cruelty, but only if (in the opinion of the Attorney General, which opinion is not subject to review by any court) there is a substantial connection between such battery or cruelty and the need for the benefits to be provided; and

''(B) who meets the requirement of clause (ii) of subparagraph (A).

This subsection shall not apply to an alien during any period in which the individual responsible for such battery or cruelty resides in the same household or family eligibility unit as the individual subjected to such battery or cruelty.''.

SEC. 502. PILOT PROGRAMS ON LIMITING ISSUANCE OF DRIVER'S LICENSES TO ILLEGAL ALIENS.

(a) IN GENERAL.—Pursuant to guidelines prescribed by the Attorney General not later than 6 months after the date of the enactment of this Act, all States may conduct pilot programs within their State to determine the viability, advisability, and cost-effectiveness of the State's denying driver's licenses to aliens who are not lawfully present in the United States. Under a pilot program a State may deny a driver's license to aliens who are not lawfully present in the United States. Such program shall be conducted in cooperation with relevant State and local authorities.

(b) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Attorney General shall submit a report to the Judiciary Committees of the House of Representatives and of the Senate on the results of the pilot programs conducted under subsection (a).

SEC. 503. INELIGIBILITY OF ALIENS NOT LAWFULLY PRESENT FOR SOCIAL SECURITY BENEFITS.

(a) IN GENERAL.—Section 202 of the Social Security Act (42 U.S.C. 402) is amended by adding at the end the following new subsection:

''Limitation on Payments to Aliens

''(y) Notwithstanding any other provision of law, no monthly benefit under this title shall be payable to any alien in the United States for any month during which such alien is not lawfully present in the United States as determined by the Attorney General.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to benefits for which applications are filed on or after the first day of the first month that begins at least 60 days after the date of the enactment of this Act.

SEC. 504. PROCEDURES FOR REQUIRING PROOF OF CITIZENSHIP FOR FEDERAL PUBLIC BENEFITS.

Section 432(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1642) is amended—

(1) by inserting ''(1)'' after the dash, and

(2) by adding at the end the following:

''(2) Not later than 18 months after the date of the enactment of this Act, the Attorney General, in consultation with the Secretary of Health and Human Services, shall also establish procedures for a person applying for a Federal public benefit (as defined in section 401(c)) to provide proof of citizenship in a fair and nondiscriminatory manner.''.

SEC. 505. LIMITATION ON ELIGIBILITY FOR PREFERENTIAL TREATMENT OF ALIENS NOT LAWFULLY PRESENT ON BASIS OF RESIDENCE FOR HIGHER EDUCATION BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law, an alien who is not lawfully present in the United States shall not be eligible on the basis of residence within a State (or a political subdivision) for any postsecondary education benefit unless a citizen or national of the United States is eligible for such a benefit (in no less an amount, duration, and scope) without regard to whether the citizen or national is such a resident.

(b) EFFECTIVE DATE.—This section shall apply to benefits provided on or after July 1, 1998.

SEC. 506. STUDY AND REPORT ON ALIEN STUDENT ELIGIBILITY FOR POSTSECONDARY FEDERAL STUDENT FINANCIAL ASSISTANCE.

(a) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General shall conduct a study to determine the extent to which aliens who are not lawfully admitted for permanent residence are receiving postsecondary Federal student financial assistance.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit a report to the appropriate committees of the Congress on the study conducted under paragraph (1).

(b) REPORT ON COMPUTER MATCHING PROGRAM.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Secretary of Education and the Commissioner of Social Security shall jointly submit to the appropriate committees of the Congress a report on the computer matching program of the Department of Education under section 484(p) of the Higher Education Act of 1965.

(2) REPORT ELEMENTS.—The report under paragraph (1) shall include the following:

(A) An assessment by the Secretary and the Commissioner of the effectiveness of the computer matching program, and a justification for such assessment.

(B) The ratio of successful matches under the program to inaccurate matches.

(C) Such other information as the Secretary and the Commissioner jointly consider appropriate.

(c) APPROPRIATE COMMITTEES OF THE CONGRESS.—For purposes of this section the term ''appropriate committees of the Congress'' means the Committee on Economic and Educational Opportunities and the Committee on the Judiciary of the House of Representatives and the Committee on Labor and Human Resources and the Committee on the Judiciary of the Senate.

SEC. 507. VERIFICATION OF IMMIGRATION STATUS FOR PURPOSES OF SOCIAL SECURITY AND HIGHER EDUCATIONAL ASSISTANCE.

(a) SOCIAL SECURITY ACT STATE INCOME AND ELIGIBILITY VERIFICATION SYSTEMS.—Section 1137(d)(4)(B)(i)) of the Social Security Act (42 U.S.C. 1320b–7(d)(4)(B)(i)) is amended to read as follows:

''(i) the State shall transmit to the Immigration and Naturalization Service either photostatic or other similar copies of such documents, or information from such documents, as specified by the Immigration and Naturalization Service, for official verification,''.

(b) ELIGIBILITY FOR ASSISTANCE UNDER HIGHER EDUCATION ACT OF 1965.—Section 484(g)(4)(B)(i) of the Higher Education Act of 1965 (20 U.S.C. 1091(g)(4)(B)(i)) is amended to read as follows:

''(i) the institution shall transmit to the Immigration and Naturalization Service either photostatic or other similar copies of such documents, or information from such documents, as specified by the Immigration and Naturalization Service, for official verification,''.

SEC. 508. NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS.

Section 432 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1642) is amended by adding at the end the following new subsection:

''(d) NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS.—Subject to subsection (a), a nonprofit charitable organization, in providing any Federal public benefit (as defined in section 401(c)) or any State or local public benefit (as defined in section 411(c)), is not required under this title to determine, verify, or otherwise require proof of eligibility of any applicant for such benefits.''.

SEC. 509. GAO STUDY OF PROVISION OF MEANS-TESTED PUBLIC BENEFITS TO ALIENS WHO ARE NOT QUALIFIED ALIENS ON BEHALF OF ELIGIBLE INDIVIDUALS.

Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate and to the Inspector General of the Department of Justice a report on the extent to which means-tested public benefits are being paid or provided to aliens who are not qualified aliens (as defined in section 431(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) in order to provide such benefits to individuals who are United States citizens or qualified aliens (as so defined). Such report shall address the locations in which such benefits are provided and the incidence of fraud or misrepresentation in connection with the provision of such benefits.

SEC. 510. TRANSITION FOR ALIENS CURRENTLY RECEIVING BENEFITS UNDER THE FOOD STAMP PROGRAM.

Effective as if included in the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, subclause (I) of section 402(a)(2)(D)(ii) (8 U.S.C. 1612(a)(2)(D)(ii)) is amended to read as follows:

''(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(B), ineligibility under paragraph (1) shall not apply until April 1, 1997, to an alien who received benefits under such program on the date of enactment of this Act, unless such alien is determined to be ineligible to receive such benefits under the Food Stamp Act of 1977. The State agency shall recertify the eligibility of all such aliens during the period beginning April 1, 1997, and ending August 22, 1997.''.

Subtitle B—Public Charge Exclusion

SEC. 531. GROUND FOR EXCLUSION.

(a) IN GENERAL.—Paragraph (4) of section 212(a) (8 U.S.C. 1182(a)) is amended to read as follows:

''(4) PUBLIC CHARGE.—

''(A) IN GENERAL.—Any alien who, in the opinion of the consular officer at the time of application for a visa, or in the opinion of the Attorney General at the time of application for admission or adjustment of status, is likely at any time to become a public charge is excludable.

''(B) FACTORS TO BE TAKEN INTO ACCOUNT.—(i) In determining whether an alien is excludable under this paragraph, the consular officer or the Attorney General shall at a minimum consider the alien's—

''(I) age;

''(II) health;

''(III) family status;

''(IV) assets, resources, and financial status; and

''(V) education and skills.

''(ii) In addition to the factors under clause (i), the consular officer or the Attorney General may also consider any affidavit of support under section 213A for purposes of exclusion under this paragraph.

''(C) FAMILY-SPONSORED IMMIGRANTS.—Any alien who seeks admission or adjustment of status under a visa number issued under section 201(b)(2) or 203(a) is excludable under this paragraph unless—

''(i) the alien has obtained—

''(I) status as a spouse or a child of a United States citizen pursuant to clause (ii), (iii), or (iv) of section 204(a)(1)(A), or

''(II) classification pursuant to clause (ii) or (iii) of section 204(a)(1)(B); or

''(ii) the person petitioning for the alien's admission (including any additional sponsor required under section 213A(f)) has executed an

affidavit of support described in section 213A with respect to such alien.

''(D) CERTAIN EMPLOYMENT-BASED IMMIGRANTS.—Any alien who seeks admission or adjustment of status under a visa number issued under section 203(b) by virtue of a classification petition filed by a relative of the alien (or by an entity in which such relative has a significant ownership interest) is excludable under this paragraph unless such relative has executed an affidavit of support described in section 213A with respect to such alien.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to applications submitted on or after such date, not earlier than 30 days and not later than 60 days after the date the Attorney General promulgates under section 551(c)(2) of this division a standard form for an affidavit of support, as the Attorney General shall specify, but subparagraphs (C) and (D) of section 212(a)(4) of the Immigration and Nationality Act, as so amended, shall not apply to applications with respect to which an official interview with an immigration officer was conducted before such effective date.

Subtitle C—Affidavits of Support

SEC. 551. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.

(a) IN GENERAL.—Section 213A (8 U.S.C. 1183a), as inserted by section 423(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, is amended to read as follows:

''REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

''SEC. 213A. (a) ENFORCEABILITY.—

''(1) TERMS OF AFFIDAVIT.—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 by a sponsor of the alien as a contract—

''(A) in which the sponsor agrees to provide support to maintain the sponsored alien at an annual income that is not less than 125 percent of the Federal poverty line during the period in which the affidavit is enforceable;

''(B) that is legally enforceable against the sponsor by the sponsored alien, the Federal Government, any State (or any political subdivision of such State), or by any other entity that provides any means-tested public benefit (as defined in subsection (e)), consistent with the provisions of this section; 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 (b)(2).

''(2) PERIOD OF ENFORCEABILITY.—An affidavit of support shall be enforceable with respect to benefits provided for an alien before the date the alien is naturalized as a citizen of the United States, or, if earlier, the termination date provided under paragraph (3).

''(3) TERMINATION OF PERIOD OF ENFORCEABILITY UPON COMPLETION OF REQUIRED PERIOD OF EMPLOYMENT, ETC.—

''(A) IN GENERAL.—An affidavit of support is not enforceable after such time as the alien (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 subparagraph (B), and (ii) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) during any such period.

''(B) QUALIFYING QUARTERS.—For purposes of this section, in determining the number of qualifying quarters of coverage under title II of the Social Security Act an alien shall be credited with—

''(i) 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, and

''(ii) all of the qualifying quarters worked by a spouse of such alien during their marriage and the alien remains married to such spouse or such spouse is deceased.

No such qualifying quarter of coverage that is creditable under title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien under clause (i) or (ii) if the parent or spouse (as the case may be) of such alien received any Federal means-tested public benefit (as provided under section 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) during the period for which such qualifying quarter of coverage is so credited.

''(C) PROVISION OF INFORMATION TO SAVE SYSTEM.—The Attorney General shall ensure that appropriate information regarding the application of this paragraph is provided to the system for alien verification of eligibility (SAVE) described in section 1137(d)(3) of the Social Security Act.

''(b) REIMBURSEMENT OF GOVERNMENT EXPENSES.—

''(1) REQUEST FOR REIMBURSEMENT.—

''(A) REQUIREMENT.—Upon notification that a sponsored alien has received any means-tested public benefit, the appropriate nongovernmental entity which provided such benefit or the appropriate entity of the Federal Government, a State, or any political subdivision of a State shall request reimbursement by the sponsor in an amount which is equal to the unreimbursed costs of such benefit.

''(B) REGULATIONS.—The Attorney General, in consultation with the heads of other appropriate Federal agencies, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

''(2) ACTIONS TO COMPEL REIMBURSEMENT.—

''(A) IN CASE OF NONRESPONSE.—If within 45 days after a request for reimbursement under paragraph (1)(A), the appropriate entity has not received a response from the sponsor indicating a willingness to commence payment an action may be brought against the sponsor pursuant to the affidavit of support.

''(B) IN CASE OF FAILURE TO PAY.—If the sponsor fails to abide by the repayment terms established by the appropriate entity, the entity may bring an action against the sponsor pursuant to the affidavit of support.

''(C) LIMITATION ON ACTIONS.—No cause of action may be brought under this paragraph later than 10 years after the date on which the sponsored alien last received any means-tested public benefit to which the affidavit of support applies.

''(3) USE OF COLLECTION AGENCIES.—If the appropriate entity under paragraph (1)(A) requests reimbursement from the sponsor or brings an action against the sponsor pursuant to the affidavit of support, the appropriate entity may appoint or hire an individual or other person to act on behalf of such entity acting under the authority of law for purposes of collecting any amounts owed.

''(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) GENERAL REQUIREMENT.—The sponsor shall notify the Attorney General and the State in which the sponsored alien is currently a resident within 30 days of any change of address of the sponsor during the period in which an affidavit of support is enforceable.

''(2) PENALTY.—Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall, after notice and opportunity to be heard, 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 sponsored alien has received any means-tested public benefits (other than benefits described in section 401(b), 403(c)(2), or 411(b) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) not less than $2,000 or more than $5,000.

The Attorney General shall enforce this paragraph under appropriate regulations.

''(e) JURISDICTION.—An action to enforce an affidavit of support executed under subsection (a) may be brought against the sponsor in any appropriate court—

''(1) by a sponsored alien, with respect to financial support; or

''(2) by the appropriate entity of the Federal Government, a State or any political subdivision of a State, or by any other nongovernmental entity under subsection (b)(2), with respect to reimbursement.

''(f) SPONSOR DEFINED.—

''(1) IN GENERAL.—For purposes of this section the term 'sponsor' in relation to a sponsored alien means an individual who executes an affidavit of support with respect to the sponsored alien and who—

''(A) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

''(B) is at least 18 years of age;

''(C) is domiciled in any of the several States of the United States, the District of Columbia, or any territory or possession of the United States;

''(D) is petitioning for the admission of the alien under section 204; and

''(E) demonstrates (as provided in paragraph (6)) the means to maintain an annual income equal to at least 125 percent of the Federal poverty line.

''(2) INCOME REQUIREMENT CASE.—Such term also includes an individual who does not meet the requirement of paragraph (1)(E) but accepts joint and several liability together with an individual under paragraph (5).

''(3) ACTIVE DUTY ARMED SERVICES CASE.—Such term also includes an individual who does not meet the requirement of paragraph (1)(E) but is on active duty (other than active duty for training) in the Armed Forces of the United States, is petitioning for the admission of the alien under section 204 as the spouse or child of the individual, and demonstrates (as provided in paragraph (6)) the means to maintain an annual income equal to at least 100 percent of the Federal poverty line.

''(4) CERTAIN EMPLOYMENT-BASED IMMIGRANTS CASE.—Such term also includes an individual—

''(A) who does not meet the requirement of paragraph (1)(D), but is the relative of the sponsored alien who filed a classification petition for the sponsored alien as an employment-based immigrant under section 203(b) or who has a significant ownership interest in the entity that filed such a petition; and

''(B)(i) who demonstrates (as provided under paragraph (6)) the means to maintain an annual income equal to at least 125 percent of the Federal poverty line, or

''(ii) does not meet the requirement of paragraph (1)(E) but accepts joint and several liability together with an individual under paragraph (5).

''(5) NON-PETITIONING CASE.—Such term also includes an individual who does not meet the requirement of paragraph (1)(D) but who accepts joint and several liability with a petitioning sponsor under paragraph (2) or relative of an employment-based immigrant under paragraph (4) and who demonstrates (as provided under paragraph (6)) the means to maintain an annual income equal to at least 125 percent of the Federal poverty line.

''(6) DEMONSTRATION OF MEANS TO MAINTAIN INCOME.—

''(A) IN GENERAL.—

''(i) METHOD OF DEMONSTRATION.—For purposes of this section, a demonstration of the means to maintain income shall include provision of a certified copy of the individual's Federal income tax return for the individual's 3 most recent taxable years and a written statement, executed under oath or as permitted under penalty of perjury under section 1746 of title 28, United States Code, that the copies are certified copies of such returns.

''(ii) FLEXIBILITY.—For purposes of this section, aliens may demonstrate the means to maintain income through demonstration of significant assets of the sponsored alien or of the sponsor, if such assets are available for the support of the sponsored alien.

''(iii) PERCENT OF POVERTY.—For purposes of this section, a reference to an annual income equal to at least a particular percentage of the Federal poverty line means an annual income equal to at least such percentage of the Federal poverty line for a family unit of a size equal to the number of members of the sponsor's household (including family and non-family dependents) plus the total number of other dependents and aliens sponsored by that sponsor.

''(B) LIMITATION.—The Secretary of State, or the Attorney General in the case of adjustment of status, may provide that the demonstration under subparagraph (A) applies only to the most recent taxable year.

''(h) FEDERAL POVERTY LINE DEFINED.—For purposes of this section, the term 'Federal poverty line' means the level of income equal to the official poverty line (as defined by the Director of the Office of Management and Budget, as revised annually by the Secretary of Health and Human Services, in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902)) that is applicable to a family of the size involved.

''(i) SPONSOR'S SOCIAL SECURITY ACCOUNT NUMBER REQUIRED TO BE PROVIDED.—(1) An affidavit of support shall include the social security account number of each sponsor.

''(2) The Attorney General shall develop an automated system to maintain the social security account number data provided under paragraph (1).

''(3) The Attorney General shall submit an annual report to the Committees on the Judiciary of the House of Representatives and the Senate setting forth—

''(A) for the most recent fiscal year for which data are available the number of sponsors under this section and the number of sponsors in compliance with the financial obligations of this section; and

''(B) a comparison of such numbers with the numbers of such sponsors for the preceding fiscal year.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 421(a)(1) and section 422(a)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631(a)(1), 1632(a)(1)) are each amended by inserting ''and as amended by section 551(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996'' after ''section 423''.

(2) Section 423 of such Act (8 U.S.C. 1138a note) is amended by striking subsection (c).

(c) EFFECTIVE DATE; PROMULGATION OF FORM.—

(1) IN GENERAL.—The amendments made by 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 paragraph (2).

(2) PROMULGATION OF FORM.—Not later than 90 days after the date of the enactment of this Act, the Attorney General, in consultation with the heads of other appropriate agencies, shall promulgate a standard form for an affidavit of support consistent with the provisions of section 213A of the Immigration and Nationality Act, as amended by subsection (a).

SEC. 552. INDIGENCE AND BATTERED SPOUSE AND CHILD EXCEPTIONS TO FEDERAL ATTRIBUTION OF INCOME RULE.

Section 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631) is amended by adding at the end the following new subsection:

''(e) INDIGENCE EXCEPTION.—

''(1) IN GENERAL.—For an alien for whom an affidavit of support under section 213A of the Immigration and Nationality Act has been executed, if a determination described in paragraph (2) is made, the amount of income and resources of the sponsor or the sponsor's spouse which shall be attributed to the sponsored alien shall not exceed the amount actually provided for a period beginning on the date of such determination and ending 12 months after such date.

''(2) DETERMINATION DESCRIBED.—A determination described in this paragraph is a determination by an agency that a sponsored alien would, in the absence of the assistance provided by the agency, be unable to obtain food and shelter, taking into account the alien's own income, plus any cash, food, housing, or other assistance provided by other individuals, including the sponsor. The agency shall notify the Attorney General of each such determination, including the names of the sponsor and the sponsored alien involved.

''(f) SPECIAL RULE FOR BATTERED SPOUSE AND CHILD.—

''(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding any other provision of this section, subsection (a) shall not apply to benefits—

''(A) during a 12 month period if the alien demonstrates that (i) the alien has been battered or subjected to extreme cruelty in the United States by a spouse or a parent, or by a member of the spouse or parent's family residing in the same household as the alien and the spouse or parent consented to or acquiesced to such battery or cruelty, or (ii) the alien's child has been battered or subjected to extreme cruelty in the United States by the spouse or parent of the alien (without the active participation of the alien in the battery or cruelty), or by a member of the spouse's or parent's family residing in the same household as the alien when the spouse or parent consented or acquiesced to and the alien did not actively participate in such battery or cruelty, and the battery or cruelty described in clause (i) or (ii) (in the opinion of the agency providing such public benefits, which opinion is not subject to review by any court) has a substantial connection to the need for the public benefits applied for; and

''(B) after a 12 month period (regarding the batterer's income and resources only) if the alien demonstrates that such battery or cruelty under subparagraph (A) has been recognized in an order of a judge or administrative law judge or a prior determination of the Immigration and Naturalization Service, and that such battery or cruelty (in the opinion of the agency providing such public benefits, which opinion is not subject to review by any court) has a substantial connection to the need for the benefits.

''(2) LIMITATION.—The exception under paragraph (1) shall not apply to benefits for an alien during any period in which the individual responsible for such battery or cruelty resides in the same household or family eligibility unit as the individual who was subjected to such battery or cruelty.''.

SEC. 553. AUTHORITY OF STATES AND POLITICAL SUBDIVISIONS OF STATES TO LIMIT ASSISTANCE TO ALIENS AND TO DISTINGUISH AMONG CLASSES OF ALIENS IN PROVIDING GENERAL CASH PUBLIC ASSISTANCE.

(a) IN GENERAL.—Subject to subsection (b) and notwithstanding any other provision of law, a State or political subdivision of a State is authorized to prohibit or otherwise limit or restrict the eligibility of aliens or classes of aliens for programs of general cash public assistance furnished under the law of the State or a political subdivision of a State.

(b) LIMITATION.—The authority provided for under subsection (a) may be exercised only to the extent that any prohibitions, limitations, or restrictions imposed by a State or political subdivision of a State are not more restrictive than the prohibitions, limitations, or restrictions imposed under comparable Federal programs. For purposes of this section, attribution to an alien of a sponsor's income and resources (as described in section 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631)) for purposes of determining eligibility for, and the amount of, benefits shall be considered less restrictive than a prohibition of eligibility for such benefits.

Subtitle D—Miscellaneous Provisions

SEC. 561. INCREASED MAXIMUM CRIMINAL PENALTIES FOR FORGING OR COUNTERFEITING SEAL OF A FEDERAL DEPARTMENT OR AGENCY TO FACILITATE BENEFIT FRAUD BY AN UNLAWFUL ALIEN.

Section 506 of title 18, United States Code, is amended to read as follows:

''§ 506. Seals of departments or agencies

''(a) Whoever—

''(1) falsely makes, forges, counterfeits, mutilates, or alters the seal of any department or agency of the United States, or any facsimile thereof;

''(2) knowingly uses, affixes, or impresses any such fraudulently made, forged, counterfeited, mutilated, or altered seal or facsimile thereof to or upon any certificate, instrument, commission, document, or paper of any description; or

''(3) with fraudulent intent, possesses, sells, offers for sale, furnishes, offers to furnish, gives away, offers to give away, transports, offers to transport, imports, or offers to import any such seal or facsimile thereof, knowing the same to have been so falsely made, forged, counterfeited, mutilated, or altered,

shall be fined under this title, or imprisoned not more than 5 years, or both.

''(b) Notwithstanding subsection (a) or any other provision of law, if a forged, counterfeited, mutilated, or altered seal of a department or agency of the United States, or any facsimile thereof, is—

''(1) so forged, counterfeited, mutilated, or altered;

''(2) used, affixed, or impressed to or upon any certificate, instrument, commission, document, or paper of any description; or

''(3) with fraudulent intent, possessed, sold, offered for sale, furnished, offered to furnish, given away, offered to give away, transported, offered to transport, imported, or offered to import,

with the intent or effect of facilitating an alien's application for, or receipt of, a Federal benefit to which the alien is not entitled, the penalties which may be imposed for each offense under subsection (a) shall be two times the maximum fine, and 3 times the maximum term of imprisonment, or both, that would otherwise be imposed for an offense under subsection (a).

''(c) For purposes of this section—

''(1) the term 'Federal benefit' means—

''(A) the issuance of any grant, contract, loan, professional license, or commercial license provided by any agency of the United States or by appropriated funds of the United States; and

''(B) any retirement, welfare, Social Security, health (including treatment of an emergency medical condition in accordance with section 1903(v) of the Social Security Act (19 U.S.C. 1396b(v))), disability, veterans, public housing, education, food stamps, or unemployment benefit, or any similar benefit for which payments or assistance are provided by an agency of the United States or by appropriated funds of the United States; and

''(2) each instance of forgery, counterfeiting, mutilation, or alteration shall constitute a separate offense under this section.''.

SEC. 562. TREATMENT OF EXPENSES SUBJECT TO EMERGENCY MEDICAL SERVICES EXCEPTION.

(a) IN GENERAL.—Subject to such amounts as are provided in advance in appropriation Acts, each State or political subdivision of a State that provides medical assistance for care and treatment of an emergency medical condition (as defined in subsection (d)) through a public hospital or other public facility (including a nonprofit hospital that is eligible for an additional payment adjustment under section 1886 of the Social Security Act) or through contract with another hospital or facility to an individual who is an alien not lawfully present in the United States is eligible for payment from the Federal Government of its costs of providing such services, but only to the extent that such costs are not otherwise reimbursed through any other Federal program and cannot be recovered from the alien or another person.

(b) CONFIRMATION OF IMMIGRATION STATUS REQUIRED.—No payment shall be made under this section with respect to services furnished to an individual unless the immigration status of the individual has been verified through appropriate procedures established by the Secretary of Health and Human Services and the Attorney General.

(c) ADMINISTRATION.—This section shall be administered by the Attorney General, in consultation with the Secretary of Health and Human Services.

(d) EMERGENCY MEDICAL CONDITION DEFINED.—For purposes of this section, the term ''emergency medical condition'' means a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(1) placing the patient's health in serious jeopardy,

(2) serious impairment to bodily functions, or

(3) serious dysfunction of any bodily organ or part.

(e) EFFECTIVE DATE.—Subsection (a) shall apply to medical assistance for care and treatment of an emergency medical condition furnished on or after January 1, 1997.

SEC. 563. REIMBURSEMENT OF STATES AND LOCALITIES FOR EMERGENCY AMBULANCE SERVICES.

Subject to the availability of appropriations, the Attorney General shall fully reimburse States and political subdivisions of States for costs incurred by such a State or subdivision for emergency ambulance services provided to any alien who—

(1) is injured while crossing a land or sea border of the United States without inspection or at any time or place other than as designated by the Attorney General; and

(2) is under the custody of the State or subdivision pursuant to a transfer, request, or other action by a Federal authority.

SEC. 564. PILOT PROGRAMS TO REQUIRE BONDING.

(a) IN GENERAL.—

(1) The Attorney General of the United States shall establish a pilot program in 5 district offices of the Immigration and Naturalization Service to require aliens to post a bond in addition to the affidavit requirements under section 213A of the Immigration and Nationality Act and the deeming requirements under section 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631). Any pilot program established pursuant to this subsection shall require an alien to post a bond in an amount sufficient to cover the cost of benefits described in section 213A(d)(2)(B) of the Immigration and Nationality Act (as amended by section 551(a) of this division) for the alien and the alien's dependents and shall remain in effect until the departure, naturalization, or death of the alien.

(2) Suit on any such bonds may be brought under the terms and conditions set forth in section 213A of the Immigration and Nationality Act.

(b) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Attorney General shall issue regulations for establishing the pilot programs, including—

(1) criteria and procedures for—

(A) certifying bonding companies for participation in the program, and

(B) debarment of any such company that fails to pay a bond, and

(2) criteria for setting the amount of the bond to assure that the bond is in an amount that is not less than the cost of providing benefits under the programs described in subsection (a)(1) for the alien and the alien's dependents for 6 months.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(d) ANNUAL REPORTING REQUIREMENT.—Beginning 9 months after the date of implementation of the pilot program, the Attorney General shall submit annually to the Committees on the Judiciary of the House of Representatives and the Senate a report on the effectiveness of the program. The Attorney General shall submit a final evaluation of the program not later than 1 year after termination.

(e) SUNSET.—The pilot program under this section shall terminate after 3 years of operation.

(f) BONDS IN ADDITION TO SPONSORSHIP AND DEEMING REQUIREMENTS.—Section 213 (8 U.S.C. 1183) is amended by inserting ''(subject to the affidavit of support requirement and attribution of sponsor's income and resources under section 213A)'' after ''in the discretion of the Attorney General''.

SEC. 565. REPORTS.

Not later than 180 days after the end of each fiscal year, the Attorney General shall submit a report to the Inspector General of the Department of Justice and the Committees on the Judiciary of the House of Representatives and of the Senate describing the following:

(1) PUBLIC CHARGE DEPORTATIONS.—The number of aliens deported on public charge grounds under section 241(a)(5) of the Immigration and Nationality Act during the previous fiscal year.

(2) INDIGENT SPONSORS.—The number of determinations made under section 421(e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (as added by section 552 of this division) during the previous fiscal year.

(3) REIMBURSEMENT ACTIONS.—The number of actions brought, and the amount of each action, for reimbursement under section 213A of the Immigration and Nationality Act (including private collections) for the costs of providing public benefits.

Subtitle E—Housing Assistance

SEC. 571. SHORT TITLE.

This subtitle may be cited as the ''Use of Assisted Housing by Aliens Act of 1996''.

SEC. 572. PRORATING OF FINANCIAL ASSISTANCE.

Section 214(b) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a(b)) is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following new paragraph:

''(2) If the eligibility for financial assistance of at least one member of a family has been affirmatively established under the program of financial assistance and under this section, and the ineligibility of one or more family members has not been affirmatively established under this section, any financial assistance made available to that family by the Secretary of Housing and Urban Development shall be prorated, based on the number of individuals in the family for whom eligibility has been affirmatively established under the program of financial assistance and under this section, as compared with the total number of individuals who are members of the family.''.

SEC. 573. ACTIONS IN CASES OF TERMINATION OF FINANCIAL ASSISTANCE.

Section 214(c)(1) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a(c)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''may, in its discretion,'' and inserting ''shall'';

(2) in subparagraph (A), by adding at the end the following: ''Financial assistance continued under this subparagraph for a family may be provided only on a prorated basis, under which the amount of financial assistance is based on the percentage of the total number of members of the family that are eligible for that assistance under the program of financial assistance and under this section.''; and

(3) in subparagraph (B)—

(A) by striking ''3 years'' and inserting ''18-months'';

(B) by inserting ''(i)'' after ''(B)'';

(C) by striking ''Any deferral'' and inserting the following:

''(ii) Except as provided in clause (iii), any deferral''; and

(D) by adding at the end the following new clauses:

''(iii) The time period described in clause (ii) shall not apply in the case of a refugee under section 207 of the Immigration and Nationality Act or an individual seeking asylum under section 208 of that Act.''.

SEC. 574. VERIFICATION OF IMMIGRATION STATUS AND ELIGIBILITY FOR FINANCIAL ASSISTANCE.

Section 214(d) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a(d)) is amended—

(1) in the matter preceding paragraph (1), by inserting ''or to be'' after ''being'';

(2) in paragraph (1)(A), by adding at the end the following: ''If the declaration states that the individual is not a citizen or national of the United States and that the individual is younger than 62 years of age, the declaration shall be verified by the Immigration and Naturalization Service. If the declaration states that the individual is a citizen or national of the United States, the Secretary of Housing and Urban Development, or the agency administering assistance covered by this section, may request verification of the declaration by requiring presentation of documentation that the Secretary considers appropriate, including a United States passport, resident alien card, alien registration card, social security card, or other documentation.'';

(3) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking ''on the date of the enactment of the Housing and Community Development Act of 1987'' and inserting ''on the date of enactment of the Use of Assisted Housing by Aliens Act of 1996 or applying for financial assistance on or after that date''; and

(B) by adding at the end the following:

''In the case of an individual applying for financial assistance on or after the date of enactment of the Use of Assisted Housing by Aliens Act of 1996, the Secretary may not provide any such assistance for the benefit of that individual before documentation is presented and verified under paragraph (3) or (4).'';

(4) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking ''on the date of the enactment of the Housing and Community Development Act of 1987'' and inserting ''on the date of enactment of the Use of Assisted Housing by Aliens Act of 1996 or applying for financial assistance on or after that date'';

(B) in subparagraph (A)—

(i) in clause (i)—

(I) by inserting '', not to exceed 30 days,'' after ''reasonable opportunity''; and

(II) by striking ''and'' at the end; and

(ii) by striking clause (ii) and inserting the following:

''(ii) in the case of any individual receiving assistance on the date of enactment of the Use of Assisted Housing by Aliens Act of 1996, may not delay, deny, reduce, or terminate the eligibility of that individual for financial assistance on the basis of the immigration status of that individual until the expiration of that 30-day period; and

''(iii) in the case of any individual applying for financial assistance on or after the date of enactment of the Use of Assisted Housing by Aliens Act of 1996, may not deny the application for such assistance on the basis of the immigration status of that individual until the expiration of that 30-day period; and''; and

(C) in subparagraph (B), by striking clause (ii) and inserting the following:

''(ii) pending such verification or appeal, the Secretary may not—

''(I) in the case of any individual receiving assistance on the date of enactment of the Use of Assisted Housing by Aliens Act of 1996, delay, deny, reduce, or terminate the eligibility of that individual for financial assistance on the basis of the immigration status of that individual; and

''(II) in the case of any individual applying for financial assistance on or after the date of enactment of the Use of Assisted Housing by Aliens Act of 1996, deny the application for such assistance on the basis of the immigration status of that individual; and'';

(5) in paragraph (5), by striking ''status—'' and all that follows through the end of the paragraph and inserting the following: ''status, the Secretary shall—

''(A) deny the application of that individual for financial assistance or terminate the eligibility of that individual for financial assistance, as applicable;

''(B) provide that the individual may request a fair hearing during the 30-day period beginning upon receipt of the notice under subparagraph (C); and

''(C) provide to the individual written notice of the determination under this paragraph, the right to a fair hearing process, and the time limitation for requesting a hearing under subparagraph (C).''; and

(6) by striking paragraph (6) and inserting the following:

''(6) The Secretary shall terminate the eligibility for financial assistance of an individual and the members of the household of the individual, for a period of not less than 24 months, upon determining that such individual has knowingly permitted another individual who is not eligible for such assistance to reside in the public or assisted housing unit of the individual. This provision shall not apply to a family if the ineligibility of the ineligible individual at issue was considered in calculating any proration of assistance provided for the family.''.

SEC. 575. PROHIBITION OF SANCTIONS AGAINST ENTITIES MAKING FINANCIAL ASSISTANCE ELIGIBILITY DETERMINATIONS.

Section 214(e) of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a(e)) is amended—

(1) in paragraph (2), by adding ''or'' at the end;

(2) in paragraph (3), by adding at the end the following: ''the response from the Immigration and Naturalization Service to the appeal of that individual.''; and

(3) by striking paragraph (4).

SEC. 576. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUSING.

Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended by adding at the end the following new subsection:

''(h) VERIFICATION OF ELIGIBILITY.—

''(1) IN GENERAL.—Except in the case of an election under paragraph (2)(A), no individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of at least the individual or one family member under this section by the Secretary or other appropriate entity.

''(2) RULES APPLICABLE TO PUBLIC HOUSING AGENCIES.—A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937)—

''(A) may elect not to comply with this section; and

''(B) in complying with this section—

''(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;

''(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 274A(b)(1) of the Immigration and Nationality Act; and

''(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

''(3) ELIGIBILITY OF FAMILIES.—For purposes of this subsection, with respect to a family, the term 'eligibility' means the eligibility of each family member.''.

SEC. 577. REGULATIONS.

(a) ISSUANCE.—Not later than the 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue any regulations necessary to implement the amendments made by this part. Such regulations shall be issued in the form of an interim final rule, which shall take effect upon issuance and shall not be subject to the provisions of section 533 of title 5, United States Code, regarding notice or opportunity for comment.

(b) FAILURE TO ISSUE.—If the Secretary fails to issue the regulations required under subsection (a) before the date specified in that subsection, the regulations relating to restrictions on assistance to noncitizens, contained in the final rule issued by the Secretary of Housing and Urban Development in RIN–2501–AA63 (Docket No. R–95–1409; FR–2383–F–050), published in the Federal Register on March 20, 1995 (Vol. 60, No. 53; pp. 14824–14861), shall not apply after that date.

Subtitle F—General Provisions

SEC. 591. EFFECTIVE DATES.

Except as provided in this title, this title and the amendments made by this title shall take effect on the date of the enactment of this Act.

SEC. 592. NOT APPLICABLE TO FOREIGN ASSISTANCE.

This title 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.

SEC. 593. NOTIFICATION.

(a) IN GENERAL.—Each agency of the Federal Government or a State or political subdivision that administers a program affected by the provisions of this title, shall, directly or through the States, provide general notification to the public and to program recipients of the changes regarding eligibility for any such program pursuant to this title.

(b) FAILURE TO GIVE NOTICE.—Nothing in this section shall be construed to require or authorize continuation of eligibility if the notice under this section is not provided.

SEC. 594. DEFINITIONS.

Except as otherwise provided in this title, for purposes of this title—

(1) the terms ''alien'', ''Attorney General'', ''national'', ''naturalization'', ''State'', and ''United States'' shall have the meaning given such terms in section 101(a) of the Immigration and Nationality Act; and

(2) the term ''child'' shall have the meaning given such term in section 101(c) of the Immigration and Nationality Act.

TITLE VI—MISCELLANEOUS PROVISIONS

Subtitle A—Refugees, Parole, and Asylum

SEC. 601. PERSECUTION FOR RESISTANCE TO COERCIVE POPULATION CONTROL METHODS.

(a) DEFINITION OF REFUGEE.—

(1) Section 101(a)(42) (8 U.S.C. 1101(a)(42)) is amended by adding at the end the following: ''For purposes of determinations under this Act, a person who has been forced to abort a pregnancy or to undergo involuntary sterilization, or who has been persecuted for failure or refusal to undergo such a procedure or for other resistance to a coercive population control program, shall be deemed to have been persecuted on account of political opinion, and a person who has a well founded fear that he or she will be forced to undergo such a procedure or subject to persecution for such failure, refusal, or resistance shall be deemed to have a well founded fear of persecution on account of political opinion.''.

(2) Not later than 90 days after the end of each fiscal year, the Attorney General shall submit a report to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate describing the number and countries of origin of aliens granted refugee status or asylum under determinations pursuant to the amendment made by paragraph (1). Each such report shall also contain projections regarding the number and countries of origin of aliens that are likely to be granted refugee status or asylum for the subsequent 2 fiscal years.

(b) NUMERICAL LIMITATION.—Section 207(a) (8 U.S.C. 1157(a)) is amended by adding at the end the following new paragraph:

''(5) For any fiscal year, not more than a total of 1,000 refugees may be admitted under this subsection or granted asylum under section 208 pursuant to a determination under the third sentence of section 101(a)(42) (relating to persecution for resistance to coercive population control methods).''.

SEC. 602. LIMITATION ON USE OF PAROLE

(a) PAROLE AUTHORITY.—Section 212(d)(5)(A) (8 U.S.C. 1182(d)(5)) is amended by striking ''for emergent reasons or for reasons deemed strictly in the public interest'' and inserting ''only on a case-by-case basis for urgent humanitarian reasons or significant public benefit''.

(b) REPORT TO CONGRESS.—Not later than 90 days after the end of each fiscal year, the Attorney General shall submit a report to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate describing the number and categories of aliens paroled into the United States under section 212(d)(5) of the Immigration and Nationality Act. Each such report shall provide the total number of aliens paroled into and residing in the United States and shall contain information and data for each country of origin concerning the number and categories of aliens paroled, the duration of parole, the current status of aliens paroled, and the number and categories of aliens returned to the custody from which they were paroled during the preceding fiscal year.

SEC. 603. TREATMENT OF LONG-TERM PAROLEES IN APPLYING WORLDWIDE NUMERICAL LIMITATIONS.

Section 201(c) (8 U.S.C. 1151(c)) is amended—

(1) by amending paragraph (1)(A)(ii) to read as follows:

''(ii) the sum of the number computed under paragraph (2) and the number computed under paragraph (4), plus''; and

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

''(4) The number computed under this paragraph for a fiscal year (beginning with fiscal

year 1999) is the number of aliens who were paroled into the United States under section 212(d)(5) in the second preceding fiscal year—

''(A) who did not depart from the United States (without advance parole) within 365 days; and

''(B) who (i) did not acquire the status of aliens lawfully admitted to the United States for permanent residence in the two preceding fiscal years, or (ii) acquired such status in such years under a provision of law (other than section 201(b)) which exempts such adjustment from the numerical limitation on the worldwide level of immigration under this section.

''(5) If any alien described in paragraph (4) (other than an alien described in paragraph (4)(B)(ii)) is subsequently admitted as an alien lawfully admitted for permanent residence, such alien shall not again be considered for purposes of paragraph (1).''.

SEC. 604. ASYLUM REFORM.

(a) ASYLUM REFORM.—Section 208 (8 U.S.C. 1158) is amended to read as follows:

''ASYLUM

''SEC. 208. (a) AUTHORITY TO APPLY FOR ASYLUM.—

''(1) IN GENERAL.—Any alien who is physically present in the United States or who arrives in the United States (whether or not at a designated port of arrival and including an alien who is brought to the United States after having been interdicted in international or United States waters), irrespective of such alien's status, may apply for asylum in accordance with this section or, where applicable, section 235(b).

''(2) EXCEPTIONS.—

''(A) SAFE THIRD COUNTRY.—Paragraph (1) shall not apply to an alien if the Attorney General determines that the alien may be removed, pursuant to a bilateral or multilateral agreement, to a country (other than the country of the alien's nationality or, in the case of an alien having no nationality, the country of the alien's last habitual residence) in which the alien's life or freedom would not be threatened on account of race, religion, nationality, membership in a particular social group, or political opinion, and where the alien would have access to a full and fair procedure for determining a claim to asylum or equivalent temporary protection, unless the Attorney General finds that it is in the public interest for the alien to receive asylum in the United States.

''(B) TIME LIMIT.—Subject to subparagraph (D), paragraph (1) shall not apply to an alien unless the alien demonstrates by clear and convincing evidence that the application has been filed within 1 year after the date of the alien's arrival in the United States.

''(C) PREVIOUS ASYLUM APPLICATIONS.—Subject to subparagraph (D), paragraph (1) shall not apply to an alien if the alien has previously applied for asylum and had such application denied.

''(D) CHANGED CIRCUMSTANCES.—An application for asylum of an alien may be considered, notwithstanding subparagraphs (B) and (C), if the alien demonstrates to the satisfaction of the Attorney General either the existence of changed circumstances which materially affect the applicant's eligibility for asylum or extraordinary circumstances relating to the delay in filing an application within the period specified in subparagraph (B).

''(3) LIMITATION ON JUDICIAL REVIEW.—No court shall have jurisdiction to review any determination of the Attorney General under paragraph (2).

''(b) CONDITIONS FOR GRANTING ASYLUM.—

''(1) IN GENERAL.—The Attorney General may grant asylum to an alien who has applied for asylum in accordance with the requirements and procedures established by the Attorney General under this section if the Attorney General determines that such alien is a refugee within the meaning of section 101(a)(42)(A).

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—Paragraph (1) shall not apply to an alien if the Attorney General determines that—

''(i) the alien ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion;

''(ii) the alien, having been convicted by a final judgment of a particularly serious crime, constitutes a danger to the community of the United States;

''(iii) there are serious reasons for believing that the alien has committed a serious nonpolitical crime outside the United States prior to the arrival of the alien in the United States;

''(iv) there are reasonable grounds for regarding the alien as a danger to the security of the United States;

''(v) the alien is inadmissible under subclause (I), (II), (III), or (IV) of section 212(a)(3)(B)(i) or removable under section 237(a)(4)(B) (relating to terrorist activity), unless, in the case only of an alien inadmissible under subclause (IV) of section 212(a)(3)(B)(i), the Attorney General determines, in the Attorney General's discretion, that there are not reasonable grounds for regarding the alien as a danger to the security of the United States; or

''(vi) the alien was firmly resettled in another country prior to arriving in the United States.

''(B) SPECIAL RULES.—

''(i) CONVICTION OF AGGRAVATED FELONY.—For purposes of clause (ii) of subparagraph (A), an alien who has been convicted of an aggravated felony shall be considered to have been convicted of a particularly serious crime.

''(ii) OFFENSES.—The Attorney General may designate by regulation offenses that will be considered to be a crime described in clause (ii) or (iii) of subparagraph (A).

''(C) ADDITIONAL LIMITATIONS.—The Attorney General may by regulation establish additional limitations and conditions, consistent with this section, under which an alien shall be ineligible for asylum under paragraph (1).

''(D) NO JUDICIAL REVIEW.—There shall be no judicial review of a determination of the Attorney General under subparagraph (A)(v).

''(3) TREATMENT OF SPOUSE AND CHILDREN.—A spouse or child (as defined in section 101(b)(1)(A), (B), (C), (D), or (E)) of an alien who is granted asylum under this subsection may, if not otherwise eligible for asylum under this section, be granted the same status as the alien if accompanying, or following to join, such alien.

''(c) ASYLUM STATUS.—

''(1) IN GENERAL.—In the case of an alien granted asylum under subsection (b), the Attorney General—

''(A) shall not remove or return the alien to the alien's country of nationality or, in the case of a person having no nationality, the country of the alien's last habitual residence;

''(B) shall authorize the alien to engage in employment in the United States and provide the alien with appropriate endorsement of that authorization; and

''(C) may allow the alien to travel abroad with the prior consent of the Attorney General.

''(2) TERMINATION OF ASYLUM.—Asylum granted under subsection (b) does not convey a right to remain permanently in the United States, and may be terminated if the Attorney General determines that—

''(A) the alien no longer meets the conditions described in subsection (b)(1) owing to a fundamental change in circumstances;

''(B) the alien meets a condition described in subsection (b)(2);

''(C) the alien may be removed, pursuant to a bilateral or multilateral agreement, to a country (other than the country of the alien's nationality or, in the case of an alien having no nationality, the country of the alien's last habitual residence) in which the alien's life or freedom would not be threatened on account of race, religion, nationality, membership in a particular social group, or political opinion, and where the alien is eligible to receive asylum or equivalent temporary protection;

''(D) the alien has voluntarily availed himself or herself of the protection of the alien's country of nationality or, in the case of an alien having no nationality, the alien's country of last habitual residence, by returning to such country with permanent resident status or the reasonable possibility of obtaining such status with the same rights and obligations pertaining to other permanent residents of that country; or

''(E) the alien has acquired a new nationality and enjoys the protection of the country of his or her new nationality.

''(3) REMOVAL WHEN ASYLUM IS TERMINATED.—An alien described in paragraph (2) is subject to any applicable grounds of inadmissibility or deportability under section 212(a) and 237(a), and the alien's removal or return shall be directed by the Attorney General in accordance with sections 240 and 241.

''(d) ASYLUM PROCEDURE.—

''(1) APPLICATIONS.—The Attorney General shall establish a procedure for the consideration of asylum applications filed under subsection (a). The Attorney General may require applicants to submit fingerprints and a photograph at such time and in such manner to be determined by regulation by the Attorney General.

''(2) EMPLOYMENT.—An applicant for asylum is not entitled to employment authorization, but such authorization may be provided under regulation by the Attorney General. An applicant who is not otherwise eligible for employment authorization shall not be granted such authorization prior to 180 days after the date of filing of the application for asylum.

''(3) FEES.—The Attorney General may impose fees for the consideration of an application for asylum, for employment authorization under this section, and for adjustment of status under section 209(b). Such fees shall not exceed the Attorney General's costs in adjudicating the applications. The Attorney General may provide for the assessment and payment of such fees over a period of time or by installments. Nothing in this paragraph shall be construed to require the Attorney General to charge fees for adjudication services provided to asylum applicants, or to limit the authority of the Attorney General to set adjudication and naturalization fees in accordance with section 286(m).

''(4) NOTICE OF PRIVILEGE OF COUNSEL AND CONSEQUENCES OF FRIVOLOUS APPLICATION.—At the time of filing an application for asylum, the Attorney General shall—

''(A) advise the alien of the privilege of being represented by counsel and of the consequences, under paragraph (6), of knowingly filing a frivolous application for asylum; and

''(B) provide the alien a list of persons (updated not less often than quarterly) who have indicated their availability to represent aliens in asylum proceedings on a pro bono basis.

''(5) CONSIDERATION OF ASYLUM APPLICATIONS.—

''(A) PROCEDURES.—The procedure established under paragraph (1) shall provide that—

''(i) asylum cannot be granted until the identity of the applicant has been checked against all appropriate records or databases maintained by the Attorney General and by the Secretary of State, including the Automated Visa Lookout System, to determine any grounds on which the alien may be inadmissible to or deportable from the United States, or ineligible to apply for or be granted asylum;

''(ii) in the absence of exceptional circumstances, the initial interview or hearing on the asylum application shall commence not later than 45 days after the date an application is filed;

''(iii) in the absence of exceptional circumstances, final administrative adjudication of

the asylum application, not including administrative appeal, shall be completed within 180 days after the date an application is filed;

''(iv) any administrative appeal shall be filed within 30 days of a decision granting or denying asylum, or within 30 days of the completion of removal proceedings before an immigration judge under section 240, whichever is later; and

''(v) in the case of an applicant for asylum who fails without prior authorization or in the absence of exceptional circumstances to appear for an interview or hearing, including a hearing under section 240, the application may be dismissed or the applicant may be otherwise sanctioned for such failure.

''(B) ADDITIONAL REGULATORY CONDITIONS.—The Attorney General may provide by regulation for any other conditions or limitations on the consideration of an application for asylum not inconsistent with this Act.

''(6) FRIVOLOUS APPLICATIONS.—If the Attorney General determines that an alien has knowingly made a frivolous application for asylum and the alien has received the notice under paragraph (4)(A), the alien shall be permanently ineligible for any benefits under this Act, effective as of the date of a final determination on such application.

''(7) NO PRIVATE RIGHT OF ACTION.—Nothing in this subsection shall be construed to create any substantive or procedural right or benefit that is legally enforceable by any party against the United States or its agencies or officers or any other person.''.

(b) CONFORMING AND CLERICAL AMENDMENTS.—

(1) The item in the table of contents relating to section 208 is amended to read as follows:

''Sec. 208. Asylum.''.

(2) Section 104(d)(1)(A) of the Immigration Act of 1990 (Public Law 101–649) is amended by striking ''208(b)'' and inserting ''208''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to applications for asylum filed on or after the first day of the first month beginning more than 180 days after the date of the enactment of this Act.

SEC. 605. INCREASE IN ASYLUM OFFICERS.

Subject to the availability of appropriations, the Attorney General shall provide for an increase in the number of asylum officers to at least 600 asylum officers by fiscal year 1997.

SEC. 606. CONDITIONAL REPEAL OF CUBAN ADJUSTMENT ACT.

(a) IN GENERAL.—Public Law 89–732 is repealed effective only upon a determination by the President under section 203(c)(3) of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (Public Law 104–114) that a democratically elected government in Cuba is in power.

(b) LIMITATION.—Subsection (a) shall not apply to aliens for whom an application for adjustment of status is pending on such effective date.

Subtitle B—Miscellaneous Amendments to the Immigration and Nationality Act

SEC. 621. ALIEN WITNESS COOPERATION.

Section 214(j)(1) (8 U.S.C. 1184(j)(1)) (as added by section 130003(b)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322; 108 Stat. 2025)) (relating to numerical limitations on the number of aliens who may be provided a visa as nonimmigrants under section 101(a)(15)(S) of the Immigration and Nationality Act) is amended—

(1) by striking ''100.'' and inserting ''200.''; and

(2) by striking ''25.'' and inserting ''50.''.

SEC. 622. WAIVER OF FOREIGN COUNTRY RESIDENCE REQUIREMENT WITH RESPECT TO INTERNATIONAL MEDICAL GRADUATES.

(a) EXTENSION OF WAIVER PROGRAM.—Section 220(c) of the Immigration and Nationality Technical Corrections Act of 1994 (8 U.S.C. 1182 note) is amended by striking ''1996.'' and inserting ''2002.''.

(b) CONDITIONS ON FEDERALLY REQUESTED WAIVERS.—Section 212(e) (8 U.S.C. 1182(e)) is amended by inserting after ''except that in the case of a waiver requested by a State Department of Public Health, or its equivalent'' the following: '', or in the case of a waiver requested by an interested United States Government agency on behalf of an alien described in clause (iii),''.

(c) RESTRICTIONS ON FEDERALLY REQUESTED WAIVERS.—Section 214(k) (8 U.S.C. 1184(k)) (as added by section 220(b) of the Immigration and Nationality Technical Corrections Act of 1994 (Public Law 103–416; 108 Stat. 4319)) is amended to read as follows:

''(k)(1) In the case of a request by an interested State agency, or by an interested Federal agency, for a waiver of the 2-year foreign residence requirement under section 212(e) on behalf of an alien described in clause (iii) of such section, the Attorney General shall not grant such waiver unless—

''(A) in the case of an alien who is otherwise contractually obligated to return to a foreign country, the government of such country furnishes the Director of the United States Information Agency with a statement in writing that it has no objection to such waiver;

''(B) in the case of a request by an interested State agency, the grant of such waiver would not cause the number of waivers allotted for that State for that fiscal year to exceed 20;

''(C) in the case of a request by an interested Federal agency or by an interested State agency—

''(i) the alien demonstrates a bona fide offer of full-time employment at a health facility or health care organization, which employment has been determined by the Attorney General to be in the public interest; and

''(ii) the alien agrees to begin employment with the health facility or health care organization within 90 days of receiving such waiver, and agrees to continue to work for a total of not less than 3 years (unless the Attorney General determines that extenuating circumstances exist, such as closure of the facility or hardship to the alien, which would justify a lesser period of employment at such health facility or health care organization, in which case the alien must demonstrate another bona fide offer of employment at a health facility or health care organization for the remainder of such 3-year period); and

''(D) in the case of a request by an interested Federal agency (other than a request by an interested Federal agency to employ the alien full-time in medical research or training) or by an interested State agency, the alien agrees to practice medicine in accordance with paragraph (2) for a total of not less than 3 years only in the geographic area or areas which are designated by the Secretary of Health and Human Services as having a shortage of health care professionals.

''(2)(A) Notwithstanding section 248(2), the Attorney General may change the status of an alien who qualifies under this subsection and section 212(e) to that of an alien described in section 101(a)(15)(H)(i)(b).

''(B) No person who has obtained a change of status under subparagraph (A) and who has failed to fulfill the terms of the contract with the health facility or health care organization named in the waiver application shall be eligible to apply for an immigrant visa, for permanent residence, or for any other change of nonimmigrant status, until it is established that such person has resided and been physically present in the country of his nationality or his last residence for an aggregate of at least 2 years following departure from the United States.

''(3) Notwithstanding any other provision of this subsection, the 2-year foreign residence requirement under section 212(e) shall apply with respect to an alien described in clause (iii) of such section, who has not otherwise been accorded status under section 101(a)(27)(H), if—

''(A) at any time the alien ceases to comply with any agreement entered into under subparagraph (C) or (D) of paragraph (1); or

''(B) the alien's employment ceases to benefit the public interest at any time during the 3-year period described in paragraph (1)(C).''.

SEC. 623. USE OF LEGALIZATION AND SPECIAL AGRICULTURAL WORKER INFORMATION.

(a) CONFIDENTIALITY OF INFORMATION.—Section 245A(c)(5) (8 U.S.C. 1255a(c)(5)) is amended to read as follows:

''(5) CONFIDENTIALITY OF INFORMATION.—

''(A) IN GENERAL.—Except as provided in this paragraph, neither the Attorney General, nor any other official or employee of the Department of Justice, or bureau or agency thereof, may—

''(i) use the information furnished by the applicant pursuant to an application filed under this section for any purpose other than to make a determination on the application, for enforcement of paragraph (6), or for the preparation of reports to Congress under section 404 of the Immigration Reform and Control Act of 1986;

''(ii) make any publication whereby the information furnished by any particular applicant can be identified; or

''(iii) permit anyone other than the sworn officers and employees of the Department or bureau or agency or, with respect to applications filed with a designated entity, that designated entity, to examine individual applications.

''(B) REQUIRED DISCLOSURES.—The Attorney General shall provide the information furnished under this section, and any other information derived from such furnished information, to a duly recognized law enforcement entity in connection with a criminal investigation or prosecution, when such information is requested in writing by such entity, or to an official coroner for purposes of affirmatively identifying a deceased individual (whether or not such individual is deceased as a result of a crime).

''(C) AUTHORIZED DISCLOSURES.—The Attorney General may provide, in the Attorney General's discretion, for the furnishing of information furnished under this section in the same manner and circumstances as census information may be disclosed by the Secretary of Commerce under section 8 of title 13, United States Code.

''(D) CONSTRUCTION.—

''(i) IN GENERAL.—Nothing in this paragraph shall be construed to limit the use, or release, for immigration enforcement purposes or law enforcement purposes of information contained in files or records of the Service pertaining to an application filed under this section, other than information furnished by an applicant pursuant to the application, or any other information derived from the application, that is not available from any other source.

''(ii) CRIMINAL CONVICTIONS.—Information concerning whether the applicant has at any time been convicted of a crime may be used or released for immigration enforcement or law enforcement purposes.

''(E) CRIME.—Whoever knowingly uses, publishes, or permits information to be examined in violation of this paragraph shall be fined not more than $10,000.''.

(b) SPECIAL AGRICULTURAL WORKERS.—Section 210(b)(6) (8 U.S.C. 1160(b)(6)) is amended to read as follows:

''(6) CONFIDENTIALITY OF INFORMATION.—

''(A) IN GENERAL.—Except as provided in this paragraph, neither the Attorney General, nor any other official or employee of the Department of Justice, or bureau or agency thereof, may—

''(i) use the information furnished by the applicant pursuant to an application filed under this section for any purpose other than to make a determination on the application, including a determination under subsection (a)(3)(B), or for enforcement of paragraph (7);

''(ii) make any publication whereby the information furnished by any particular individual can be identified; or

''(iii) permit anyone other than the sworn officers and employees of the Department or bureau or agency or, with respect to applications filed with a designated entity, that designated entity, to examine individual applications.

''(B) REQUIRED DISCLOSURES.—The Attorney General shall provide information furnished under this section, and any other information derived from such furnished information, to a duly recognized law enforcement entity in connection with a criminal investigation or prosecution, when such information is requested in writing by such entity, or to an official coroner for purposes of affirmatively identifying a deceased individual (whether or not such individual is deceased as a result of a crime).

''(C) CONSTRUCTION.—

''(i) IN GENERAL.—Nothing in this paragraph shall be construed to limit the use, or release, for immigration enforcement purposes or law enforcement purposes of information contained in files or records of the Service pertaining to an application filed under this section, other than information furnished by an applicant pursuant to the application, or any other information derived from the application, that is not available from any other source.

''(ii) CRIMINAL CONVICTIONS.—Information concerning whether the applicant has at any time been convicted of a crime may be used or released for immigration enforcement or law enforcement purposes.

''(D) CRIME.—Whoever knowingly uses, publishes, or permits information to be examined in violation of this paragraph shall be fined not more than $10,000.''.

SEC. 624. CONTINUED VALIDITY OF LABOR CERTIFICATIONS AND CLASSIFICATION PETITIONS FOR PROFESSIONAL ATHLETES.

(a) LABOR CERTIFICATION.—Section 212(a)(5)(A) (8 U.S.C. 1182(a)(5)(A)) is amended by adding at the end the following:

''(iii) PROFESSIONAL ATHLETES.—

''(I) IN GENERAL.—A certification made under clause (i) with respect to a professional athlete shall remain valid with respect to the athlete after the athlete changes employer, if the new employer is a team in the same sport as the team which employed the athlete when the athlete first applied for the certification.

''(II) DEFINITION.—For purposes of subclause (I), the term 'professional athlete' means an individual who is employed as an athlete by—

''(aa) a team that is a member of an association of 6 or more professional sports teams whose total combined revenues exceed $10,000,000 per year, if the association governs the conduct of its members and regulates the contests and exhibitions in which its member teams regularly engage; or

''(bb) any minor league team that is affiliated with such an association.''.

(b) CLASSIFICATION PETITIONS.—Section 204 (8 U.S.C. 1154) is amended by adding at the end the following:

''(i) PROFESSIONAL ATHLETES.—

''(1) IN GENERAL.—A petition under subsection (a)(4)(D) for classification of a professional athlete shall remain valid for the athlete after the athlete changes employers, if the new employer is a team in the same sport as the team which was the employer who filed the petition.

''(2) DEFINITION.—For purposes of paragraph (1), the term 'professional athlete' means an individual who is employed as an athlete by—

''(A) a team that is a member of an association of 6 or more professional sports teams whose total combined revenues exceed $10,000,000 per year, if the association governs the conduct of its members and regulates the contests and exhibitions in which its member teams regularly engage; or

''(B) any minor league team that is affiliated with such an association.''.

SEC. 625. FOREIGN STUDENTS.

(a) LIMITATIONS.—

(1) IN GENERAL.—Section 214 (8 U.S.C. 1184) is amended by adding at the end the following new subsection:

''(l)(1) An alien may not be accorded status as a nonimmigrant under section 101(a)(15)(F)(i) in order to pursue a course of study—

''(A) at a public elementary school or in a publicly funded adult education program; or

''(B) at a public secondary school unless—

''(i) the aggregate period of such status at such a school does not exceed 12 months with respect to any alien, and (ii) the alien demonstrates that the alien has reimbursed the local educational agency that administers the school for the full, unsubsidized per capita cost of providing education at such school for the period of the alien's attendance.

''(2) An alien who obtains the status of a nonimmigrant under section 101(a)(15)(F)(i) in order to pursue a course of study at a private elementary or secondary school or in a language training program that is not publicly funded shall be considered to have violated such status, and the alien's visa under section 101(a)(15)(F) shall be void, if the alien terminates or abandons such course of study at such a school and undertakes a course of study at a public elementary school, in a publicly funded adult education program, in a publicly funded adult education language training program, or at a public secondary school (unless the requirements of paragraph (1)(B) are met).''.

(2) CONFORMING AMENDMENT.—Section 101(a)(15)(F) (8 U.S.C. 1101(a)(15)(F)) is amended by inserting ''consistent with section 214(l)'' after ''such a course of study''.

(b) REFERENCE TO NEW GROUND OF EXCLUSION FOR STUDENT VISA ABUSERS.—For addition of ground of inadmissibility for certain nonimmigrant student abusers, see section 347 of this division.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to individuals who obtain the status of a nonimmigrant under section 101(a)(15)(F) of the Immigration and Nationality Act after the end of the 60-day period beginning on the date of the enactment of this Act, including aliens whose status as such a nonimmigrant is extended after the end of such period.

SEC. 626. SERVICES TO FAMILY MEMBERS OF CERTAIN OFFICERS AND AGENTS KILLED IN THE LINE OF DUTY.

(a) IN GENERAL.—Title II, as amended by section 205(a) of this division, is amended by adding at the end the following new section:

''TRANSPORTATION OF REMAINS OF IMMIGRATION OFFICERS AND BORDER PATROL AGENTS KILLED IN THE LINE OF DUTY

''SEC. 295. (a) IN GENERAL.—To the extent provided in appropriation Acts, when an immigration officer or border patrol agent is killed in the line of duty, the Attorney General may pay from appropriations available for the activity in which the officer or agent was engaged—

''(1) the actual and necessary expenses of transportation of the remains of the officer or agent to a place of burial located in any State, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau;

''(2) travel expenses, including per diem in lieu of subsistence, of the decedent's spouse and minor children to and from such site at rates not greater than those established for official government travel under subchapter I of chapter 57 of title 5, United States Code; and

''(3) any other memorial service authorized by the Attorney General.

''(b) PREPAYMENT.—The Attorney General may prepay any expense authorized to be paid under this section.''.

(b) CLERICAL AMENDMENT.—The table of contents, as amended by section 205(b) of this division, is amended by inserting after the item relating to section 294 the following new item:

''Sec. 295. Transportation of remains of immigration officers and border patrol agents killed in the line of duty.''.

Subtitle C—Provisions Relating to Visa Processing and Consular Efficiency

SEC. 631. VALIDITY OF PERIOD OF VISAS.

(a) EXTENSION OF VALIDITY OF IMMIGRANT VISAS TO 6 MONTHS.—Section 221(c) (8 U.S.C. 1201(c)) is amended by striking ''four months'' and inserting ''six months''.

(b) AUTHORIZING APPLICATION OF RECIPROCITY RULE FOR NONIMMIGRANT VISA IN CASE OF REFUGEES AND PERMANENT RESIDENTS.—Such section is further amended by inserting before the period at the end of the third sentence the following: ''; except that in the case of aliens who are nationals of a foreign country and who either are granted refugee status and firmly resettled in another foreign country or are granted permanent residence and residing in another foreign country, the Secretary of State may prescribe the period of validity of such a visa based upon the treatment granted by that other foreign country to alien refugees and permanent residents, respectively, in the United States''.

SEC. 632. ELIMINATION OF CONSULATE SHOPPING FOR VISA OVERSTAYS.

(a) IN GENERAL.—Section 222 (8 U.S.C. 1202) is amended by adding at the end the following:

''(g)(1) In the case of an alien who has been admitted on the basis of a nonimmigrant visa and remained in the United States beyond the period of stay authorized by the Attorney General, such visa shall be void beginning after the conclusion of such period of stay.

''(2) An alien described in paragraph (1) shall be ineligible to be readmitted to the United States as a nonimmigrant, except—

''(A) on the basis of a visa (other than the visa described in paragraph (1)) issued in a consular office located in the country of the alien's nationality (or, if there is no office in such country, in such other consular office as the Secretary of State shall specify); or

''(B) where extraordinary circumstances are found by the Secretary of State to exist.''.

(b) APPLICABILITY.—

(1) VISAS.—Section 222(g)(1) of the Immigration and Nationality Act, as added by subsection (a), shall apply to a visa issued before, on, or after the date of the enactment of this Act.

(2) ALIENS SEEKING READMISSION.—Section 222(g)(2) of the Immigration and Nationality Act, as added by subsection (a), shall apply to any alien applying for readmission to the United States after the date of the enactment of this Act, except an alien applying for readmission on the basis of a visa that—

(A) was issued before such date; and

(B) is not void through the application of section 222(g)(1) of the Immigration and Nationality Act, as added by subsection (a).

SEC. 633. AUTHORITY TO DETERMINE VISA PROCESSING PROCEDURES.

Section 202(a)(1) (8 U.S.C. 1152(a)(1)) is amended—

(1) by inserting ''(A)'' after ''NONDISCRIMINATION.—''; and

(2) by adding at the end the following:

''(B) Nothing in this paragraph shall be construed to limit the authority of the Secretary of State to determine the procedures for the processing of immigrant visa applications or the locations where such applications will be processed.''.

SEC. 634. CHANGES REGARDING VISA APPLICATION PROCESS.

(a) NONIMMIGRANT APPLICATIONS.—Section 222(c) (8 U.S.C. 1202(c)) is amended—

(1) by striking ''personal description'' through ''marks of identification);'';

(2) by striking ''applicant'' and inserting ''applicant, the determination of his eligibility for a nonimmigrant visa,''; and

(3) by adding at the end the following: ''At the discretion of the Secretary of State, application forms for the various classes of nonimmigrant admissions described in section 101(a)(15) may vary according to the class of visa being requested.''.

(b) DISPOSITION OF APPLICATIONS.—Section 222(e) (8 U.S.C. 1202(e)) is amended—

(1) in the first sentence, by striking ''required by this section'' and inserting ''for an immigrant visa''; and

(2) in the fourth sentence—

(A) by striking ''stamp'' and inserting ''stamp, or other

(B) by striking ''by the consular officer''.

SEC. 635. VISA WAIVER PROGRAM.

(a) ELIMINATION OF JOINT ACTION REQUIREMENT.—Section 217 (8 U.S.C. 1187) is amended—

(1) in subsection (a), by striking ''Attorney General and the Secretary of State, acting jointly'' and inserting ''Attorney General, in consultation with the Secretary of State'';

(2) in subsection (c)(1), by striking ''Attorney General and the Secretary of State acting jointly'' and inserting ''Attorney General, in consultation with the Secretary of State,''; and

(3) in subsection (d), by striking ''Attorney General and the Secretary of State, acting jointly,'' and inserting ''Attorney General, in consultation with the Secretary of State,''.

(b) EXTENSION OF PROGRAM.—Section 217(f) (8 U.S.C. 1187(f)) is amended by striking ''1996'' and inserting ''1997.''.

(c) DURATION AND TERMINATION OF DESIGNATION OF PILOT PROGRAM COUNTRIES.—

(1) IN GENERAL.—Section 217(g) (8 U.S.C. 1187(g)) is amended to read as follows:

''(g) DURATION AND TERMINATION OF DESIGNATION.—

''(1) IN GENERAL.—

''(A) DETERMINATION AND NOTIFICATION OF DISQUALIFICATION RATE.—Upon determination by the Attorney General that a pilot program country's disqualification rate is 2 percent or more, the Attorney General shall notify the Secretary of State.

''(B) PROBATIONARY STATUS.—If the program country's disqualification rate is greater than 2 percent but less than 3.5 percent, the Attorney General shall place the program country in probationary status for a period not to exceed 2 full fiscal years following the year in which the determination under subparagraph (A) is made.

''(C) TERMINATION OF DESIGNATION.—Subject to paragraph (3), if the program country's disqualification rate is 3.5 percent or more, the Attorney General shall terminate the country's designation as a pilot program country effective at the beginning of the second fiscal year following the fiscal year in which the determination under subparagraph (A) is made.

''(2) TERMINATION OF PROBATIONARY STATUS.—

''(A) IN GENERAL.—If the Attorney General determines at the end of the probationary period described in paragraph (1)(B) that the program country placed in probationary status under such paragraph has failed to develop a machine-readable passport program as required by section (c)(2)(C), or has a disqualification rate of 2 percent or more, the Attorney General shall terminate the designation of the country as a pilot program country. If the Attorney General determines that the program country has developed a machine-readable passport program and has a disqualification rate of less than 2 percent, the Attorney General shall redesignate the country as a pilot program country.

''(B) EFFECTIVE DATE.—A termination of the designation of a country under subparagraph (A) shall take effect on the first day of the first fiscal year following the fiscal year in which the determination under such subparagraph is made. Until such date, nationals of the country shall remain eligible for a waiver under subsection (a).

''(3) NONAPPLICABILITY OF CERTAIN PROVISIONS.—Paragraph (1)(C) shall not apply unless the total number of nationals of a pilot program country described in paragraph (4)(A) exceeds 100.

''(4) DEFINITION.—For purposes of this subsection, the term 'disqualification rate' means the percentage which—

''(A) the total number of nationals of the pilot program country who were—

''(i) excluded from admission or withdrew their application for admission during the most recent fiscal year for which data are available; and

''(ii) admitted as nonimmigrant visitors during such fiscal year and who violated the terms of such admission; bears to

''(B) the total number of nationals of such country who applied for admission as nonimmigrant visitors during such fiscal year.''.

(2) TRANSITION.—A country designated as a pilot program country with probationary status under section 217(g) of the Immigration and Nationality Act (as in effect on the day before the date of the enactment of this Act) shall be considered to be designated as a pilot program country on and after such date, subject to placement in probationary status or termination of such designation under such section (as amended by paragraph (1)).

(3) CONFORMING AMENDMENT.—Section 217(a)(2)(B) (8 U.S.C. 1187(a)(2)(B)) is amended by striking ''or is'' through ''subsection (g).'' and inserting a period.

SEC. 636. FEE FOR DIVERSITY IMMIGRANT LOTTERY.

The Secretary of State may establish a fee to be paid by each applicant for an immigrant visa described in section 203(c) of the Immigration and Nationality Act. Such fee may be set at a level that will ensure recovery of the cost to the Department of State of allocating visas under such section, including the cost of processing all applications thereunder. All fees collected under this section shall be used for providing consular services. All fees collected under this section shall be deposited as an offsetting collection to any Department of State appropriation and shall remain available for obligations until expended. The provisions of the Act of August 18, 1856 (11 Stat. 58; 22 U.S.C. 4212–4214), concerning accounting for consular fees, shall not apply to fees collected under this section.

SEC. 637. ELIGIBILITY FOR VISAS FOR CERTAIN POLISH APPLICANTS FOR THE 1995 DIVERSITY IMMIGRANT PROGRAM.

(a) IN GENERAL.—The Attorney General, in consultation with the Secretary of State, shall include among the aliens selected for diversity immigrant visas for fiscal year 1997 pursuant to section 203(c) of the Immigration and Nationality Act any alien who, on or before September 30, 1995—

(1) was selected as a diversity immigrant under such section for fiscal year 1995;

(2) applied for adjustment of status to that of an alien lawfully admitted for permanent residence pursuant to section 245 of such Act during fiscal year 1995, and whose application, and any associated fees, were accepted by the Attorney General, in accordance with applicable regulations;

(3) was not determined by the Attorney General to be excludable under section 212 of such Act or ineligible under section 203(c)(2) of such Act; and

(4) did not become an alien lawfully admitted for permanent residence during fiscal year 1995.

(b) PRIORITY.—The aliens selected under subsection (a) shall be considered to have been selected for diversity immigrant visas for fiscal year 1997 prior to any alien selected under any other provision of law.

(c) REDUCTION OF IMMIGRANT VISA NUMBER.—For purposes of applying the numerical limitations in sections 201 and 203(c) of the Immigration and Nationality Act, aliens selected under subsection (a) who are granted an immigrant visa shall be treated as aliens granted a visa under section 203(c) of such Act.

Subtitle D—Other Provisions

SEC. 641. PROGRAM TO COLLECT INFORMATION RELATING TO NONIMMIGRANT FOREIGN STUDENTS AND OTHER EXCHANGE PROGRAM PARTICIPANTS.

(a) IN GENERAL.—

(1) PROGRAM.—The Attorney General, in consultation with the Secretary of State and the Secretary of Education, shall develop and conduct a program to collect from approved institutions of higher education and designated exchange visitor programs in the United States the information described in subsection (c) with respect to aliens who—

(A) have the status, or are applying for the status, of nonimmigrants under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act; and

(B) are nationals of the countries designated under subsection (b).

(2) DEADLINE.—The program shall commence not later than January 1, 1998.

(b) COVERED COUNTRIES.—The Attorney General, in consultation with the Secretary of State, shall designate countries for purposes of subsection (a)(1)(B). The Attorney General shall initially designate not less than 5 countries and may designate additional countries at any time while the program is being conducted.

(c) INFORMATION TO BE COLLECTED.—

(1) IN GENERAL.—The information for collection under subsection (a) with respect to an alien consists of—

(A) the identity and current address in the United States of the alien;

(B) the nonimmigrant classification of the alien and the date on which a visa under the classification was issued or extended or the date on which a change to such classification was approved by the Attorney General;

(C) in the case of a student at an approved institution of higher education, the current academic status of the alien, including whether the alien is maintaining status as a full-time student or, in the case of a participant in a designated exchange visitor program, whether the alien is satisfying the terms and conditions of such program; and

(D) in the case of a student at an approved institution of higher education, any disciplinary action taken by the institution against the alien as a result of the alien's being convicted of a crime or, in the case of a participant in a designated exchange visitor program, any change in the alien's participation as a result of the alien's being convicted of a crime.

(2) FERPA.—The Family Educational Rights and Privacy Act of 1974 shall not apply to aliens described in subsection (a) to the extent that the Attorney General determines necessary to carry out the program under subsection (a).

(3) ELECTRONIC COLLECTION.—The information described in paragraph (1) shall be collected electronically, where practicable.

(4) COMPUTER SOFTWARE.—

(A) COLLECTING INSTITUTIONS.—To the extent practicable, the Attorney General shall design the program in a manner that permits approved institutions of higher education and designated exchange visitor programs to use existing software for the collection, storage, and data processing of information described in paragraph (1).

(B) ATTORNEY GENERAL.—To the extent practicable, the Attorney General shall use or enhance existing software for the collection, storage, and data processing of information described in paragraph (1).

(d) PARTICIPATION BY INSTITUTIONS OF HIGHER EDUCATION AND EXCHANGE VISITOR PROGRAMS.—

(1) CONDITION.—The information described in subsection (c) shall be provided by as a condition of—

(A) in the case of an approved institution of higher education, the continued approval of the institution under subparagraph (F) or (M) of section 101(a)(15) of the Immigration and Nationality Act; and

(B) in the case of an approved institution of higher education or a designated exchange visitor program, the granting of authority to issue documents to an alien demonstrating the alien's eligibility for a visa under subparagraph (F), (J), or (M) of section 101(a)(15) of such Act.

(2) EFFECT OF FAILURE TO PROVIDE INFORMATION.—If an approved institution of higher education or a designated exchange visitor program fails to provide the specified information, such approvals and such issuance of visas shall be revoked or denied.

(e) FUNDING.—

(1) IN GENERAL.—Beginning on April 1, 1997, an approved institution of higher education and a designated exchange visitor program shall impose on, and collect from, each alien described in paragraph (3), with respect to whom the institution or program is required by subsection (a) to collect information, a fee established by the Attorney General under paragraph (4) at the time—

(A) when the alien first registers with the institution or program after entering the United States; or

(B) in a case where a registration under subparagraph (A) does not exist, when the alien first commences activities in the United States with the institution or program.

(2) REMITTANCE.—An approved institution of higher education and a designated exchange visitor program shall remit the fees collected under paragraph (1) to the Attorney General pursuant to a schedule established by the Attorney General.

(3) ALIENS DESCRIBED.—An alien referred to in paragraph (1) is an alien who has nonimmigrant status under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act (other than a nonimmigrant under section 101(a)(15)(J) of such Act who has come to the United States as a participant in a program sponsored by the Federal Government).

(4) AMOUNT AND USE OF FEES.—

(A) ESTABLISHMENT OF AMOUNT.—The Attorney General shall establish the amount of the fee to be imposed on, and collected from, an alien under paragraph (1). Except as provided in subsection (g)(2), the fee imposed on any individual may not exceed $100. The amount of the fee shall be based on the Attorney General's estimate of the cost per alien of conducting the information collection program described in this section.

(B) USE.—Fees collected under paragraph (1) shall be deposited as offsetting receipts into the Immigration Examinations Fee Account (established under section 286(m) of the Immigration and Nationality Act) and shall remain available until expended for the Attorney General to reimburse any appropriation the amount paid out of which is for expenses in carrying out this section.

(f) JOINT REPORT.—Not later than 4 years after the commencement of the program established under subsection (a), the Attorney General, the Secretary of State, and the Secretary of Education shall jointly submit to the Committees on the Judiciary of the Senate and the House of Representatives a report on the operations of the program and the feasibility of expanding the program to cover the nationals of all countries.

(g) WORLDWIDE APPLICABILITY OF THE PROGRAM.—

(1) EXPANSION OF PROGRAM.—

(A) IN GENERAL.—Not later than 6 months after the submission of the report required by subsection (f), the Attorney General, in consultation with the Secretary of State and the Secretary of Education, shall commence expansion of the program to cover the nationals of all countries.

(B) DEADLINE.—Such expansion shall be completed not later than 1 year after the date of the submission of the report referred to in subsection (f).

(2) REVISION OF FEE.—After the program has been expanded, as provided in paragraph (1), the Attorney General may, on a periodic basis, revise the amount of the fee imposed and collected under subsection (e) in order to take into account changes in the cost of carrying out the program.

(h) DEFINITIONS.—As used in this section:

(1) APPROVED INSTITUTION OF HIGHER EDUCATION.—The term ''approved institution of higher education'' means a college or university approved by the Attorney General, in consultation with the Secretary of Education, under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act.

(2) DESIGNATED EXCHANGE VISITOR PROGRAM.—The term ''designated exchange visitor program'' means a program that has been—

(A) designated by the Director of the United States Information Agency for purposes of section 101(a)(15)(J) of the Immigration and Nationality Act; and

(B) selected by the Attorney General for purposes of the program under this section.

SEC. 642. COMMUNICATION BETWEEN GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.

(a) IN GENERAL.—Notwithstanding any other provision of Federal, State, or local law, a Federal, State, or local government entity or official may not prohibit, or in any way restrict, any government entity or official from sending to, or receiving from, the Immigration and Naturalization Service information regarding the citizenship or immigration status, lawful or unlawful, of any individual.

(b) ADDITIONAL AUTHORITY OF GOVERNMENT ENTITIES.—Notwithstanding any other provision of Federal, State, or local law, no person or agency may prohibit, or in any way restrict, a Federal, State, or local government entity from doing any of the following with respect to information regarding the immigration status, lawful or unlawful, of any individual:

(1) Sending such information to, or requesting or receiving such information from, the Immigration and Naturalization Service.

(2) Maintaining such information.

(3) Exchanging such information with any other Federal, State, or local government entity.

(c) OBLIGATION TO RESPOND TO INQUIRIES.—The Immigration and Naturalization Service shall respond to an inquiry by a Federal, State, or local government agency, seeking to verify or ascertain the citizenship or immigration status of any individual within the jurisdiction of the agency for any purpose authorized by law, by providing the requested verification or status information.

SEC. 643. REGULATIONS REGARDING HABITUAL RESIDENCE.

Not later than 6 months after the date of the enactment of this Act, the Commissioner of Immigration and Naturalization shall issue regulations governing rights of ''habitual residence'' in the United States under the terms of the following:

(1) The Compact of Free Association between the Government of the United States and the Governments of the Marshall Islands and the Federated States of Micronesia (48 U.S.C. 1901 note).

(2) The Compact of Free Association between the Government of the United States and the Government of Palau (48 U.S.C. 1931 note).

SEC. 644. INFORMATION REGARDING FEMALE GENITAL MUTILATION.

(a) PROVISION OF INFORMATION REGARDING FEMALE GENITAL MUTILATION.—The Immigration and Naturalization Service (in cooperation with the Department of State) shall make available for all aliens who are issued immigrant or nonimmigrant visas, prior to or at the time of entry into the United States, the following information:

(1) Information on the severe harm to physical and psychological health caused by female genital mutilation which is compiled and presented in a manner which is limited to the practice itself and respectful to the cultural values of the societies in which such practice takes place.

(2) Information concerning potential legal consequences in the United States for (A) performing female genital mutilation, or (B) allowing a child under his or her care to be subjected to female genital mutilation, under criminal or child protection statutes or as a form of child abuse.

(b) LIMITATION.—In consultation with the Secretary of State, the Commissioner of Immigration and Naturalization shall identify those countries in which female genital mutilation is commonly practiced and, to the extent practicable, limit the provision of information under subsection (a) to aliens from such countries.

(c) DEFINITION.—For purposes of this section, the term ''female genital mutilation'' means the removal or infibulation (or both) of the whole or part of the clitoris, the labia minora, or labia majora.

SEC. 645. CRIMINALIZATION OF FEMALE GENITAL MUTILATION.

(a) FINDINGS.—The Congress finds that—

(1) the practice of female genital mutilation is carried out by members of certain cultural and religious groups within the United States;

(2) the practice of female genital mutilation often results in the occurrence of physical and psychological health effects that harm the women involved;

(3) such mutilation infringes upon the guarantees of rights secured by Federal and State law, both statutory and constitutional;

(4) the unique circumstances surrounding the practice of female genital mutilation place it beyond the ability of any single State or local jurisdiction to control;

(5) the practice of female genital mutilation can be prohibited without abridging the exercise of any rights guaranteed under the first amendment to the Constitution or under any other law; and

(6) Congress has the affirmative power under section 8 of article I, the necessary and proper clause, section 5 of the fourteenth amendment, as well as under the treaty clause, to the Constitution to enact such legislation.

(b) CRIME.—

(1) IN GENERAL.—Chapter 7 of title 18, United States Code, is amended by adding at the end the following:

''§ 116. Female genital mutilation

''(a) Except as provided in subsection (b), whoever knowingly circumcises, excises, or infibulates the whole or any part of the labia majora or labia minora or clitoris of another person who has not attained the age of 18 years shall be fined under this title or imprisoned not more than 5 years, or both.

''(b) A surgical operation is not a violation of this section if the operation is—

''(1) necessary to the health of the person on whom it is performed, and is performed by a person licensed in the place of its performance as a medical practitioner; or

''(2) performed on a person in labor or who has just given birth and is performed for medical purposes connected with that labor or birth by a person licensed in the place it is performed as a medical practitioner, midwife, or person in training to become such a practitioner or midwife.

''(c) In applying subsection (b)(1), no account shall be taken of the effect on the person on whom the operation is to be performed of any belief on the part of that person, or any other person, that the operation is required as a matter of custom or ritual.''.

(2) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 7 of title 18, United States Code, is amended by adding at the end the following new item:

''116. Female genital mutilation.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (b) shall take effect on the date

that is 180 days after the date of the enactment of this Act.

SEC. 646. ADJUSTMENT OF STATUS FOR CERTAIN POLISH AND HUNGARIAN PAROLEES.

(a) IN GENERAL.—The Attorney General shall adjust the status of an alien described in subsection (b) to that of an alien lawfully admitted for permanent residence if the alien—

(1) applies for such adjustment;

(2) has been physically present in the United States for at least 1 year and is physically present in the United States on the date the application for such adjustment is filed;

(3) is admissible to the United States as an immigrant, except as provided in subsection (c); and

(4) pays a fee (determined by the Attorney General) for the processing of such application.

(b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STATUS.—The benefits provided in subsection (a) shall only apply to an alien who—

(1) was a national of Poland or Hungary; and

(2) was inspected and granted parole into the United States during the period beginning on November 1, 1989, and ending on December 31, 1991, after being denied refugee status.

(c) WAIVER OF CERTAIN GROUNDS FOR INADMISSIBILITY.—The provisions of paragraphs (4), (5), and (7)(A) of section 212(a) of the Immigration and Nationality Act shall not apply to adjustment of status under this section and the Attorney General may waive any other provision of such section (other than paragraph (2)(C) and subparagraphs (A), (B), (C), or (E) of paragraph (3)) with respect to such an adjustment for humanitarian purposes, to assure family unity, or when it is otherwise in the public interest.

(d) DATE OF APPROVAL.—Upon the approval of such an application for adjustment of status, the Attorney General shall create a record of the alien's admission as an alien lawfully admitted for permanent residence as of the date of the alien's inspection and parole described in subsection (b)(2).

(e) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—When an alien is granted the status of having been lawfully admitted for permanent residence under this section, the Secretary of State shall not be required to reduce the number of immigrant visas authorized to be issued under the Immigration and Nationality Act.

SEC. 647. SUPPORT OF DEMONSTRATION PROJECTS.

(a) IN GENERAL.—The Attorney General shall make available funds under this section, in each of fiscal years 1997 through 2001, to the Commissioner of Immigration and Naturalization or to other public or private nonprofit entities to support demonstration projects under this section at 10 sites throughout the United States. Each such project shall be designed to provide for the administration of the oath of allegiance under section 337(a) of the Immigration and Nationality Act on a business day around Independence Day to approximately 500 people whose application for naturalization has been approved. Each project shall provide for appropriate outreach and ceremonial and celebratory activities.

(b) SELECTION OF SITES.—The Attorney General shall, in the Attorney General's discretion, select diverse locations for sites on the basis of the number of naturalization applicants living in proximity to each site and the degree of local community participation and support in the project to be held at the site. Not more than 2 sites may be located in the same State. The Attorney General shall consider changing the sites selected from year to year.

(c) AMOUNTS AVAILABLE; USE OF FUNDS.—

(1) AMOUNT.—The amount made available under this section with respect to any single site for a year shall not exceed $5,000.

(2) USE.—Funds made available under this section may be used only to cover expenses incurred in carrying out oath administration ceremonies at the demonstration sites under subsection (a), including expenses for—

(A) cost of personnel of the Immigration and Naturalization Service (including travel and overtime expenses);

(B) rental of space; and

(C) costs of printing appropriate brochures and other information about the ceremonies.

(3) AVAILABILITY OF FUNDS.—Funds that are otherwise available to the Immigration and Naturalization Service to carry out naturalization activities shall be available, to the extent provided in appropriation Acts, to carry out this section.

(d) APPLICATION.—In the case of an entity other than the Immigration and Naturalization Service seeking to conduct a demonstration project under this section, no amounts may be made available to the entity under this section unless an appropriate application has been made to, and approved by, the Attorney General, in a form and manner specified by the Attorney General.

SEC. 648. SENSE OF CONGRESS REGARDING AMERICAN-MADE PRODUCTS; REQUIREMENTS REGARDING NOTICE.

(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 under this division should be American-made.

(b) NOTICE TO RECIPIENTS OF GRANTS.—In providing grants under this division, the Attorney General, to the greatest extent practicable, shall provide to each recipient of a grant a notice describing the statement made in subsection (a) by the Congress.

SEC. 649. VESSEL MOVEMENT CONTROLS DURING IMMIGRATION EMERGENCY.

Section 1 of the Act of June 15, 1917 (50 U.S.C. 191) is amended in the first sentence by inserting ''or whenever the Attorney General determines that an actual or anticipated mass migration of aliens en route to, or arriving off the coast of, the United States presents urgent circumstances requiring an immediate Federal response,'' after ''United States,'' the first place such term appears.

SEC. 650. REVIEW OF PRACTICES OF TESTING ENTITIES.

(a) IN GENERAL.—The Attorney General shall investigate, and submit a report to the Committees on the Judiciary of the House of Representatives and of the Senate regarding, the practices of entities authorized to administer standardized citizenship tests pursuant to section 312.3(a) of title 8, Code of Federal Regulations. The report shall include any findings of fraudulent practices by such entities.

(b) PRELIMINARY AND FINAL REPORTS.—Not later than 90 days after the date of the enactment of this Act, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a preliminary report on the investigation conducted under subsection (a). The Attorney General shall submit to such Committees a final report on such investigation not later than 275 days after the submission of the preliminary report.

SEC. 651. DESIGNATION OF A UNITED STATES CUSTOMS ADMINISTRATIVE BUILDING.

(a) DESIGNATION.—The United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Zaragosa Road in El Paso, Texas, is designated as the ''Timothy C. McCaghren Customs Administrative Building''.

(b) LEGAL REFERENCES.—Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in subsection (a) is deemed to be a reference to the ''Timothy C. McCaghren Customs Administrative Building''.

SEC. 652. MAIL-ORDER BRIDE BUSINESS.

(a) FINDINGS.—The Congress finds as follows:

(1) There is a substantial ''mail-order bride'' business in the United States. With approximately 200 companies in the United States, an estimated 2,000 to 3,500 men in the United States find wives through mail-order bride catalogs each year. However, there are no official statistics available on the number of mail-order brides entering the United States each year.

(2) The companies engaged in the mail-order bride business earn substantial profits.

(3) Although many of these mail-order marriages work out, in many other cases, anecdotal evidence suggests that mail-order brides find themselves in abusive relationships. There is also evidence to suggest that a substantial number of mail-order marriages are fraudulent under United States law.

(4) Many mail-order brides come to the United States unaware or ignorant of United States immigration law. Mail-order brides who are battered often think that if they flee an abusive marriage, they will be deported. Often the citizen spouse threatens to have them deported if they report the abuse.

(5) The Immigration and Naturalization Service estimates that the rate of marriage fraud between foreign nationals and United States citizens or aliens lawfully admitted for permanent residence is 8 percent. It is unclear what percentage of these marriage fraud cases originate as mail-order marriages.

(b) INFORMATION DISSEMINATION.—

(1) REQUIREMENT.—Each international matchmaking organization doing business in the United States shall disseminate to recruits, upon recruitment, such immigration and naturalization information as the Immigration and Naturalization Service deems appropriate, in the recruit's native language, including information regarding conditional permanent residence status and the battered spouse waiver under such status, permanent resident status, marriage fraud penalties, the unregulated nature of the business engaged in by such organizations, and the study required under subsection (c).

(2) CIVIL PENALTY.—

(A) VIOLATION.—Any international matchmaking organization that the Attorney General determines has violated subsection (b) shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty of not more than $20,000 for each such violation.

(B) PROCEDURES FOR IMPOSITION OF PENALTY.—Any penalty under subparagraph (A) may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code.

(c) STUDY.—The Attorney General, in consultation with the Commissioner of Immigration and Naturalization and the Director of the Violence Against Women Initiative of the Department of Justice, shall conduct a study of mail-order marriages to determine, among other things—

(1) the number of such marriages;

(2) the extent of marriage fraud in such marriages, including an estimate of the extent of marriage fraud arising from the services provided by international matchmaking organizations;

(3) the extent to which mail-order spouses utilize section 244(a)(3) of the Immigration and Nationality Act (providing for suspension of deportation in certain cases involving abuse), or section 204(a)(1)(A)(iii) of such Act (providing for certain aliens who have been abused to file a classification petition on their own behalf);

(4) the extent of domestic abuse in mail-order marriages; and

(5) the need for continued or expanded regulation and education to implement the objectives of the Violence Against Women Act of 1994 and the Immigration Marriage Fraud Amendments of 1986 with respect to mail-order marriages.

(d) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the House of Representatives

and of the Senate setting forth the results of the study conducted under subsection (c).

(e) DEFINITIONS.—As used in this section:

(1) INTERNATIONAL MATCHMAKING ORGANIZATION.—

(A) IN GENERAL.—The term ''international matchmaking organization'' means a corporation, partnership, business, or other legal entity, whether or not organized under the laws of the United States or any State, that does business in the United States and for profit offers to United States citizens or aliens lawfully admitted for permanent residence, dating, matrimonial, or social referral services to nonresident noncitizens, by—

(i) an exchange of names, telephone numbers, addresses, or statistics;

(ii) selection of photographs; or

(iii) a social environment provided by the organization in a country other than the United States.

(B) EXCEPTION.—Such term does not include a traditional matchmaking organization of a religious nature that otherwise operates in compliance with the laws of the countries of the recruits of such organization and the laws of the United States.

(2) RECRUIT.—The term ''recruit'' means a noncitizen, nonresident person, recruited by the international matchmaking organization for the purpose of providing dating, matrimonial, or social referral services to United States citizens or aliens lawfully admitted for permanent residence.

SEC. 653. REVIEW AND REPORT ON H–2A NONIMMIGRANT WORKERS PROGRAM.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the H2–A nonimmigrant worker program should be reviewed and may need improvement in order to meet the need of producers of labor-intensive agricultural commodities and livestock in the United States for an adequate workforce.

(b) REVIEW.—The Comptroller General shall review the effectiveness of the H–2A nonimmigrant worker program to ensure that the program provides a sufficient supply of agricultural labor in the event of future shortages of domestic workers after the enactment of this Act. Among other things, the Comptroller General shall review the H–2A nonimmigrant worker program to determine—

(1) whether the program ensures that an adequate supply of qualified United States workers is available at the time and place needed for employers seeking such workers after the date of enactment of this Act;

(2) whether the program ensures that there is timely approval of applications for temporary foreign workers under the program in the event of shortages of United States workers after the date of the enactment of this Act;

(3) whether the program ensures that implementation of the program is not displacing United States agricultural workers or diminishing the terms and conditions of employment of United States agricultural workers;

(4) if, and to what extent, the program is contributing to the problem of illegal immigration; and

(5) that the program adequately meets the needs of agricultural employers for all types of temporary foreign agricultural workers, including higher-skilled workers in occupations which require a level of specific vocational preparation of 4 or higher (as described in the 4th edition of the Dictionary of Occupational Title, published by the Department of Labor).

(c) REPORT.—Not later than December 31, 1996, or 3 months after the date of the enactment of this Act, whichever occurs earlier, the Comptroller General shall submit a report to the appropriate committees of the Congress setting forth the conclusions of the Comptroller General from the review conducted under subsection (b).

(d) DEFINITIONS.—As used in this section:

(1) The term ''Comptroller General'' means the Comptroller General of the United States.

(2) The term ''H–2A nonimmigrant worker program'' means the program for the admission of nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act.

SEC. 654. REPORT ON ALLEGATIONS OF HARASSMENT BY CANADIAN CUSTOMS AGENTS.

(a) STUDY AND REVIEW.—

(1) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Commissioner of the United States Customs Service shall initiate a study of harassment by Canadian customs agents allegedly undertaken for the purpose of deterring cross-border commercial activity along the United States-New Brunswick border. Such study shall include a review of the possible connection between any incidents of harassment and the discriminatory imposition of the New Brunswick provincial sales tax on goods purchased in the United States by New Brunswick residents, and with any other actions taken by the Canadian provincial governments to deter cross-border commercial activities.

(2) CONSULTATION.—In conducting the study under paragraph (1), the Commissioner of the United States Customs Service shall consult with representatives of the State of Maine, local governments, local businesses, and any other knowledgeable persons who the Commissioner considers to be important to the completion of the study.

(b) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Commissioner of the United States Customs Service shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate a report on the study and review conducted under subsection (a). The report shall include recommendations for steps that the United States Government can take to help end any harassment by Canadian customs agents that is found to have occurred.

SEC. 655. SENSE OF CONGRESS ON DISCRIMINATORY APPLICATION OF NEW BRUNSWICK PROVINCIAL SALES TAX.

(a) FINDINGS.—The Congress finds as follows:

(1) In July 1993, Canadian customs officers began collecting an 11 percent New Brunswick provincial sales tax on goods purchased in the United States by New Brunswick residents, an action that has caused severe economic harm to United States businesses located in proximity to the border with New Brunswick.

(2) This impediment to cross-border trade compounds the damage already done from the Canadian Government's imposition of a 7 percent tax on all goods bought by Canadians in the United States.

(3) Collection of the New Brunswick provincial sales tax on goods purchased outside of New Brunswick is effected only along the United States-Canadian border, not along New Brunswick's borders with other Canadian provinces; the tax is thus being administered by Canadian authorities in a manner uniquely discriminatory to Canadians shopping in the United States.

(4) In February 1994, the United States Trade Representative publicly stated an intention to seek redress from the discriminatory application of the New Brunswick provincial sales tax under the dispute resolution process in chapter 20 of the North American Free Trade Agreement (NAFTA), but the United States Government has still not made such a claim under NAFTA procedures.

(5) Initially, the United States Trade Representative argued that filing a New Brunswick provincial sales tax claim was delayed only because the dispute mechanism under NAFTA had not yet been finalized, but more than a year after such mechanism has been put in place, the claim has still not been put forward by the United States Trade Representative.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the provincial sales tax levied by the Canadian province of New Brunswick on Canadian citizens of that province who purchase goods in the United States—

(A) raises questions about a possible violation of the North American Free Trade Agreement in the discriminatory application of the tax to cross-border trade with the United States; and

(B) damages good relations between the United States and Canada; and

(2) the United States Trade Representative should move forward without further delay in seeking redress under the dispute resolution process in chapter 20 of the North American Free Trade Agreement for the violation.

SEC. 656. IMPROVEMENTS IN IDENTIFICATION-RELATED DOCUMENTS.

(a) BIRTH CERTIFICATES.—

(1) STANDARDS FOR ACCEPTANCE BY FEDERAL AGENCIES.—

(A) IN GENERAL.—

(i) GENERAL RULE.—Subject to clause (ii), a Federal agency may not accept for any official purpose a certificate of birth, unless the certificate—

(I) is a birth certificate (as defined in paragraph (3)); and

(II) conforms to the standards set forth in the regulation promulgated under subparagraph (B).

(ii) APPLICABILITY.—Clause (i) shall apply only to a certificate of birth issued after the day that is 3 years after the date of the promulgation of a final regulation under subparagraph (B). Clause (i) shall not be construed to prevent a Federal agency from accepting for official purposes any certificate of birth issued on or before such day.

(B) REGULATION.—

(i) CONSULTATION WITH GOVERNMENT AGENCIES.—The President shall select 1 or more Federal agencies to consult with State vital statistics offices, and with other appropriate Federal agencies designated by the President, for the purpose of developing appropriate standards for birth certificates that may be accepted for official purposes by Federal agencies, as provided in subparagraph (A).

(ii) SELECTION OF LEAD AGENCY.—Of the Federal agencies selected under clause (i), the President shall select 1 agency to promulgate, upon the conclusion of the consultation conducted under such clause, a regulation establishing standards of the type described in such clause.

(iii) DEADLINE.—The agency selected under clause (ii) shall promulgate a final regulation under such clause not later than the date that is 1 year after the date of the enactment of this Act.

(iv) MINIMUM REQUIREMENTS.—The standards established under this subparagraph—

(I) at a minimum, shall require certification of the birth certificate by the State or local custodian of record that issued the certificate, and shall require the use of safety paper, the seal of the issuing custodian of record, and other features designed to limit tampering, counterfeiting, and photocopying, or otherwise duplicating, the birth certificate for fraudulent purposes;

(II) may not require a single design to which birth certificates issued by all States must conform; and

(III) shall accommodate the differences between the States in the manner and form in which birth records are stored and birth certificates are produced from such records.

(2) GRANTS TO STATES.—

(A) ASSISTANCE IN MEETING FEDERAL STANDARDS.—

(i) IN GENERAL.—Beginning on the date a final regulation is promulgated under paragraph (1)(B), the Secretary of Health and Human Services, acting through the Director of the National Center for Health Statistics and after consulting with the head of any other agency designated by the President, shall make grants to States to assist them in issuing birth certificates that conform to the standards set forth in the regulation.

(ii) ALLOCATION OF GRANTS.—The Secretary shall provide grants to States under this subparagraph in proportion to the populations of the States applying to receive a grant and in an amount needed to provide a substantial incentive for States to issue birth certificates that conform to the standards described in clause (i).

(B) ASSISTANCE IN MATCHING BIRTH AND DEATH RECORDS.—

(i) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the National Center for Health Statistics and after consulting with the head of any other agency designated by the President, shall make grants to States to assist them in developing the capability to match birth and death records, within each State and among the States, and to note the fact of death on the birth certificates of deceased persons. In developing the capability described in the preceding sentence, a State that receives a grant under this subparagraph shall focus first on individuals born after 1950.

(ii) ALLOCATION AND AMOUNT OF GRANTS.—The Secretary shall provide grants to States under this subparagraph in proportion to the populations of the States applying to receive a grant and in an amount needed to provide a substantial incentive for States to develop the capability described in clause (i).

(C) DEMONSTRATION PROJECTS.—The Secretary of Health and Human Services, acting through the Director of the National Center for Health Statistics, shall make grants to States for a project in each of 5 States to demonstrate the feasibility of a system under which persons otherwise required to report the death of individuals to a State would be required to provide to the State's office of vital statistics sufficient information to establish the fact of death of every individual dying in the State within 24 hours of acquiring the information.

(3) BIRTH CERTIFICATE.—As used in this subsection, the term ''birth certificate'' means a certificate of birth—

(A) of—

(i) an individual born in the United States; or

(ii) an individual born abroad—

(I) who is a citizen or national of the United States at birth; and

(II) whose birth is registered in the United States; and

(B) that—

(i) is a copy, issued by a State or local authorized custodian of record, of an original certificate of birth issued by such custodian of record; or

(ii) was issued by a State or local authorized custodian of record and was produced from birth records maintained by such custodian of record.

(b) STATE-ISSUED DRIVERS LICENSES AND COMPARABLE IDENTIFICATION DOCUMENTS.—

(1) STANDARDS FOR ACCEPTANCE BY FEDERAL AGENCIES.—

(A) IN GENERAL.—A Federal agency may not accept for any identification-related purpose a driver's license, or other comparable identification document, issued by a State, unless the license or document satisfies the following requirements:

(i) APPLICATION PROCESS.—The application process for the license or document shall include the presentation of such evidence of identity as is required by regulations promulgated by the Secretary of Transportation after consultation with the American Association of Motor Vehicle Administrators.

(ii) SOCIAL SECURITY NUMBER.—Except as provided in subparagraph (B), the license or document shall contain a social security account number that can be read visually or by electronic means.

(iii) FORM.—The license or document otherwise shall be in a form consistent with requirements set forth in regulations promulgated by the Secretary of Transportation after consultation with the American Association of Motor Vehicle Administrators. The form shall contain security features designed to limit tampering, counterfeiting, photocopying, or otherwise duplicating, the license or document for fraudulent purposes and to limit use of the license or document by impostors.

(B) EXCEPTION.—The requirement in subparagraph (A)(ii) shall not apply with respect to a driver's license or other comparable identification document issued by a State, if the State—

(i) does not require the license or document to contain a social security account number; and

(ii) requires—

(I) every applicant for a driver's license, or other comparable identification document, to submit the applicant's social security account number; and

(II) an agency of the State to verify with the Social Security Administration that such account number is valid.

(C) DEADLINE.—The Secretary of Transportation shall promulgate the regulations referred to in clauses (i) and (iii) of subparagraph (A) not later than 1 year after the date of the enactment of this Act.

(2) GRANTS TO STATES.—Beginning on the date final regulations are promulgated under paragraph (1), the Secretary of Transportation shall make grants to States to assist them in issuing driver's licenses and other comparable identification documents that satisfy the requirements under such paragraph.

(3) EFFECTIVE DATES.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, this subsection shall take effect on the date of the enactment of this Act.

(B) PROHIBITION ON FEDERAL AGENCIES.—Subparagraphs (A) and (B) of paragraph (1) shall take effect beginning on October 1, 2000, but shall apply only to licenses or documents issued to an individual for the first time and to replacement or renewal licenses or documents issued according to State law.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit a report to the Congress on ways to reduce the fraudulent obtaining and the fraudulent use of birth certificates, including any such use to obtain a social security account number or a State or Federal document related to identification or immigration.

(d) FEDERAL AGENCY DEFINED.—For purposes of this section, the term ''Federal agency'' means any of the following:

(1) An Executive agency (as defined in section 105 of title 5, United States Code).

(2) A military department (as defined in section 102 of such title).

(3) An agency in the legislative branch of the Government of the United States.

(4) An agency in the judicial branch of the Government of the United States.

SEC. 657. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD.

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the ''Commissioner'') shall, in accordance with the provisions of this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card—

(A) shall be made of a durable, tamper-resistant material such as plastic or polyester;

(B) shall employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits; and

(C) shall 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 shall provide such information and assistance as the Commissioner deems necessary to achieve the purposes of this section.

(b) STUDIES AND REPORTS.—

(1) IN GENERAL.—The Comptroller General and the Commissioner of Social Security shall each conduct a study, and issue a report to the Congress, that examines different methods of improving the social security card application process.

(2) ELEMENTS OF STUDIES.—The studies shall include evaluations 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 studies 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 REPORTS.—Copies of the reports described in this subsection, along with facsimiles of the prototype cards as described in subsection (a), shall be submitted to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate not later than 1 year after the date of the enactment of this Act.

SEC. 658. BORDER PATROL MUSEUM.

(a) AUTHORITY.—Notwithstanding section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) or any other provision of law, the Attorney General is authorized to transfer and convey to the Border Patrol Museum and Memorial Library Foundation, incorporated in the State of Texas, such equipment, artifacts, and memorabilia held by the Immigration and Naturalization Service as the Attorney General may determine is necessary to further the purposes of the Museum and Foundation.

(b) TECHNICAL ASSISTANCE.—The Attorney General is authorized to provide technical assistance, through the detail of personnel of the Immigration and Naturalization Service, to the Border Patrol Museum and Memorial Library Foundation for the purpose of demonstrating the use of the items transferred under subsection (a).

SEC. 659. SENSE OF THE CONGRESS REGARDING THE MISSION OF THE IMMIGRATION AND NATURALIZATION SERVICE.

It is the sense of the Congress that the mission statement of the Immigration and Naturalization Service should include a statement that it is the responsibility of the Service to detect, apprehend, and remove those aliens unlawfully present in the United States, particularly those aliens involved in drug trafficking or other criminal activity.

SEC. 660. AUTHORITY FOR NATIONAL GUARD TO ASSIST IN TRANSPORTATION OF CERTAIN ALIENS.

Section 112(d)(1) of title 32, United States Code, is amended by adding at the end the following new sentence: ''The plan as approved by the Secretary may provide for the use of personnel and equipment of the National Guard of that State to assist the Immigration and Naturalization Service in the transportation of aliens who have violated a Federal or State law prohibiting or regulating the possession, use, or distribution of a controlled substance.''.

Subtitle E—Technical Corrections

SEC. 671. MISCELLANEOUS TECHNICAL CORRECTIONS.

(a) AMENDMENTS RELATING TO PUBLIC LAW 103–322 (VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994).—

(1) Section 60024(1)(F) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322) (in this subsection referred to as ''VCCLEA'') is amended by inserting ''United States Code,'' after ''title 18,''.

(2) Section 130003(b)(3) of VCCLEA is amended by striking ''Naturalization'' and inserting ''Nationality''.

(3)(A) Section 214 (8 U.S.C. 1184) is amended by redesignating the subsection (j), added by section 130003(b)(2) of VCCLEA (108 Stat. 2025), and the subsection (k), as amended by section 622(c) of this division, as subsections (k) and (l), respectively.

(B) Section 101(a)(15)(S) (8 U.S.C. 1101(a)(15)(S)) is amended by striking ''214(j)'' and inserting ''214(k)''.

(4)(A) Section 245 (8 U.S.C. 1255) is amended by redesignating the subsection (i) added by section 130003(c)(1) of VCCLEA as subsection (j).

(B) Section 241(a)(2)(A)(i)(I) (8 U.S.C. 1251(a)(2)(A)(i)(I)), as amended by section 130003(d) of VCCLEA and before redesignation by section 305(a)(2) of this division, is amended by striking ''245(i)'' and inserting ''245(j)''.

(5) Section 245(j)(3), as added by section 130003(c)(1) of VCCLEA and as redesignated by paragraph (4)(A), is amended by striking ''paragraphs (1) or (2)'' and inserting ''paragraph (1) or (2)''.

(6) Section 130007(a) of VCCLEA is amended by striking ''242A(d)'' and inserting ''242A(a)(3)''.

(7) The amendments made by this subsection shall be effective as if included in the enactment of the VCCLEA.

(b) AMENDMENTS RELATING TO IMMIGRATION AND NATIONALITY TECHNICAL CORRECTIONS ACT OF 1994.—

(1) Section 101(d) of the Immigration and Nationality Technical Corrections Act of 1994 (Public Law 103–416) (in this subsection referred to as ''INTCA'') is amended—

(A) by striking ''APPLICATION'' and all that follows through ''This'' and inserting ''APPLICABILITY OF TRANSMISSION REQUIREMENTS.—This'';

(B) by striking ''any residency or other retention requirements for'' and inserting ''the application of any provision of law relating to residence or physical presence in the United States for purposes of transmitting United States''; and

(C) by striking ''as in effect'' and all that follows through the end and inserting ''to any person whose claim is based on the amendment made by subsection (a) or through whom such a claim is derived.''.

(2) Section 102 of INTCA is amended by adding at the end the following:

''(e) TRANSITION.—In applying the amendment made by subsection (a) to children born before November 14, 1986, any reference in the matter inserted by such amendment to 'five years, at least two of which' is deemed a reference to '10 years, at least 5 of which'.''.

(3) Section 351(a) (8 U.S.C. 1483(a)), as amended by section 105(a)(2)(A) of INTCA, is amended by striking the comma after ''nationality''.

(4) Section 207(2) of INTCA is amended by inserting a comma after ''specified''.

(5) Section 101(a)(43) (8 U.S.C. 1101(a)(43)) is amended in subparagraph (K)(ii), by striking the comma after ''1588''.

(6) Section 273(b) (8 U.S.C. 1323(b)), as amended by section 209(a) of INTCA, is amended by striking ''remain'' and inserting ''remains''.

(7) Section 209(a)(1) of INTCA is amended by striking ''$3000'' and inserting ''$3,000''.

(8) Section 209(b) of INTCA is amended by striking ''subsection'' and inserting ''section''.

(9) Section 219(cc) of INTCA is amended by striking '' 'year 1993 the first place it appears' '' and inserting '' 'year 1993' the first place it appears''.

(10) Section 219(ee) of INTCA is amended by adding at the end the following:

''(3) The amendments made by this subsection shall take effect on the date of the enactment of this Act.''.

(11) Paragraphs (4) and (6) of section 286(r) (8 U.S.C. 1356(r)) are amended by inserting ''the'' before ''Fund'' each place it appears.

(12) Section 221 of INTCA is amended—

(A) by striking each semicolon and inserting a comma,

(B) by striking ''disasters.'' and inserting ''disasters,''; and

(C) by striking ''The official'' and inserting ''the official''.

(13) Section 242A (8 U.S.C. 1252a), as added by section 224(a) of INTCA and before redesignation as section 238 by section 308(b)(5) of this division, is amended by redesignating subsection (d) as subsection (c).

(14) Except as otherwise provided in this subsection, the amendments made by this subsection shall take effect as if included in the enactment of INTCA.

(c) AMENDMENTS RELATING TO PUBLIC LAW 104–132 (ANTITERRORISM AND EFFECTIVE DEATH PENALTY ACT OF 1996).—

(1) Section 219 (8 U.S.C. 1189), as added by section 302(a) of Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132) (in this subsection referred to as ''AEDPA''), is amended by striking the heading and all that follows through ''(a)'' and inserting the following:

''DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS

''SEC. 219. (a)''.

(2) Section 302(b) of AEDPA is amended by striking '', relating to terrorism,''.

(3) Section 106(a) (8 U.S.C. 1105a(a)), as amended by sections 401(e) and 440(a) of AEDPA, is amended—

(A) by striking ''and'' at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(C) in paragraph (10), by striking ''Any'' and inserting ''any''.

(4) Section 440(a) of the AEDPA is amended by striking ''Section 106 of the Immigration and Nationality Act (8 U.S.C. 1105a(a)(10)) is amended to read as follows:'' and inserting ''Section 106(a) of the Immigration and Nationality Act (8 U.S.C. 1105a(a)) is amended by adding at the end the following:''.

(5) Section 440(g)(1)(A) of AEDPA is amended—

(A) by striking ''of this title''; and

(B) by striking the period after ''241(a)(2)(A)(i)''.

(6) Section 440(g) of AEDPA is amended by striking paragraph (2).

(7) The amendments made by this subsection shall take effect as if included in the enactment of subtitle A of title IV of AEPDA.

(d) STRIKING REFERENCES TO SECTION 210A.—

(1)(A) Section 201(b)(1)(C) (8 U.S.C. 1151(b)(1)(C)) is amended by striking '', 210A,''.

(B) Section 274B(a)(3)(B) (8 U.S.C. 1324b(a)(3)(B)) is amended by striking '', 210A(a),''.

(C) Section 241(a)(1) (8 U.S.C. 1251(a)(1)), before redesignation by section 305(a)(2) of this division, is amended by striking subparagraph (F).

(2) Sections 204(c)(1)(D)(i) and 204(j)(4) of Immigration Reform and Control Act of 1986 are each amended by striking '', 210A,''.

(e) MISCELLANEOUS CHANGES IN THE IMMIGRATION AND NATIONALITY ACT.—

(1) Before being amended by section 308(a)(2) of this division, the item in the table of contents relating to section 242A is amended to read as follows:

''Sec. 242A. Expedited deportation of aliens convicted of committing aggravated felonies.''.

(2) Section 101(c)(1) (8 U.S.C. 1101(c)(1)) is amended by striking '', 321, and 322'' and inserting ''and 321''.

(3) Section 212(d)(11) (8 U.S.C. 1182(d)(11)) is amended by inserting a comma after ''(4) thereof)''.

(4) Pursuant to section 6(b) of Public Law 103–272 (108 Stat. 1378)—

(A) section 214(f)(1) (8 U.S.C. 1184(f)(1)) is amended by striking ''section 101(3) of the Federal Aviation Act of 1958'' and inserting ''section 40102(a)(2) of title 49, United States Code''; and

(B) section 258(b)(2) (8 U.S.C. 1288(b)(2)) is amended by striking ''section 105 or 106 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1804, 1805)'' and inserting ''section 5103(b), 5104, 5106, 5107, or 5110 of title 49, United States Code''.

(5) Section 286(h)(1)(A) (8 U.S.C. 1356(h)(1)(A)) is amended by inserting a period after ''expended''.

(6) Section 286(h)(2)(A) (8 U.S.C. 1356(h)(2)(A)) is amended—

(A) by striking ''and'' at the end of clause (iv);

(B) by moving clauses (v) and (vi) 2 ems to the left;

(C) by striking ''; and'' in clauses (v) and (vi) and inserting ''and for'';

(D) by striking the colons in clauses (v) and (vi); and

(E) by striking the period at the end of clause (v) and inserting ''; and''.

(7) Section 412(b) (8 U.S.C. 1522(b)) is amended by striking the comma after ''is authorized'' in paragraph (3) and after ''The Secretary'' in paragraph (4).

(f) MISCELLANEOUS CHANGE IN THE IMMIGRATION ACT OF 1990.—Section 161(c)(3) of the Immigration Act of 1990 is amended by striking ''an an'' and inserting ''of an''.

(g) MISCELLANEOUS CHANGES IN OTHER ACTS.—

(1) Section 506(a) of the Intelligence Authorization Act, Fiscal Year 1990 (Public Law 101–193) is amended by striking ''this section'' and inserting ''such section''.

(2) Section 140 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, as amended by section 505(2) of Public Law 103–317, is amended—

(A) by moving the indentation of subsections (f) and (g) 2 ems to the left; and

(B) in subsection (g), by striking ''(g)'' and all that follows through ''shall'' and inserting ''(g) Subsections (d) and (e) shall''.

DIVISION D—SMALL BUSINESS PROGRAMS IMPROVEMENT ACT

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''Small Business Programs Improvement Act of 1996''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Administrator defined.
Sec. 3. Effective date.

TITLE I—AMENDMENTS TO SMALL BUSINESS ACT

Sec. 101. References.
Sec. 102. Risk management database.
Sec. 103. Section 7(a) loan program.
Sec. 104. Disaster loans.
Sec. 105. Microloan demonstration program.
Sec. 106. Small business development center program.
Sec. 107. Miscellaneous authorities to provide loans and other financial assistance.
Sec. 110. STTR program extension.
Sec. 111. Level of participation for export working capital loans.

TITLE II—AMENDMENTS TO SMALL BUSINESS INVESTMENT ACT

Sec. 201. References.
Sec. 202. Modifications to development company debenture program.
Sec. 203. Required actions upon default.
Sec. 204. Loan liquidation pilot program.
Sec. 205. Registration of certificates.
Sec. 206. Preferred surety bond guarantee program.
Sec. 207. Sense of the Congress.
Sec. 208. Small business investment company improvements.

SEC. 2. ADMINISTRATOR DEFINED.

For purposes of this Act, the term ''Administrator'' means the Administrator of the Small Business Administration.

SEC. 3. EFFECTIVE DATE.

Except as otherwise expressly provided, this Act and the amendments made by this Act shall take effect on October 1, 1996.

TITLE I—AMENDMENTS TO SMALL BUSINESS ACT

SEC. 101. REFERENCES.

Except as otherwise expressly provided, whenever in this title 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 Small Business Act (15 U.S.C. 631 et seq.).

SEC. 102. RISK MANAGEMENT DATABASE.

Section 4(b) (15 U.S.C. 633) is amended by inserting after paragraph (2) the following:

''(3) RISK MANAGEMENT DATABASE.—

''(A) ESTABLISHMENT.—The Administration shall establish, within the management system for the loan programs authorized by subsections (a) and (b) of section 7 of this Act and title V of the Small Business Investment Act of 1958, a management information system that will generate a database capable of providing timely and accurate information in order to identify loan underwriting, collections, recovery, and liquidation problems.

''(B) INFORMATION TO BE MAINTAINED.—In addition to such other information as the Administration considers appropriate, the database established under subparagraph (A) shall, with respect to each loan program described in subparagraph (A), include information relating to—

''(i) the identity of the institution making the guaranteed loan or issuing the debenture;

''(ii) the identity of the borrower;

''(iii) the total dollar amount of the loan or debenture;

''(iv) the total dollar amount of government exposure in each loan;

''(v) the district of the Administration in which the borrower has its principal office;

''(vi) the principal line of business of the borrower, as identified by Standard Industrial Classification Code (or any successor to that system);

''(vii) the delinquency rate for each program (including number of instances and days overdue);

''(viii) the number and amount of repurchases, losses, and recoveries in each program;

''(ix) the number of deferrals or forbearance sin each program (including days and number of instances);

''(x) comparisons on the basis of loan program, lender, Administration district and region, for all the data elements maintained; and

''(xi) underwriting characteristics of each loan that has entered into default, including term, amount and type of collateral, loan-to-value and other actual and projected ratios, line of business, credit history, and type of loan.

''(C) DEADLINE FOR OPERATIONAL CAPABILITY.—The database established under subparagraph (A) shall—

''(i) be operational not later than June 30, 1997; and

''(ii) capture data beginning on the first day of the second quarter of fiscal year 1997 beginning after such date and thereafter.''.

SEC. 103. SECTION 7(A) LOAN PROGRAM.

(a) SERVICING AND LIQUIDATION OF LOANS BY PREFERRED LENDERS.—Section 7(a)(2)(C)(ii)(II) (15 U.S.C. 636(a)(2)(C)(ii)(II)) is amended to read as follows:

''(II) complete authority to service and liquidate such loans without obtaining the prior specific approval of the Administration for routine servicing and liquidation activities, but shall not take any actions creating an actual or apparent conflict of interest.''.

(b) CERTIFIED LENDERS PROGRAM.—Section 7(a)(19) (15 U.S.C. 636(a)(19)) is amended by adding at the end the following new subparagraph:

''(C) Authority to liquidate loans.—

''(i) IN GENERAL.—The Administrator may permit lenders participating in the Certified Lenders Program to liquidate loans made with a guarantee from the Administration pursuant to a liquidation plan approved by the Administrator.

''(ii) Automatic approval.—If the Administrator does not approve or deny a request for approval of a liquidation plan within 10 business days of the date on which the request is made (or with respect to any routine liquidation activity under such a plan, within 5 business days) such request shall be deemed to be approved.''.

(c) LIMITATION ON CONDUCTING PILOT PROJECTS.—Section 7(a) (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

''(25) LIMITATION ON CONDUCTING PILOT PROJECTS.—

''(A) IN GENERAL.—Not more than 10 percent of the total number of loans guaranteed in any fiscal year under this subsection may be awarded as part of a pilot program which is commenced by the Administrator on or after October 1, 1996.

''(B) PILOT PROGRAM DEFINED.—In this paragraph, the term 'pilot program' means any lending program initiative, project, innovation, or other activity not specifically authorized by law.

''(C) LOW DOCUMENTATION LOAN PROGRAM.—The Administrator may carry out the low documentation loan program for loans of $100,000 or less only through lenders with significant experience in making small business loans. Not later than 90 days after the date of enactment of this subsection, the Administrator shall promulgate regulations defining the experience necessary for participation as a lender in the low documentation loan program.''.

(d) CALCULATION OF SUBSIDY RATE.—Section 7(a) (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

''(26) CALCULATION OF SUBSIDY RATE.—All fees, interest, and profits received and retained by the Administration under this subsection shall be included in the calculations made by the Director of the Office of Management and Budget to offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing loans under this Act.''.

(e) SALE OF UNGUARANTEED PORTIONS OF SBA LOANS.—Section 5(f)(3) (15 U.S.C. 634(f)(3)) is amended by adding at the end the following: ''Beginning on March 31, 1997, the sale of the unguaranteed portion of any loan made under section 7(a) shall not be permitted until a final regulation that applies uniformly to both depository institutions and other lenders is promulgated by the Administration setting forth the terms and conditions under which such sales can be permitted, including maintenance of appropriate reserve requirements and other safeguards to protect the safety and soundness of the program.''.

(f) CONDITIONS ON PURCHASE OF LOANS.—Section 7(a)(4) (15 U.S.C. 636(a)(4)) is amended—

(1) by striking ''(4) Notwithstanding'' and inserting the following:

''(4) INTEREST RATES AND FEES.—

''(A) INTEREST RATES.—Notwithstanding''; and

(2) by adding at the end the following new subparagraph:

''(B) PAYMENT OF ACCRUED INTEREST.—

''(i) IN GENERAL.—Any bank or other lending institution making a claim for payment on the guaranteed portion of a loan made under this subsection shall be paid the accrued interest due on the loan from the earliest date of default to the date of payment of the claim at a rate not to exceed the rate of interest on the loan on the date of default, minus one percent.

''(ii) LOANS SOLD ON SECONDARY MARKET.—If a loan described in clause (i) is sold on the secondary market, the amount of interest paid to a bank or other lending institution described in that clause from the earliest date of default to the date of payment of the claim shall be no more than the agreed upon rate, minus one percent.''.

(g) PLAN FOR TRANSFER OF LOAN SERVICING FUNCTIONS TO CENTRALIZED CENTERS.—

(1) IMPLEMENTATION PLAN REQUIRED.—The Administrator shall submit a detailed plan for completing the consolidation, in one or more centralized centers, of the performance of the various functions relating to the servicing of loans directly made or guaranteed by the Administration pursuant to the Small Business Act, addressing the matters described in paragraph (2) by the deadline specified in paragraph (3).

(2) CONTENTS OF PLAN.—In addition to such other matters as the Administrator may deem appropriate, the plan required by paragraph (1) shall include—

(A) the proposed number and location of such centralized loan servicing centers;

(B) the proposed workload (identified by type and numbers of loans and their geographic origin by the Small Business Administration district office) and staffing of each such center;

(C) a detailed, time-phased plan for the transfer of the identified loan servicing functions to each proposed center; and

(D) any identified impediments to the timely execution of the proposed plan (including adequacy of available financial resources, availability of needed personnel, facilities, and related equipment) and the recommendations of the Administrator for addressing such impediments.

(3) DEADLINE FOR SUBMISSION.—Not later than February 28, 1997, the plan required by paragraph (1) shall be submitted to the Committees on Small Business of the House of Representatives and Senate.

(h) PREFERRED LENDER STANDARD REVIEW PROGRAM.—Not later than 90 days after the date of enactment of this Act, the Administrator shall commence a standard review program for the Preferred Lender Program established by section 5(b)(7) of the Small Business Act (15 U.S.C. 634(b)(7)), which shall include annual or more frequent assessments of the participation of the lender in the program, including defaults, loans, and recoveries of loans made by that lender under the authority of this section. The Administrator shall require such standard review for each new entrant to the Preferred Lender Program.

(i) INDEPENDENT STUDY OF LOAN PROGRAMS.—

(1) STUDY REQUIRED.—The Administrator shall contract with one or more private sector parties to conduct a comprehensive assessment of the performance of the loan programs authorized by section 7(a) of the Small Business Act (15 U.S.C. 636(a)) and title V of the Small Business Investment Act of 1958 (15 U.S.C. 661) addressing the matters described in paragraph (2) and resulting in a report to the Congress pursuant to paragraph (5).

(2) MATTERS TO BE ASSESSED.—In addition to such other matters as the Administrator considers appropriate, the assessment required by paragraph (1) shall address, with respect to each loan program described in paragraph (1) for each of the fiscal years described in paragraph (3)—

(A) the number and frequency of deferrals and defaults;

(B) default rates;

(C) comparative loss rate, by—

(i) type of lender (separately addressing preferred lenders, certified lenders, and general participation lenders);

(ii) term of the loan;

(iii) dollar value of the loan at disbursement; and

(iv) underwriting characteristics of each loan that has entered into default, including term, amount and type of collateral, loan-to-value and other actual and projected ratios, line of business, credit history, and type of loan; and

(D) the economic models used by the Office of Management and Budget to calculate the credit subsidy rate applicable to the loan programs.

(3) PERIOD OF ASSESSMENT.—The assessments undertaken pursuant to paragraph (2) shall address data for the period beginning with fiscal

year 1986 of each loan program described in paragraph (1).

(4) ACCESS TO INFORMATION.—The Administrator shall provide to the contractor access to any information collected by or available to the Administration with regard to the loan programs being assessed. The contactor shall preserve the confidentiality of any information for which confidentiality is protected by law or properly asserted by the person submitting such information.

(5) CONTRACT FUNDING.—The Administrator shall fund the cost of the contract from the amounts appropriated for the salaries and expenses of the Administration for fiscal year 1997.

(6) REPORT TO THE CONGRESS.—

(A) CONTENTS.—The contractor shall prepare a report of—

(i) its analyses of the makers to be assessed pursuant to paragraph (2); and

(ii) its independent recommendations for improving program performance with respect to each loan program, regarding—

(I) improving the timely collection and subsequent management by the Administration of data to measure the performance of each loan program described in paragraph (1); and

(II) reducing loss rates for and improving the performance of each such loan program.

(B) SUBMISSION TO THE CONGRESS.—Not later than June 30, 1997, the Administrator shall submit the report prepared under subparagraph (A) to the Committees on Small Business of the House of Representatives and the Senate. The Administrator shall append his comments, and those of the Office of Management and Budget, if any, to the report.

SEC. 104. DISASTER LOANS.

(a) PRIVATE SECTOR LOAN SERVICING DEMONSTRATION PROGRAM.—

(1) IN GENERAL.—

(A) DEMONSTRATION PROGRAM REQUIRED.—Notwithstanding any other provision of law, the Administration shall conduct a demonstration program, within the parameters described in paragraph (2), to evaluate the comparative costs and benefits of having the Administration's portfolio of disaster loans serviced under contract rather than directly by employees of the Administration. All costs of the demonstration program shall be paid from amounts made available for the Salaries and Expenses Account of the Administration.

(B) INITIATION DATE.—Not later than 90 days after the date of enactment of this Act, the Administration shall issue a request for proposals for the program parameters described in paragraph (2).

(2) DEMONSTRATION PROGRAM PARAMETERS.—

(A) LOAN SAMPLE.—The sample of loans for the demonstration program shall be randomly drawn from the Administration's portfolio of loans made pursuant to section 7(b) of the Small Business Act and shall include a representative group of not less than 30 percent of all loans for residential properties, including 30 percent of all loans made during the demonstration program after the date of enactment of this Act, which loans shall be selected by the Administration on the basis of geographic distribution and such other factors as the Administration determines to be appropriate.

(B) CONTRACT AND OPTIONS.—The Administration shall solicit and competitively award one or more contracts to service the loans included in the sample of loans described in subparagraph (A) for a term of not less than one year, with 3 one-year contract renewal options, each of which shall be exercised by the Administration unless the Administration terminates the contractor or contractors for good cause.

(3) TERM OF DEMONSTRATION PROGRAM.—The demonstration program shall commence not later than October 1, 1997.

(4) REPORTS.—

(A) INTERIM REPORTS.—Not later than 120 days before the expiration of the initial 4-year contract performance period, the Administrator shall submit to9 the Committees on Small Business of the House of Representatives and the Senate an interim report on the conduct of the demonstration program. The contractor shall be afforded a reasonable opportunity to attach comments to each such report.

(B) FINAL REPORT.—Not later than 120 days after the termination of the demonstration program, the Administrator shall submit to the Committees on Small Business of the House of Representatives and the Senate a final report on the performance of the demonstration program, together with the recommendations of the Administrator for continuation, termination, or modification of the demonstration program.

(b) DEFINITION OF DISASTER.—

(1) IN GENERAL.—Section 3(k) (15 U.S.C. 632(k)) is amended by inserting ''commercial fishery failures or fishery resource disasters (as determined by the Secretary of Commerce under section 308(b) of the Interjurisdictional Fisheries Act of 1986),'' after ''tidal waves,''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to any disaster occurring on or after march 1, 1994.

SEC. 105. MICROLOAN DEMONSTRATION PROGRAM.

Section 7(m)(7)(B) (15 U.S.C. 636(m)(4)) is amended by adding at the end the following: ''If, however, at the beginning of the fourth quarter of a fiscal year the Administration determines that a portion of appropriated microloan funds are unlikely to be awarded during that year, the Administration may make additional funds available to a State in excess of 125 percent of the pro rata share of that State.''.

SEC. 106. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM.

(a) ASSOCIATE ADMINISTRATOR FOR SMALL BUSINESS DEVELOPMENT CENTERS.—

(1) DUTIES.—Section 21(h) (15 U.S.C. 648(h)) is amended to read as follows:

''(h) ASSOCIATE ADMINISTRATOR FOR SMALL BUSINESS DEVELOPMENT CENTERS.—

''(1) APPOINTMENT AND COMPENSATION.—The Administrator shall appoint an Associate Administrator for Small Business Development Centers who shall report to an official who is not more than one level below the Office of the Administrator and who shall serve without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not less than the rate of GS–17 of the General Schedule.

''(2) DUTIES.—

''(A) IN GENERAL.—The sole responsibility of the Associate Administrator for Small Business Development Centers shall be to administer the small business development center program. Duties of the position shall include recommending the annual program budget, reviewing the annual budgets submitted by each applicant, establishing appropriate funding levels therefore, selecting applicants to participate in this program, implementing the provisions of this section, maintaining a clearinghouse to provide for the dissemination and exchange of information between small business development centers and conducting audits of recipients of grants under this section.

''(B) CONSULTATION REQUIREMENTS.—In carrying out the duties described in this subsection, the Associate Administrator shall confer with and seek the advice of the Board established by subsection (i) and Administration officials in areas served by the small business development centers; however, the Associate Administrator shall be responsible for the management and administration of the program and shall not be subject to the approval or concurrence of such Administration officials.''.

(2) REFERENCES TO ASSOCIATE ADMINISTRATOR.—Section 21 (15 U.S.C. 648) is amended—

(A) in subsection (c)(7), by striking ''Deputy Associate Administrator of the Small Business Development Center program'' and inserting ''Associate Administrator for Small Business Development Centers''; and

(B) in subsection (i)(2), by striking ''Deputy Associate Administrator for Management Assistance'' and inserting ''Associate Administrator for Small Business Development Centers''.

(b) EXTENSION OR RENEWAL OF COOPERATIVE AGREEMENTS.—Section 21(k)(3) (15 U.S.C. 648(k)(3)) is amended to read as follows:

''(3) EXTENSION OR RENEWAL OF COOPERATIVE AGREEMENTS.—

''(A) IN GENERAL.—In extending or renewing a cooperative agreement of a small business development center, the Administration shall consider the results of the examination and certification program conducted pursuant to paragraphs (1) and (2).

''(B) CERTIFICATION REQUIREMENT.—After September 30, 2000, the Administration may not renew or extend any cooperative agreement with a small business development center unless the center has been approved under the certification program conducted pursuant to this subsection, except that the Associate Administrator for Small Business Development Centers may waive such certification requirement, in the discretion of the Associate Administrator, upon a showing that the center is making a good faith effort to obtain certification.''.

(c) TECHNICAL CORRECTION.—Section 21(l) (15 U.S.C. 648(l)) is amended to read as follows:

''(1) CONTRACT AUTHORITY.—The authority to enter into contracts shall be in effect for each fiscal year only to the extent and in the amounts as are provided in advance in appropriations Acts. After the administration has entered a contract, either as a grant or a cooperative agreement, with any applicant under this section, it shall not suspend, terminate, or fail to renew or extend any such contract unless the Administration provides the applicant with written notification setting forth the reasons therefore and affording the applicant an opportunity for a hearing, appeal, or other administrative proceeding under the provisions of chapter 5 of title 5, United States Code.''.

SEC. 107. MISCELLANEOUS AUTHORITIES TO PROVIDE LOANS AND OTHER FINANCIAL ASSISTANCE.

(a) FUNDING LIMITATION; SEMINARS.—Section 7(d) (15 U.S.C. 636(d)) is amended—

(1) by striking ''(d)(1)'' and inserting ''(d)''; and

(2) by striking paragraph (2).

(b) TRADE ADJUSTMENT LOANS.—Section 7(e) (15 U.S.C. 636(e)) is amended to read as follows:

''(e) [RESERVED].''.

(e) WAIVER OF CREDIT ELSEWHERE TEST FOR COLLEGES AND UNIVERSITIES.—Section 7(f) (15 U.S.C. 636(f)) is amended to read as follows:

''(f) [RESERVED].''.

(d) LOANS TO SMALL BUSINESS CONCERNS FOR SOLAR ENERGY AND ENERGY CONSERVATION MEASURES.—Section 7(l) (15 U.S.C. 636(l)) is amended to read as follows:

''(l) [RESERVED].''.

SEC. 108. SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) EXTENSION OF DEMONSTRATION PROGRAM.—

(1) IN GENERAL.—Section 711(c) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3890) is amended by striking ''September 30, 1996'' and inserting ''September 30, 1997''.

(2) REPEAL.—Section 717(f) of the Small Business competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is repealed.

(b) REPORTING OF SUBCONTRACT PARTICIPATION IN CONTRACTS FOR ARCHITECTURAL AND ENGINEERING SERVICES.—Section 714(b)(5) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3892) is amended to read as follows:

''(5) DURATION.—The system described in subsection (a) shall be established not later than

October 1, 1996 (or as soon as practicable thereafter on the first day of a subsequent quarter of fiscal year 1997), and shall terminate on September 30, 1997.''.

(c) REPORTS TO THE CONGRESS.—

(1) IN GENERAL.—Section 716 of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3893) is amended—

(A) in subsection (a), by striking ''fiscal year 1991 and 1995'' and inserting ''each of fiscal years 1991 through 1996'';

(B) in subsection (b), by striking ''results'' and inserting ''cumulative results''; and

(C) in subsection (c), by striking ''1996'' and inserting ''1997''.

(2) CUMULATIVE REPORT THROUGH FISCAL YEAR 1995.—A cumulative report of the results of the Small Business Competitiveness Demonstration Program for fiscal years 1991 through 1995 shall be submitted not later than February 28, 1997 pursuant to section 716(a) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3893), as amended by paragraph (1) of this subsection.

SEC. 109. AMENDMENT TO SMALL BUSINESS GUARANTEED CREDIT ENHANCEMENT ACT OF 1993.

(a) IN GENERAL.—Section 7 of the Small Business Guaranteed Credit Enhancement Act of 1993 (Public Law 103–81; 15 U.S.C. 634 note) is repealed effective September 29, 1996.

(b) CLERICAL AMENDMENT.—The table of contents for the Small Business Guaranteed Credit Enhancement Act of 1993 (Public Law 103–81; 15 U.S.C. 631 note) is amended by striking the item relating to section 7.

SEC. 110. STTR PROGRAM EXTENSION.

Section 9(n)(1)(C) (15 U.S.C. 638(n)(1)(C)) is amended by striking ''fiscal year 1996'' and inserting ''fiscal years 1996 and 1997''.

SEC. 111. LEVEL OF PARTICIPATION FOR EXPORT WORKING CAPITAL LOANS.

Section 7(A)(2) (15 U.S.C. 636(A)(2)) is amended by adding at the end the following:

''(D) PARTICIPATION UNDER EXPORT WORKING CAPITAL PROGRAM.—Notwithstanding subparagraph (A), in an agreement to participate in a loan on a deferred basis under the Export Working Capital Program established pursuant to paragraph (14)(A), such participation by the Administration shall not exceed 90 percent.''.

TITLE II—AMENDMENTS TO SMALL BUSINESS INVESTMENT ACT

SEC. 201. REFERENCES.

Except as otherwise expressly provided, whenever in this title 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 Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.).

SEC. 202. MODIFICATIONS TO DEVELOPMENT COMPANY DEBENTURE PROGRAM.

(a) DECREASED LOAN TO VALUE RATIOS.—Section 502(3) (15 U.S.C. 696(3)) is amended to read as follows:

''(3) CRITERIA FOR ASSISTANCE.—

''(A) IN GENERAL.—Any development company assisted under this section or section 503 of this title must meet the criteria established by the Administration, including the extent of participation to be required or amount of paid-in capital to be used in each instance as is determined to be reasonable by the Administration.

''(B) COMMUNITY INJECTION FUNDS.—

''(i) SOURCES OF FUNDS.—Community injection funds may be derived, in whole or in part, from—

''(I) State or local governments;

''(II) banks or other financial institutions;

''(III) foundations or other not-for-profit institutions; or

''(IV) the small business concern (or its owners, stockholders, or affiliates) receiving assistance through a body authorized by this title.

''(ii) FUNDING FROM INSTITUTIONS.—Not less than 50 percent of the total cost of any project financed pursuant to clauses (i), (ii), or (iii) of subparagraph (C) shall come from the institutions described in subclauses (I), (II), and (III) of clause (i).

''(C) FUNDING FROM A SMALL BUSINESS CONCERN.—The small business concern (or its owners, stockholders, or affiliates) receiving assistance through a body authorized by this title shall provide—

''(i) at least 15 percent of the total cost of the project financed, if the small business concern has been in operation for a period of 2 years or less;

''(ii) at least 15 percent of the total cost of the project financed if the project involves the construction of a limited or single purpose building or structure;

''(iii) at least 20 percent of the total cost of the project financed if the project involves both of the conditions set forth in clauses (i) and (ii); or

''(iv) at least 10 percent of the total cost of the project financed, in all other circumstances, at the discretion of the development company.''.

(b) GUARANTEE FEE FOR DEVELOPMENT COMPANY DEBENTURES.—Section 503(b)(7)(A) (15 U.S.C. 697(b)(7)(A)) is amended by striking ''equal to 0.125 percent'' and all that follows before the semicolon and inserting the following: ''equal to the lesser of—

''(i) 0.9375 percent per year of the outstanding balance of the loan; or

''(ii) such percentage per year of the outstanding balance of the loan as the Administrator may determine to be necessary to reduce the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures under this Act to an amount that, taking into consideration any available appropriated funds, would permit the Administration to purchase or guarantee $2,000,000,000 of debentures in fiscal year 1997''.

(c) FEES TO OFFSET SUBSIDY COST.—Section 503(d) (15 U.S.C. 697(d)) is amended to read as follows:

''(d) CHARGES FOR ADMINISTRATION EXPENSES.—

''(1) LEVEL OF CHARGES.—The Administration may impose an additional charge for administrative expenses with respect to each debenture for which payment of principal and interest is guaranteed under subsection (a).

''(2) PARTICIPATION FEE.—The Administration shall collect a one-time fee in an amount equal to 50 basis points on the total participation in any project of any institution described in subclause (I), (II), or (III) of section 502(3)(B)(i). Such fee shall be imposed only when the participation of the institution will occupy a senior credit position to that of the development company. All proceeds of the fee shall be used to offset the cost (as that term is defined in section 502 of the Credit Reform Act of 1990) to the Administration of making guarantees under subsection (a).

''(3) DEVELOPMENT COMPANY FEE.—The Administration shall collect annually from each development company a fee of 0.125 percent of the outstanding principal balance of any guaranteed debenture authorized by the Administration after September 30, 1996. Such fee shall be derived from the servicing fees collected by the development company pursuant to regulation, and shall not be derived from any additional fees imposed on small business concerns. All proceeds of the fee shall be used to offset the cost (as that term is defined in section 502 of the Credit Reform Act of 1990) to the Administration of making guarantees under subsection (a).''.

(d) EFFECTIVE DATE.—Section 503 (15 U.S.C. 697) is amended by adding at the end the following new subsection:

''(f) EFFECTIVE DATE.—The fees authorized by subsections (b) and (c) shall apply to financings approved by the Administration on or after October 1, 1996, but shall not apply to financings approved by the Administration on or after October 1, 1997.''.

(e) CALCULATION OF SUBSIDY RATE.—Section 503 (15 U.S.C. 697a) is amended by adding at the end the following new subsection:

''(g) CALCULATION OF SUBSIDY RATE.—All fees, interest, and profits received and retained by the Administration under this section shall be included in the calculations made by the Director of the Office of Management and Budget to offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures under this Act.''.

SEC. 203. REQUIRED ACTIONS UPON DEFAULT.

Section 503 (15 U.S.C. 697) is amended by adding at the end the following new subsection:

''(h) REQUIRED ACTIONS UPON DEFAULT.—

''(1) INITIAL ACTIONS.—Not later than the 45th day after the date on which a payment on a loan funded through a debenture guaranteed under this section is due and not received, the Administration shall—

''(A) take all necessary steps to bring such a loan current; or

''(B) implement a formal written deferral agreement.

''(2) PURCHASE OR ACCELERATION OF DEBENTURE.—Not later than the 65th day after the date on which a payment on a loan described in paragraph (1) is due and not received, and absent a formal written deferral agreement, the administration shall take all necessary steps to purchase or accelerate the debenture.

''(3) PREPAYMENT PENALTIES.—With respect to the portion of any project derived from funds set forth in section 502(3), the Administration—

''(A) shall negotiate the elimination of any prepayment penalties or late fees on defaulted loans made prior to September 30, 1996;

''(B) shall not pay any prepayment penalty or late fee on the default based purchase of loans issued after September 30, 1996; and

''(C) for any project financed after September 30, 1996, shall not pay any default interest rate higher than the interest rate on the note prior to the date of default.''.

SEC. 204. LOAN LIQUIDATION PILOT PROGRAM.

(a) IN GENERAL.—The Administration shall carry out a loan liquidation pilot program (in this section referred to as the ''pilot program'') in accordance with the requirements of this section.

(b) SELECTION OF DEVELOPMENT COMPANIES.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Administrator shall establish a pilot program under which certain development companies authorized to make loans and issue debentures under title V of the Small Business Investment Act of 1958 are selected by the Administrator in accordance with this subsection to carry out loan liquidations.

(2) CONFLICTS OF INTEREST.—The development companies selected under paragraph (1) shall agree not to take any action that would create a potential conflict of interest involving the development company, the third party lender, or an associate of the third party lender.

(3) QUALIFICATIONS.—In order to qualify to participate in the pilot program under this section, each development company shall—

(A) have not less than 6 years of experience in the program established by title V of the Small Business Investment Act of 1958;

(B) have made, during the 6 most recent fiscal years, an average of not less than 10 loans per year through the program established by such title V of the Small Business Investment Act of 1958;

(C) have not less than 2 years of experience in liquidating loans under the authority of a Federal, State, or other lending program; and

(D) meet such other requirements as the Administration may establish.

(c) AUTHORITY OF DEVELOPMENT COMPANIES.—The development companies selected under subsection (b) shall, for loans in their portfolio of loans made through debentures

guaranteed under title V of the Small Business Investment Act of 1958 that are in default after the date of enactment of this Act, be authorized to—

(1) perform all liquidation and foreclosure functions, including the acceleration or purchase of community injection funds, subject to such company obtaining prior written approval from the Administrator before committing the agency to purchase any other indebtedness secured by the property: Provided, That the Administrator shall approve or deny a request for such purchase within a period of 10 business days; and

(2) liquidate such loans in a reasonable and sound manner and according to commercially accepted practices pursuant to a liquidation plan approved by the Administrator in advance of its implementation. If the Administrator does not approve or deny a request for approval of a liquidation plan within 10 business days of the date on which the request is made (or with respect to any routine liquidation activity under such a plan, within 5 business days) such request shall be deemed to be approved.

(d) AUTHORITY OF THE ADMINISTRATOR.—In carrying out the pilot program, the Administrator shall—

(1) have full authority to rescind the authority granted any development company under this section upon a 10-day written notice stating the reasons for the rescission; and

(2) not later than 90 days after the admission of the development companies specified in subsection (b), implement the pilot program.

(e) REPORT.—

(1) IN GENERAL.—The Administrator shall issue a report on the results of the pilot program to the Committees on Small Business of the House of Representatives and the Senate. The report shall include information relating to—

(A) the total dollar amount of each loan and project liquidated;

(B) the total dollar amount guaranteed by the Administration;

(C) total dollar losses;

(D) total recoveries both as percentage of the amount guaranteed and the total cost of the project; and

(E) a comparison of the pilot program information with the same information for liquidation conducted outside the pilot program over the period of time.

(2) REPORTING PERIOD.—The report shall be based on data from, and issued not later than 90 days after the close of, the first eight fiscal quarters of the pilot program's operation after the date of implementation.

SEC. 205. REGISTRATION OF CERTIFICATES.

(a) CERTIFICATES SOLD PURSUANT TO SMALL BUSINESS ACT.—Section 5(h) of the Small Business Act (15 U.S.C. 634(h)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D);

(2) by striking ''(h)'' and inserting ''(h)(1)'';

(3) by striking subparagraph (A), as redesignated by paragraph (1) of this subsection, and inserting the following:

''(A) provide for a central registration of all loans and trust certificates sold pursuant to subsections (f) and (g) of this section;''; and

(4) by adding at the end the following:

''(2) Nothing in this subsection shall prohibit the utilization of a book-entry or other electronic form of registration for trust certificates. The Administration may, with the consent of the Secretary of the Treasury, use the book-entry system of the Federal Reserve System.''.

(b) CERTIFICATES SOLD PURSUANT TO SMALL BUSINESS INVESTMENT COMPANY PROGRAM.—Section 321(f) (15 U.S.C. 687l(f)) is amended—

(1) in paragraph (1), by striking ''Such central registration shall include'' and all that follows through the period at the end of the paragraph; and

(2) by adding at the end the following:

(5) Nothing in this subsection shall prohibit the use of a book-entry or other electronic form of registration for trust certificates.''.

(c) CERTIFICATES SOLD PURSUANT TO DEVELOPMENT COMPANY PROGRAM.—Section 505(f) (15 U.S.C. 697b(f) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D);

(2) by striking ''(f)'' and inserting ''(f)(1)'';

(3) by striking paragraph (A), as redesignated by paragraph (1) of this subsection, and inserting the following:

''(A) provide for a central registration of all trust certificates sold pursuant to this section;'' and

''(4) by adding at the end the following:

'''(2) Nothing in this subsection shall prohibit the utilization of a book-entry or other electronic form of registration for trust certificates.''.

SEC. 206. PREFERRED SURETY BOND GUARANTEE PROGRAM.

(a) ADMISSION OF ADDITIONAL PROGRAM PARTICIPANTS.—Section 411(a) (15 U.S.C. 694(a)) is amended by adding a new paragraph (5), as follows:

''(5)(A) The Administration shall promptly act upon an application from a surety to participate in the Preferred Surety Bond Guarantee Program, authorized by paragraph (3), in accordance with criteria and procedures established in regulations pursuant to subsection (d).

''(B) The Administration is authorized to reduce the allotment of bond guarantee authority or terminate the participation of a surety in the Preferred Surety Program Guarantee Program based on the rate of participation of such surety during the 4 most recent fiscal year quarters compared to the median rate of participation by the other sureties in the program.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to applications received (or pending substantive evaluation) on or after October 1, 1995.

SEC. 207. SENSE OF THE CONGRESS.

(a) IN GENERAL.—It is the sense of the Congress that the subsidy models prepared by the Office of Management and Budget relative to loan programs sponsored by the United States Small Business Administration have a tendency to—

(1) overestimate potential risk of loss; and

(2) overemphasize historical losses that may be anomalous and do not truly reflect the success of the programs as a whole.

(b) INDEPENDENT STUDY.—Consequently, the Congress mandates the independent study in section 103(h) in an attempt to improve the ability of the Office of Management and Budget to reflect more accurately the budgetary implications of such programs.

SEC. 208. SMALL BUSINESS INVESTMENT COMPANY IMPROVEMENTS.

(a) DEFINITIONS.—

(1) SMALL BUSINESS CONCERN.—Section 103(5) (15 U.S.C. 662(5)) is amended by inserting before the semicolon the following: '', except that, for purposes of this Act, an investment by a venture capital firm, investment company (including a small business investment company) employee welfare benefit plan or pension plan, or trust, foundation, or endowment that is exempt from Federal income taxation—

''(A) shall not cause a business concern to be deemed not independently owned and operated;

''(B) shall be disregarded in determining whether a business concern satisfies size standards established pursuant to section 3(a)(2) of the Small Business Act; and

''(C) shall be disregarded in determining whether a small business concern is a smaller enterprise''.

(2) PRIVATE CAPITAL.—Section 103(9) (15 U.S.C. 662(9)) is amended to read as follows:

''(9) the term 'private capital'—

''(A) means the sum of—

''(i) the paid-in capital and paid-in surplus of a corporate licensee, the contributed capital of the partners of a partnership licensee, or the equity investment of the members of a limited liability company licensee; and

''(ii) unfunded binding commitments, from investors that meet criteria established by the Administrator, to contribute capital to the licensee: Provided, That such unfunded commitments may be counted as private capital for purposes of approval by the Administrator of any request for leverage, but leverage shall not be funded based on such commitments; and

''(B) does not include any—

''(i) funds borrowed by a licensee from any source;

''(ii) funds obtained through the issuance of leverage; or

''(iii) funds obtained directly or indirectly from any Federal, State, or local government, or any government agency or instrumentality, except for—

''(I) funds invested by an employee welfare benefit plan or pension plan; and

''(II) any qualified nonprivate funds (if the investors of the qualified nonprivate funds do not control, directly or indirectly, the management, board of directors, general partners, or members of the licensee);''.

(3) NEW DEFINITIONS.—Section 103 (15 U.S.C. 662) is amended by striking paragraph (10) and inserting the following:

''(10) the term 'leverage' includes—

''(A) debentures purchased or guaranteed by the Administration;

''(B) participating securities purchased or guaranteed by the Administration; and

''(C) preferred securities outstanding as of October 1, 1995;

''(11) the term 'third party debt' means any indebtedness for borrowed money, other than indebtedness owed to the Administration;

''(12) the term 'smaller enterprise' means any small business concern that, together with its affiliates—

''(A) has—

''(i) a net financial worth of not more than $6,000,000, as of the date on which assistance is provided under this Act to that business concern; and

''(ii) an average net income for the 2-year period preceding the date on which assistance is provided under this Act to that business concern, of not more than $2,000,000, after Federal income taxes (excluding any carryover losses); or

''(B) satisfies the standard industrial classification size standards established by the Administration for the industry in which the small business concern is primarily engaged;

''(13) the term 'qualified nonprivate funds' means any—

''(A) funds directly or indirectly invested in any applicant or licensee on or before August 16, 1982, by any Federal agency, other than the Administration, under a provision of law explicitly mandating the inclusion of those funds in the definition of the term 'private capital';

''(B) funds directly or indirectly invested in any applicant or licensee by any Federal agency under a provision of law enacted after September 4, 1992, explicitly mandating the inclusion of those funds in the definition of the term 'private capital'; and

''(C) funds invested in any applicant or licensee by one or more State or local government entities (including any guarantee extended by those entities) in an aggregate amount that does not exceed 33 percent of the private capital of the applicant or licensee;

''(14) the terms 'employee welfare benefit plan' and 'pension plan' have the same meanings as in section 3 of the Employee Retirement Income Security Act of 1974, and are intended to include—

''(A) public and private pension or retirement plans subject to such Act; and

''(B) similar plans not covered by such Act that have been established and that are maintained by the Federal Government or any State or political subdivision, or any agency or instrumentality thereof, for the benefit of employees;

''(15) the term 'member' means, with respect to a licensee that is a limited ability company, a

holder of an ownership interest or a person otherwise admitted to membership in the limited liability company; and

''(16) the term 'limited liability company' means a business entity that is organized and operating in accordance with a State limited liability company statute approved by the Administration.''.

(b) ORGANIZATION OF SMALL BUSINESS INVESTMENT COMNPANIES.—

(1) LIMITED LIABILITY COMPANIES.—Section 301(a) (15 U.S.C. 681(a)) is amended in the first sentence, by striking ''body or'' and inserting ''body, a limited liability company, or''

(2) ISSUANCE OF LICENSE.—Section 301(c) (15 U.S.C. 681(c)) is amended to read as follows:

''(c) ISSUANCE OF LICENSE.—

''(1) SUBMISSION OF APPLICATION.—Each applicant for a license to operate as a small business investment company under this Act shall submit to the Administrator an application, in a form and including such documentation as may be prescribed by the Administrator.

''(2) PROCEDURES.—

''(A) STATUS.—Not later than 90 days after the initial receipt by the Administrator of an application under this subsection, the Administrator shall provide the applicant with a written report detailing the status of the application and any requirements remaining for completion of the application.

''(B) APPROVAL OR DISAPPROVAL.—Within a reasonable time after receiving a completed application submitted in accordance with this subsection and in accordance with such requirements as the Administrator may prescribe by regulation, the Administrator shall—

''(i) approve the application and issue a license for such operation to the applicant if the requirements of this section are satisfied; or

''(ii) disapprove the application and notify the applicant in writing of the disapproval.

''(3) MATTERS CONSIDERED.—In reviewing and processing any application under this subsection, the Administrator—

''(A) shall determine whether—

''(i) the applicant meets the requirements of subsections (a) and (c) of section 302; and

''(ii) the management of the applicant is qualified and has the knowledge, experience, and capability necessary to comply with this Act;

''(B) shall take into consideration—

''(i) the need for and availability of financing for small business concerns in the geographic area in which the applicant is to commence business;

''(ii) the general business reputation of the owners and management of the applicant; and

''(iii) the probability of successful operations of the applicant, including adequate probability and financial soundness; and

''(C) shall not take into consideration any projected shortage or unavailability of leverage.

''(4) EXCEPTION.—

''(A) IN GENERAL.—Notwithstanding any other provision of this Act, the Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, approve in application and issue a license under this subsection with respect to any applicant that—

''(i) has private capital of not less than $3,000,000;

''(ii) would otherwise be issued a license under this subsection, except that the applicant does not satisfy the requirements of section 302(a); and

''(iii) has a viable business plan reasonably projecting profitable operations and a reasonable timetable for achieving a level of private capital that satisfies the requirements of section 302(a).

''(B) LEVERAGE.—An applicant licensed pursuant to the exception provided in this paragraph shall not be eligible to receive leverage as a licensee until the applicant satisfies the requirements of section 302(a).''.

(3) SPECIALIZED SMALL BUSINESS INVESTMENT COMPANIES.—

(A) REPEAL.—Section 301(d) (15 U.S.C. 681(d)) is repealed.

(B) EFFECT ON EXISTING LICENSES.—The repeal under subparagraph (A) shall not be construed to require the Administrator to cancel, revoke, withdraw, or modify any license issued under section 301(d) of the Small Business Investment Act of 1958 before the date of enactment of this Act.

(c) CAPITAL REQUIREMENTS.—

(1) INCREASED MINIMUM CAPITAL REQUIREMENTS.—Section 302(a) (15 U.S.C. 682(a)) is amended by striking ''(a)'' and all that follows through ''The Administration shall also determine the ability of the company,'' and inserting the following:

''(a) AMOUNT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the private capital of each licensee shall be not less than—

''(A) $5,000,000; or

''(B) $10,000,000, with respect to each licensee authorized or seeking authority to issue participating securities to be purchased or guaranteed by the Administration under this Act.

''(2) EXCEPTION.—The Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, permit the private capital of a licensee authorized or seeking authorization to issue participating securities to be purchased or guaranteed by the Administration to be less than $10,000,000, but not less than $5,000,000, if the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.

''(3) ADEQUACY.—In addition to the requirements of paragraph (1), the Administrator shall—

''(A) determine whether the private capital of each licensee is adequate to assure a reasonable prospect that the licensee will be operated soundly and profitably, and managed actively and prudently in accordance with its articles; and

''(B) determine that the licensee will be able''.

(2) EXEMPTION FOR CERTAIN LICENSEES.—Section 302(a) (15 U.S.C. 682(a)) is amended by adding at the end the following new paragraph:

''(4) EXEMPTION FROM CAPITAL REQUIREMENTS.—The Administrator may, in the discretion of the Administrator, approve leverage for any licensee licensed under subsection (c) or (d) of section 301 before the date of enactment of the Small Business Program Improvement Act of 1996 that does not meet the capital requirements of paragraph (1), if—

''(A) the licensee certifies in writing that not less 50 percent of the aggregate dollar amount of its financings after the date of enactment of the Small Business Program Improvement Act of 1996 will be provided to smaller enterprises; and

''(B) the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the United States Government.''.

''(3) DIVERSIFICATION OF OWNERSHIP.—Section 302(c) (15 U.S.C. 682(c)) is amended to read as follows:

''(c) DIVERSIFICATION OF OWNERSHIP.—The Administrator shall ensure that the management of each licensee licensed after the date of enactment of the Small Business Program Improvement Act of 1996 is sufficiently diversified from and unaffiliated with the ownership of the licensee in a manner that ensures independence and objectivity in the financial management and oversight of the investments and operations of the licensee.''.

(d) BORROWING.—

''(2) DEBENTURES.—Section 303(b) (15 U.S.C. 683(b)) is amended in the first sentence, by striking ''(but only'' and all that follows through ''terms)''.

''(2) THIRD PARTY DEBT.—Section 303(c) (15 U.S.C. 683(c)) is amended to read as follows:

''(c) THIRD PARTY DEBT.—The Administrator—

''(1) shall not permit a licensee having outstanding leverage to incur third party debt that would create or contribute to an unreasonable risk of default or loss to the Federal Government; and

''(2) shall permit such licensees to incur third party debt only on such terms and subject to such conditions as may be established by the Administrator, by regulation or otherwise.''.

(3) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—Section 303(d) (15 U.S.C. 683(d)) is amended to read as follows:

''(d) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing that not less than 20 percent of the aggregate dollar amount of the financings of the licensee will be provided to smaller enterprises.''.

(4) CAPITAL IMPAIRMENT REQUIREMENTS.—

(A) IN GENERAL.—Section 303(e) (15 U.S.C. 683(e)) is amended to read as follows:

''(e) CAPITAL IMPAIRMENT.—Before approving any application for leverage submitted by a licensee under this Act, the Administrator—

''(1) shall determine that the private capital of the licensee meets the requirements of section 302(a); and

''(2) shall determine, taking into account the nature of the assets of the licensee, the amount and terms of any third party debt owed by such licensee, and any other factors determined to be relevant by the Administrator, that the private capital of the licensee has not been impaired to such an extent that the issuance of additional leverage would create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.''.

(B) REGULATIONS.—

(i) UNIFORM APPLICABILITY.—Any regulation issued by the Administration to implement section 303(e) of the Small Business Investment Act of 1958 that applies to any licensee with outstanding leverage obtained before the effective date of that regulation, shall apply uniformly to all licensees with outstanding leverage obtained before that effective date.

(ii) DEFINITIONS.—For purposes of this subparagraph, the terms ''Administration'', ''leverage'' and ''licensee'' have the same meanings as in section 103 of the Small Business Investment Act of 1958.

(5) EQUITY INVESTMENT REQUIREMENT.—Section 303(g)(4) (15 U.S.C. 683(g)(4)) is amended by striking ''and maintain''.

(6) FEES.—Section 303 (15 U.S.C. 683) is amended—

(A) in subsection (b), in the fifth sentence, by striking ''1 per centum'', and all that follows before the period at the end of the sentence and inserting the following: ''1 percent, plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration'';

(B) in subsection (g)(2), by striking ''1 per centum,'' and all that follows before the period at the end of the paragraph and inserting the following: ''1 percent, plus an additional charge of 1 percent per annum which shall be paid to and retained by the Administration''; and

(C) by adding at the end the following new subsections:

''(i) LEVERAGE FEE.—With respect to leverage granted by the Administration to a licensee, the Administration shall collect from the licensee a nonrefundable fee in an amount equal to 3 percent of the face amount of leverage granted to the licensee, payable upon the earlier of the date of entry into any commitment for such leverage or the date on which the leverage is drawn by the licensee.

''(j) CALCULATION OF SUBSIDY RATE.—All fees, interest, and profits received and retained by the Administration under this section shall be included in the calculations made by the Director of the Office of Management and Budget to

offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures and participating securities under this Act.''.

(e) LIABILITY OF THE UNITED STATES.—Section 308(e) (15 U.S.C. 687(e)) is amended by striking ''Nothing'' and inserting ''Except as expressly provided otherwise in this Act, nothing''.

(f) EXAMINATIONS; VALUATIONS.—

(1) EXAMINATIONS.—Section 310(b) (15 U.S.C. 687b(b)) is amended in the first sentence by inserting ''which may be conducted with the assistance of a private sector entity that has both the qualifications to conduct and expertise in conducting such examinations,'' after ''Investment Division of the Administration,''.

(2) VALUATIONS.—Section 310(d) (15 U.S.C. 687b(d)) is amended to read as follows:

''(d) VALUATIONS.—

''(1) FREQUENCY OF VALUATIONS.—

''(A) IN GENERAL.—Each licensee shall submit to the Administrator a written valuation of the loans and investments of the licensee not less often than semiannually or otherwise upon the request of the Administrator, except that any licensee with no leverage outstanding shall submit such valuations annually, unless the Administrator determines otherwise.

''(B) MATERIAL ADVERSE CHANGES.—Not later than 30 days after the end of a fiscal quarter of a licensee during which a material adverse change in the aggregate valuation of the loans and investments or operations of the licensee occurs, the licensee shall notify the Administrator in writing of the nature and extent of that change.

''(C) INDEPENDENT CERTIFICATION.—

''(i) IN GENERAL.—Not less than once during each fiscal year, each licensee shall submit to the Administrator the financial statements of the licensee, audited by an independent certified public accountant approved by the Administrator.

''(ii) AUDIT REQUIREMENTS.—Each audit conducted under clause (i) shall include—

''(I) a review of the procedures and documentation used by the licensee in preparing the valuations required by this section; and

''(II) a statement by the independent certified public accountant that such valuations were prepared in conformity with the valuation criteria applicable to the licensee established in accordance with paragraph (2).

''(2) VALUATION CRITERIA.—Each valuation submitted under this subsection shall be prepared by the licensee in accordance with valuation criteria, which shall—

''(A) be established or approved by the Administrator; and

''(B) include appropriate safeguards to ensure that the noncash assets of a licensee are not overvalued.''.

(g) TRUSTEE OR RECEIVERSHIP OVER LICENSEES.—

(1) FINDING.—It is the finding of the Congress that increased recoveries on assets in liquidation under the Small Business Investment Act of 1958 are in the best interests of the Federal Government.

(2) DEFINITIONS.—For purposes of this subsection—

(A) the term ''Administrator'' means the Administrator of the Small Business Adminstration;

(B) the term ''Administration'' means the Small Business Administration; and

(C) the term ''licensee'' has the same meaning as in section 103.

(3) LIQUIDATION PLAN.—

(A) IN GENERAL.—Not later than October 15, 1996, the Administrator shall submit to the Committees on Small Business of the Senate and the House of Representatives a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation, including assets of licensees in receivership or in trust held by or under the control of the Administration or its agents.

(B) CONTENTS.—The plan submitted under paragraph (1) shall include a timetable for liquidating the liquidation portfolio of small business investment company assets owned by the Administration, and shall contain the findings and recommendations of the Administrator on various options providing for the fair and expeditious liquidation of such assets within a reasonable period of time, giving due consideration to the option of entering into one or more contracts with private sector entities having the capability to carry out the orderly liquidation of similar assets.

(h) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SMALL BUSINESS INVESTMENT ACT OF 1958.—The Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) is amended—

(A) in section 303—

(i) in subsection (a), by striking ''debenture bonds,'' and inserting ''securities,'';

(ii) by striking subsection (f) and inserting the following:

''(f) REDEMPTION OR REPURCHASE OF PREFERRED STOCK.—Notwithstanding any other provision of law—

''(1) the Administrator may allow the issuer of any preferred stock sold to the Administration before November 1, 1989 to redeem or repurchase such stock, upon the payment to the Administration of an amount less than the par value of such stock, for a repurchase price determined by the Administrator after consideration of all relevant factors, including—

''(A) the market value of the stock;

''(B) the value of benefits provided and anticipated to accrue to the issuer;

''(C) the amount of dividends paid, accrued, and anticipated; and

''(D) the estimate of the Administrator of any anticipated redemption; and

''(2) any moneys received by the Administration from the repurchase of preferred stock shall be available solely to provide debenture leverage to licensees having 50 percent or more in aggregate dollar amount of their financings invested in smaller enterprises.''; and

(iii) in subsection (g)(8)—

(I) by striking ''partners or shareholders'' and inserting ''partners, shareholders, or members'';

(II) by striking ''partner's or shareholder's'' and inserting ''partner's, shareholder's, or member's''; and

(III) by striking ''partner or shareholder'' and inserting ''partner, shareholder, or member'';

(B) in section 308(h), by striking ''subsection (c) or (d) of section 301'' each place that term appears and inserting ''section 301'';

(C) in section 310(c)(4), by striking ''not less than four years in the case of section 301(d) licensees and in all other cases,'';

(D) in section 312—

(i) by striking ''shareholders or partners'' and inserting ''shareholders, partners, or members''; and

(ii) by striking ''shareholder, or partner'' each place that term appears and inserting ''shareholder, partner, or member'';

(E) by striking sections 317 and 218, and redesignating sections 319 through 322 as sections 317 through 320, respectively;

(F) in section 319, as redesignated—

(i) in subsection (a), by striking '', including companies operating under the authority of section 301(d),''; and

(ii) in subsection (f)(2), by inserting ''or investments in obligations of the United States'' after ''accounts'';

(G) in section 320, as redesignated, by striking ''section 321'' and inserting ''section 319''; and

(H) in section 509—

(i) in subsection (a)(1), by striking the second sentence; and

(ii) in subsection (e)(1)(B), by striking ''subsection (c) or (d) of section 301'' and inserting ''section 301''.

(2) AMENDMENT IN OTHER LAW.—Section 11(h) of the Federal Home Loan Bank Act (12 U.S.C. 1431(h)) is amended by striking ''301(d)'' and inserting ''301''.

(i) AMENDMENTS TO THE SMALL BUSINESS ACT.—

(1) POWERS OF THE ADMINISTRATOR.—Section 5(b)(7) of the Small Business Act (15 U.S.C. 634(b)(7)) is amended by striking the colon and all that follows before the semicolon at the end of the paragraph and inserting the following: '': Provided, That with respect to deferred participation loans, the Administrator may, in the discretion of and pursuant to regulations promulgated by the Administrator, authorize participating lending institutions to take actions relating to loan servicing on behalf of the Administrator, including determining eligibility and creditworthiness and loan monitoring, collection, and liquidation''.

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 20(p)(3) of the Small Business Act (15 U.S.C. 631 note) is amended by striking subparagraph (B) and inserting the following:

''(B) $300,000,000 in guarantees of debentures; and''.

(j) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective on the date of enactment of this Act.

DIVISION E

TITLE I—CALIFORNIA BAY-DELTA ENVIRONMENTAL ENHANCEMENT AND WATER SECURITY ACT

SEC. 101. Short Title.

This title may be cited as the ''California Bay-Delta Environmental Enhancement and Water Security Act.''

SEC. 102. Program Funding.

(a) Authorization of Appropriations.—For each of the fiscal years 1998, 1999 and 2000, there are authorized to be appropriated an additional $143,300,000 for both (1) the initial Federal share of the cost of developing and implementing that portion of an ecosystem protection plan for the Bay-Delta, referred to as ''the Category III program'' emanating out of the document entitled ''Principles for Agreement on Bay-Delta Standards Between the State of California and the Federal Government,'' dated December 15, 1994, and, (2) the initial Federal share of the cost of developing and implementing the ecosystem restoration elements of the long-term CALFED Bay-Delta Program, pursuant to the cost-sharing agreement required by Section 78684.10 of California Senate Bill 900, Chapter 135, Statutes of 1996, signed by the Governor of California on July 11, 1996. Funds appropriated pursuant to this section shall remain available until expended and shall be administered in accordance with procedures established by CALFED Bay-Delta Program until Congress authorizes another entity that is recommended by CALFED Bay-Delta Program to carry out this section.

(b) Funds authorized to be appropriated pursuant to this section to those agencies that are currently or subsequently become participants in the CALFED Bay-Delta Program shall be in addition to the baseline funding levels established pursuant to section 103 of this title, for currently authorized projects and programs under the Central Valley Project Improvement Act, Title 34 of Public Law 102–575 and other currently authorized Federal programs for the purpose of Bay-Delta ecosystem protection and restoration.

(c) Nothing in this title shall be deemed to diminish the Federal interest in and responsibility for working with the State of California through the CALFED Bay-Delta Program in developing, funding and implementing a balanced, long-term solution to the problems of ecosystem quality, water quality, water supply and reliability, and system vulnerability affecting the San Francisco Bay/Sacramento-San Joaquin Delta Watershed in California. Participation in such long-term solution shall only be undertaken pursuant to authorization provided by law other

than this title, and shall be based on the equitable allocation of program costs among beneficiary groups that the CALFED Bay-Delta programs shall develop.

(d) To the extent not otherwise authorized, those agencies and departments that are currently or subsequently become participants in the CALFED Bay-Delta Program are hereby authorized to undertake the activities and programs for which Federal cost sharing is provided by this section. The United States shall immediately initiate coordinated consultations and negotiations with the State of California to expeditiously execute the cost-sharing agreement required by Section 78684.10 of California Senate Bill 900, Chapter 135, Statutes of 1996, signed by the Governor of California on July 11, 1996. Such activities shall include, but not be limited to, planning, design, technical assistance and construction for ecosystem restoration programs and projects.

SEC. 103. Budget Crosscut.

The Office of Management and Budget is directed to submit the House and Senate Committees on Appropriations, as part of the President's Fiscal Year 1998 Budget, an interagency budget crosscut that displays Federal spending for fiscal years 1993 through 1998 on ecosystem restoration and other purposes in the Bay-Delta region, separately showing funding provided previously or requested under both pre-existing authorities and new authorities granted by this title.

SEC. 104. Effective Date.

Section 102 of this title shall take effect on the date of passage of California State Proposition 204.

This Act may be cited as the ''Omnibus Consolidated Appropriations Act, 1997''

And amend the title to read as follows:

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

And the Senate agree to the same.

BILL YOUNG,
JOSEPH M. MCDADE,
BOB LIVINGSTON,
JERRY LEWIS (except for chapter 6 of title V of division A),
JOE SKEEN,
DAVE HOBSON,
HENRY BONILLA,
GEORGE R. NETHERCUTT, Jr.,
ERNEST ISTOOK,
JOHN P. MURTHA,
NORM DICKS,
CHARLES WILSON,
W.G. BILL HEFNER,
MARTIN OLAV SABO,
DAVID OBEY,
Managers on the Part of the House.

TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
CHRISTOPHER S. BOND (except for chapter 6 of title V of division A),
MITCH MCCONNELL,
CONNIE MACK,
RICHARD C. SHELBY,
MARK O. HATFIELD,
DANIEL K. INOUYE (with reservation),
FRITZ HOLLINGS,
J. BENNETT JOHNSON,
ROBERT BYRD,
PATRICK J. LEAHY,
FRANK R. LAUTENBERG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effects of the action agreed upon by the managers and recommended in the accompanying report.

The composition of this conference agreement includes more than the Department of Defense Appropriations Act for fiscal year 1997. While the House version of H.R. 3610 and the Senate amendment in the nature of a substitute dealt only with defense appropriations, the conference report was expanded to include other matters, most significantly, other fiscal year 1997 appropriations for other departments and agencies. These appropriations are included in title I of this conference agreement and are organized in groupings as they would have been had they been enacted in their regular appropriations act. Explanation of the matters included in this conference agreement follows.

ANTITERRORISM, COUNTERTERRORISM, AND SECURITY FUNDING

The conference agreement includes funding for antiterrorism, counterterrorism, and security initiatives. The following table shows the programs, the location of the funding provision in the conference agreement, and the amount of funding for these initiatives.

Antiterrorism, counterterrorism, and security funding

[Budget authority, in millions of dollars]

	FY 1997 Conference Agreement
TITLE I, SEC. 101(a)—DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES	
The Judiciary: Antiterrorism and Effective Death Penalty Act workload/security	10.0
Department of Commerce: Export Administration: Hire criminal investigators/engineers to review export licenses	3.9
Department of Justice:	
Security upgrades from General Administration account	3.6
Counterterrorism fund [1]	20.0
Executive Office of Immigration Review: Removal of criminal aliens/immigration court security	1.0
Criminal Division: Investigations and prosecutions of terrorist cases	1.7
US Attorneys: Wiretap activity/computer fraud/building security	10.9
Federal Bureau of Investigation:	
Additional positions/antiterrorism support:	
Gore Commission Recommendation	168.6
Other	7.0
Drug Enforcement Administration: Additional security for buildings and vehicles	5.0
Immigration and Naturalization Service: Detention of criminal aliens and enhanced intelligence	15.0
Office of Justice programs: Antiterrorism preparedness training for rural law enforcement	17.0
Department of State: Upgrade security at US government facilities overseas	[2] 48.5
United States Information Agency: Upgrade security at overseas and domestic facilities	[2] 1.4
Subtotal, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies	313.6
TITLE I, SEC. 101(b)—DEPARTMENT OF DEFENSE	
Military personnel, Army	4.8
Military personnel, Air Force	4.0
Operation and maintenance, Army	36.4
Operation and maintenance, Navy	24.0
Operation and maintenance, Marine Corps	0.6
Operation and maintenance, Air Force	78.2
Operation and maintenance, Defense-wide	29.5
Operation and maintenance, Navy Reserve	0.5
Other procurement, Army	16.9
Other procurement, Air Force	115.1
Procurement, Defense-wide	35.4
Research, Development, Test and Evaluation, Defense-wide	8.0

Antiterrorism, counterterrorism, and security funding—Continued

[Budget authority, in millions of dollars]

	FY 1997 Conference Agreement
Subtotal, Department of Defense	353.3
TITLE I, SEC. 101(c)—FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS	
US Agency for International Development: Improve security for overseas facilities/personnel	0.6
TITLE V, CHAPTER 7—FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS	
Department of State: Provide training for foreign security personnel	18.0
Subtotal, Foreign Operations (Title I and Title V)	18.6
TITLE I, SEC. 101(d)—DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES	
Department of the Interior:	
Fish and Wildlife Service: Security/antiterrorism upgrades	1.5
National Park Service: Upgrade security at high-profile National Park Service sites	8.6
Smithsonian:	
General upgrade of security systems	0.9
Upgrade security at the Kennedy Center	5.0
Upgrade security at the National Gallery	0.4
Holocaust Memorial Council: Upgrade security at Holocaust Museum	1.0
Subtotal, Department of the Interior and Related Agencies	17.4
TITLE I, SEC. 101(e)—DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES	
Department of Health and Human Services:	
Centers for Disease Control: Building security improvements at Atlanta headquarters	23.0
General Departmental Management: Terrorism consequence management/Rapid Response Teams	5.8
Subtotal, Departments of Labor, Health and Human Services, and Education, and Related Agencies	28.8
TITLE V, CHAPTER 5—DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES	
Department of Transportation:	
Federal Aviation Administration:	
Purchase explosives detection devices/passenger profiling/screening	197.6
Additional aviation safety inspectors, airline certification, safety data systems, contract weather observers, and air traffic controller training	29.0
Research and Special Programs Administration: Vulnerability threat assessment	3.0
National Transportation Safety Board:	
TWA Flight 800 recovery (reimburse Navy)	6.0
Replenish emergency fund	1.0
Subtotal, Department of Transportation and Related Agencies	236.6
TITLE I, SEC. 101(f)—TREASURY, POSTAL SERVICE, AND GENERAL APPROPRIATIONS:	
Department of the Treasury:	
Bureau of Alcohol, Tobacco, and Firearms:	
Taggant study (crime trust fund)	18.3
Federal training and certification for explosives detection	7.5
Develop comprehensive training program for explosives detection	1.8
Increase inspections for businesses which manufacture/use explosives	1.8
Expand study of car bombs	3.0
Expand ability to collect and maintain data on explosives	2.1
Create equipped mobile forensics labs/rapid deployment teams	7.2
Provide additional personnel for intelligence and investigation	14.2
Counterterrorism fund[1]	15.0
Building security	6.7
Other Bureau of Alcohol, Tobacco, and Firearms	3.0
Office of Foreign Assets Control: Implement additional programs to seize assets of terrorism sponsors	0.3
Federal Law Enforcement Training Center:	
Provide training for additional Federal law enforcement personnel	1.4
Increase security at Glynco and Artesia site	2.7
Customs Service:	
Passenger screening	58.0
Building security	2.2
Secret Service: Provide more effective security for president/White House complex	2.5
Other Treasury: Increase security at Treasury facilities	14.7
Office of Personnel Management: Upgrade security at headquarters	0.2
Subtotal, Treasury, Postal Service, and General Appropriations	162.4
TITLE V, CHAPTER 6—DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES	
Federal Emergency Management Agency:	
Salaries and expenses	3.0
Emergency Management Planning and Assistance	12.0
Subtotal, Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies	15.0

Antiterrorism, counterterrorism, and security funding—Continued

[Budget authority, in millions of dollars]

	FY 1997 Conference Agreement
Total antiterrorism funding	1,145.7
(Contingent emergency funds)	(15.0)
(Other)	(1,130.7)

[1] Requested as contingent emergency appropriations.
[2] Security upgrades at overseas facilities of the International Trade Administration and USIA are included under Department of State.

NATURAL DISASTER FUNDING

The conference agreement includes additional emergency funding for assistance to recover from the impacts of natural disasters such as Hurricane Fran. The following table shows the programs, the location of the funding provision in the conference agreement, and the amount of funding for this assistance.

HURRICANE AND FLOOD RECOVERY ASSISTANCE, AND FIREFIGHTING FUNDING

[Budget authority, in millions of dollars]

	Administration request [1]	Conference agreement	Conference vs. request
HURRICANE AND FLOOD RECOVERY			
Title V, Chapter 1—Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies			
Natural Resources Conservation Service: Watershed and flood prevention operations	20.0	63.0	+43.0
Farm Service Agency: Emergency conservation program	20.0	25.0	+5.0
Subtotal, Departments of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies	40.0	88.0	+48.0
Title I, Sec. 101(a)—Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies			
Department of Commerce: Economic Development Administration: Economic Development Assistance Programs [2]	18.0	25.0	+7.0
Small Business Administration:			
Disaster loans program account	22.0	113.0	+91.0
Salaries and expenses	.....	22.0	+22.0
Subtotal, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies	40.0	160.0	+120.0
Title V, Chapter 3—Energy and Water Development.			
Army Corps of Engineers: Operations and maintenance, general	18.8	19.0	+0.2
Subtotal, Energy and Water Development	18.8	19.0	+0.2
Title I, Sec. 101(d)—Department of the Interior and Related Agencies			
Department of the Interior:			
Bureau of Land Management:			
Management of lands and resources	.....	3.5	+3.5
Oregon and California grant lands	.....	2.5	+2.5
US Geological Survey: Surveys, investigations, and research	.....	1.1	+1.1
Fish and Wildlife Service:			
Resource management	.....	0.6	+0.6
Construction	.....	15.9	+15.9
National Park Service: Construction	.....	3.0	+3.0
Bureau of Indian Affairs:			
Operation of Indian Programs	.....	6.6	+6.6
Construction	.....	6.0	+6.0
Department of Agriculture:			
Forest Service:			
National Forest System	.....	3.4	+3.4
Construction	.....	5.2	+5.2
Subtotal, Department of the Interior and Related Agencies	.....	47.8	+47.8
Title V. Chapter 5—Department of Transportation and Related Agencies			
Department of Transportation: Federal Highways Administration: Federal-aid Highways	82.0	82.0	.....
Subtotal, Department of Transportation and Related Agencies	82.0	82.0	.....
Title V, Chapter 6—Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies			
Department of Housing and Urban Development:			
Housing Programs: Flexible subsidy fund [2]	10.0	.....	−10.0
Community Planning and Development: Community Development Grants [2]	100.0	.....	−100.0
Subtotal, Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies	110.0	.....	−110.0
Total hurricane and flood relief	290.8	396.8	+106.0
FIREFIGHTING			
Title I, Sec. 101(d)—Department of the Interior and Related Agencies			
Department of the Interior: Bureau of Land Management: Wildland fire management [3]	300.0	550.0	+250.0
Department of Agriculture: Forest Service: Wildland fire management	100.0	100.0	.....
Subtotal, Department of the Interior and Related Agencies	400.0	650.0	+250.0
Total firefighting	400.0	650.0	+250.0
Total hurricane and flood relief, and firefighting	690.8	1,046.8	+356.0
(Contingent emergency funds)	(178.0)	(100.0)	(−78.0)
(Other)	(512.8)	(946.8)	(+434.0)

[1] Funds were requested by the Administration as FY 1996 supplemental appropriations. The conference agreement provides FY 1997 appropriations.
[2] Requested as contingent emergency appropriations.
[3] $50 million requested as contingent emergency appropriations; conference agreement funds $100 million as contingent.

SECTION 101(a)

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

The conferees on H.R. 3610 agree with the matter inserted in this subsection of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House and Senate versions of H.R. 3814, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1997, by members of the appropriations subcommittee of both the House an Senate with jurisdiction over H.R. 3814. The legislative intent in the House and Senate versions of H.R. 3814 is set forth in the accompanying House report (H. Rept. 104–676) and the accompanying Senate report (S. Rept. 104–353).

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $79,373,000 for General Administration, instead of $78,493,000 as proposed in the House bill and $70,653,000 as proposed in the Senate-reported bill. Of the amount provided $3,600,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. The conference agreement assumes that funding is provided in accordance with the House and Senate reports with the following exceptions:

Counterterrorism initiative.—The conference agreement provides $3,600,000, the full amount requested by the Administration in its recent budget amendment, to address the increasing threat of domestic and international terrorism. Included in the amount provided is $1,430,000 for the Office of Intelligence Policy and Review and $2,170,000 for security enhancements of the Main Justice building and field offices.

The conference agreement also provides $4,700,000 for Federal drug testing initiatives to be administered by the Attorney General in conjunction with the Federal Judiciary, and $2,000,000 for additional staffing for the Office of Professional Responsibility for investigations of allegations of attorney misconduct.

The conference agreement includes a provision, as proposed in the Senate-reported bill, that limits the number of positions and amounts for the Department Leadership program, but does not include a provision, as proposed in the House bill, that eliminates funding for the Office of the Associate Attorney General. The conference agreement also includes a provision as proposed in the Senate-reported bill, that freezes legislative and public affairs activities at fiscal year 1995 levels and prohibits these activities from being supplemented by reimbursable and non-reimbursable details. Similar provisions are included under other Department of Justice programs as well, in order to ensure that scarce resources are targeted to crime-fighting activities. These limitations are not intended to reduce the level of resources currently dedicated to casework activities.

COUNTERTERRORISM FUND

The conference agreement includes $29,450,000 for the Counterterrorism Fund, instead of $9,450,000 as proposed in the House bill and $40,000,000 as proposed in the Senate-reported bill. Of the amount provided, $20,000,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The conference agreement does not include provisions, included in the Senate-reported bill, which would have transferred funding from this Fund to the Department of State and the U.S. Information Agency, the Commerce Department, and the Judiciary, for counterterrorism activities. Instead the conference agreement provides funding for counterterrorism activities of these agencies directly under these accounts. In addition, funding included in the Senate-reported bill for Joint Terrorism Task Forces and increased State and local support at the FBI Counterterrorism Center is included under the amounts provided for the Federal Bureau of Investigation. However, of the amount provided under this Fund, $3,000,000 is included for necessary counterterrorism security and communications infrastructure enhancements and upgrades in preparation for the 2002 Olympic games.

The conferees understand that in addition to amounts provided in this bill, unobligated balances of $8,982,000 remain available from previous appropriations for authorized purposes of this Fund.

ADMINISTRATIVE REVIEW AND APPEALS

The conference agreement includes $111,000,000 for Administrative Review and Appeals instead of $112,000,000 as proposed in the House bill and $107,909,000 as proposed in the Senate-reported bill, of which $48,000,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in both the House and Senate-reported bills. Of the total amount provided, $1,000,000 for enhanced security measures is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for counterterrorism-related activities.

The amount provided in the conference agreement is provided in accordance with the House and Senate reports with the following exceptions. The total amount provided includes $1,481,000 for the Office of the Pardon Attorney and $109,519,000 for the Executive Office for Immigration Review (EOIR). Within amounts provided for EOIR, $6,496,000 is included to support 24 additional immigration judges for border control and removal of criminal and non-criminal aliens, $1,935,000 is for 20 additional attorneys for the Board of Immigration Appeals, $3,500,000 is for ADP systems modernization, and $1,000,000 is for enhanced building and court security.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $31,960,000 for the Office of Inspector General, as proposed in both the House and Senate-reported bills and assumes funding is provided in accordance with the House and Senate reports.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $4,845,000 for the U.S. Parole Commission, instead of $4,490,000 as proposed in the House bill and $5,201,000 as proposed in the Senate-reported bill.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The conference agreement includes $430,262,000 for General Legal Activities, instead of $428,543,000 as proposed in the House bill and $429,028,000 as proposed in the Senate-reported bill, of which $7,750,0000 is provided from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in both the House and Senate-reported bills. Of the total amount provided, $1,719,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for counterterrorism-related activities.

The amount provided in the conference agreement is provided in accordance with the House and Senate reports. In addition, $1,719,000 is provided for the Criminal Division for increased counterterrorism activities, including $629,000 and 6 attorneys for review of Title III wiretap requests, and $1,090,000 and 13 attorneys for increased investigations and prosecutions of domestic and international terrorism, as proposed in the Administration's budget amendment.

The conference agreement also includes a provision, included in the Senate-reported bill, that freezes legislative and public affairs staffing in this account at fiscal year 1995 levels.

THE NATIONAL CHILDHOOD VACCINE INJURY ACT

The conference agreement includes a reimbursement of $4,028,000 for fiscal year 1997 from the Vaccine Injury Compensation Trust Fund to the Department of Justice, as proposed in both the House and Senate-reported bills.

SALARIES AND EXPENSES, ANTITRUST DIVISION

The conference agreement provides $92,447,000 for the Antitrust Division, instead of $84,336,000 as proposed in the House bill and $94,979,000 as proposed in the Senate-reported bill. The conference agreement assumes that of the amount provided, $58,905,000 will be derived from fees collected in fiscal year 1997 and $16,000,000 will be derived from estimated unobligated fee collections available from 1996. Use of any unobligated fee collections from 1996 above $16,000,000 is subject to the reprogramming requirements outlined in section 605 of this Act.

The conference agreement does not include a change in the fee structure for Hart-Scott-Rodino fees as proposed in the Senate-reported bill under the Federal Trade Commission, which would have eliminated the direct appropriation for this account.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The conference agreement includes $978,116,000 for the U.S. Attorneys, instead of $974,905,000 as proposed in the House bill and $965,316,000 as proposed in the Senate-reported bill, of which $43,876,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in the House bill instead of $31,000,000 as proposed in the Senate-reported bill. Of the total amount provided, $10,900,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for counterterrorism-related activities.

The conference agreement provides for the following: (1) $4,641,000 and 35 attorneys to support immigration initiatives and increased drug prosecutions on the Southwest boarder; (2) $1,000,000 for Federal victims counselors to address violence against women; and (3) $10,900,000 for security upgrades at U.S. Attorneys offices to address the increasing threat of terrorism. In addition, as stated in the Senate report, to the extent possible within the resources provided, the Department of Justice should expand the pilot debt collection program.

The conference agreement also provides $1,900,000 to pay the costs of supervision and oversight of the Teamsters election. In addition, the Attorney General may provide an additional $1,900,000 for these costs from funds provided to the Department of Justice, subject to either the reprogramming requirements in section 605 of this Act or the transfer authorities in section 107 of this Act. The

conferees agree that this is the final payment for this purpose.

The conference agreement also includes bill language, similar to language included in the House bill, to reflect the total number of positions and full-time equivalent (FTE) employment expected to be supported by the level of resources provided for the U.S. Attorneys in fiscal year 1997.

UNITED STATES TRUSTEE SYSTEM FUND

The conference agreement provides $107,950,000 in budget (obligational) authority for the U.S. Trustees, to be entirely funded from offsetting fee collections, as proposed in both the House and Senate-reported bills. The amount provided in the conference agreement is provided in accordance with the House and Senate reports.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

The conference agreement provides $953,000 for the Foreign Claims Settlement Commission as proposed in the Senate-reported bill, instead of $878,000 as proposed by the House and assumes funding is provided in accordance with the House and Senate reports.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

The conference agreement includes $482,495,000 for the U.S. Marshals Service as provided in the Senate-reported bill, instead of $485,214,000 as proposed in the House bill. Of this amount, the conference agreement provides that $25,000,000 will be derived from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in both the House and Senate-reported bills.

The amount included in the conference agreement is provided in accordance with the House and Senate reports and includes program increases as outlined in the Senate report. Increased resources of $2,000,000 requested in the Administration's recent budget amendment to support possible high-visibility terrorist trials can be provided from the Counterterrorism Fund, if needed.

The conference agreement also includes a provision, included in the Senate-reported bill, that freezes legislative and public affairs staffing in this account at fiscal year 1995 levels.

FEDERAL PRISONER DETENTION

The conference agreement provides $405,262,000 for Federal Prisoner Detention, as proposed in both the House and Senate-reported bills. The amount included in the conference agreement is provided in accordance with the House and Senate reports with the following exception.

Detention of Criminal Aliens at the Naval Air Station Miramar.—The conference agreement assumes that the Attorney General will continue to pursue alternative detention capacity in Southern California and consider potential Navy counter proposals to alleviate the need to detain criminal aliens at the Naval Air Station Miramar. While it is understood that the Attorney General is exploring a long-term solution involving a 1,000 bed private facility in San Diego to detain criminal aliens awaiting trial, it is further understood that this facility will not be available for at least another 18 to 20 months. In order to ensure that there is no negative impact on Federal prosecution policy by limiting detention capacity, the conference agreement assumes that the Miramar facility may be used in the short-term. The Attorney general is expected to submit a report on her efforts to find alternative detention space to Miramar to the Committee on Appropriations of both the House and Senate, by January 3, 1997. It is also expected that the Southern District of California's long-term detention problem will be addressed in the Department of Justice's updated Federal Detention Plan requested in the Senate report.

FEES AND EXPENSES OF WITNESSES

The conference agreement includes $100,702,000 for Fees and Expenses of Witnesses as proposed by the House, instead of $102,702,000 as proposed in the Senate-report bill and assumes funding is provided in accordance with the House report. Funds for alternative dispute resolution efforts may be identified within other accounts subject to the reprogramming requirements in section 605.

COMMUNITY RELATIONS SERVICE

The conference agreement provides $5,319,000 for the Community Relations Service, as proposed in both the House and Senate-reported bills and in accordance with both the House and Senate reports.

ASSETS FORFEITURE FUND

The conference agreement provides $23,000,000 for the Assets Forfeiture Fund instead of $16,000,000 as proposed in the House bill and $30,000,000 as proposed in the Senate-reported bill, and assumes funding is provided in accordance with both the House and Senate reports.

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

The conference agreement includes $2,000,000 for administrative expenses in accordance with the Radiation Exposure Compensation Act, as proposed by both the House and Senate-reported bills.

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND

The conference agreement provides a program level of $30,000,000 for fiscal year 1997 for payments to the Radiation Exposure Compensation Trust Fund, as proposed by both the House and Senate-reported bills, of which $16,264,000 is available from an advance appropriation and $13,736,000 is available on September 30, 1997. The conference agreement assumes that funding is provided in accordance with the House and Senate reports.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

The conference agreement includes $359,430,000 for Interagency Crime and Drug Enforcement instead of $372,017,000 as proposed by the House and $352,461,000 as proposed by the Senate-reported bill. The level of funding provided by the conference agreement assumes that all participating agencies will continue at levels provided in 1996.

The conference agreement does not include language included in the Senate-reported bill that would make this the final Federal payment for this program. However, the conferees recognize that this program continues to support funding for non-Justice agencies and therefore restates the direction provided in fiscal year 1996 that the Administration should submit the budget requirements of non-Justice agencies for fiscal year 1998 within the budgets proposed for those agencies.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

The conference agreement includes $2,735,971,000 for the Federal Bureau of Investigation (FBI), instead of $2,681,706,000 as proposed in the House bill and $2,650,653,000 as proposed in the Senate-reported bill, of which $169,000,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $153,000,000 as proposed in the House bill and $160,000,000 as proposed in the Senate-reported bill. Of the total amount provided, $115,610,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for counterterrorism-related activities. In addition, the conference agreement provides that not less than $147,081,000 shall be used for counterterrorism investigations, foreign counterintelligence, and other activities related to national security, instead of $133,081,000 as proposed by the House and $195,200,000 as proposed by the Senate-report bill. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent. The total amount provided in the conference agreement reflects the effects of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191) which shifts $38,000,000 of base funding for FBI health care fraud investigations to the Health Care Fraud and Abuse Control Account. This legislation was enacted into law following House passage and Senate Committee action on this bill.

Comprehensive Counterterrorism Initiative.—The conference agreement provides a significant increase for the FBI to address the increasing threat of domestic and international terrorism. It is noted that prior to the Administration's submission of a budget amendment for counterterrorism, both the House and Senate-reported bills exceeded the amount of funding requested by the Administration for the FBI to address terrorism. The Senate-reported bill, in particular, provided more than three times the funding requested for FBI counterterrorism activities. The conference agreement provides $157,743,000 in program increases to enhance the FBI's capability to address terrorism including: (1) $81,755,000 to support over 500 agents and support staff to combat terrorism, protect key physical assets, and establish a capability for chemical, biological, and nuclear investigations; (2) $2,700,000 to cover confidential case funding for the FBI-sponsored Joint Terrorism Task Forces and to increase State and local participation; (3) $3,750,000 for field counterterrorism operational support, including case-related travel and undercover operations funding; (4) $11,511,000 to support field electronic technicians for technical support to investigative and counterterrorism operations; (5) $1,172,000 to add FBI agents in Riyadh, Kiev, Tallinn, Warsaw, and Pretoria; (6) $5,013,000 and 17 agents to establish a Computer Investigations Threat Assessment Center (CITAC) at FBI headquarters to provide the capability to identify, investigate, and counter illegal intrusion into government computer networks; (7) $2,000,000 to establish a database to maintain and organize information relating to physical key assets; (8) $2,420,000 for expansion of FBI's Counterterrorism Special Projects aimed at gathering visual intelligence data; (9) $4,780,000 to establish Field Translation Centers staffed with contract translators to transcribe Arabic and Farsi languages; (10) $1,988,000 for State and local participation and administrative support at the Counterterroism Center; (11) $7,516,000 to establish a hazardous materials/chemical/biological/nuclear capability within the FBI laboratory; (12) $1,580,000 for equipment and training for Computer Analysis and Emergency Response Teams; (13) $3,200,000 for two mobile/deployable evidence response team laboratories and 12 evidence response team trailers; (14) $3,000,000 for advance render-safe response team equipment; (15) $1,618,000 to improve training provided to State and local public safety personnel at the hazardous devices school and to acquire advanced tools, crime scene gear, and related materials; (16) $370,000 to enhance criminal profiling for crimes involving terrorists and organizations that use chemical/biological/nuclear

materials, bombs, and arson; (17) $1,400,000 for development and deployment of a hazardous response forensic database; (18) $6,970,000 for upgraded security at FBI field offices; (19) $3,826,000 to expand the lookout/surveillance program to monitor State sponsors of terrorism; (20) $9,500,000 for grants to States authorized under the Antiterrorism and Effective Death Penalty Act of 1996 to establish, develop, update, or upgrade computerized identification systems that are compatible with NCIC, DNA forensic laboratories, and IAFIS; and (21) $5,500,000 for the FBI's Combined DNA Index System. The FBI should consider State and local automation and forensic projects as outlined in the House and Senate reports when providing grants to States for Identification Systems and DNA laboratories and should not provide ballistics imaging equipment to State or local authorities who have obtained similar equipment through another Federal grant or subsidy unless those State and local authorities have returned the equipment or repaid the grant or subsidy to the Federal government. In addition, the conference agreement assumes that the FBI and Secretary of State will provide a plan, as stated in the House report, to ensure that Consular Offices will have access to information currently available to the FBI to prevent the illegal entry of criminals and terrorists into the United States.

Violent Crime and Anti-Drug Initiative.—The conference agreement also provides $66,572,000 to enhance the FBI's capability to combat violent crime and drugs and to provide vital assistance to State and local law enforcement officers, including: (1) $14,289,000 and 75 agents to support a joint FBI/DEA investigative initiative targeting Mexican Drug Trafficking Organizations; (2) $5,734,000 to expand and support the FBI's Safe Streets Task Forces which focus on street gangs and drug-related violence; (3) $8,250,000 for continuation of the NCIC 2000 project, including enhancements to add a Deported Felon file and a Protective Order file to this system; (4) $20,240,000 for the establishment of the National Instant Criminal Background Check system for handgun purchases; (5) $4,000,000 for State and local training and investigative assistance; (6) $8,334,000 to replace agent vehicles; and (7) $5,725,000 for wireless radio communications.

The conference agreement also includes $3,327,000 to address Freedom of Information and Privacy Act backlogs.

NCIC 2000.—The conference agreement adopts the recommendation included in the Senate report regarding baseline requirements of the NCIC 2000 system. This project, which is of vital importance to law enforcement personnel, has been delayed by over three and one half years and has required over $100,000,000 in additional resources above the original projected cost. The FBI has informed the Committees on Appropriations of both the House and Senate that an additional $30,000,000, above amounts provided to date, will be required to complete this project by August 1999. The conference agreement assumes that this funding will be provided from unobligated balances that will be transferred from the FBI to the Department of Justice Working Capital Fund in fiscal year 1997. In addition, the conference agreement provides $8,250,000 to add two new files to the system. In order to ensure that further delays and cost increases do not occur, the conference agreement supports the recommendation included in the Senate report, that these files are to be the last changes to the system until NCIC 2000 is fully operational and that any further cost over-runs are to be absorbed within the operating budget of the FBI, subject to the reprogramming procedures outlined in section 605 of this Act. In addition, the FBI is directed to continue to provide quarterly status reports on this project and the performance of the contractor.

Integrated Automated Fingerprint Identification System (IAFIS).—Similarly, it is noted that the IAFIS project is currently $119,500,000 over budget and more than one year behind schedule. The conference agreement adopts the recommendation included in the Senate report requiring that further cost over-runs for the IAFIS project are to be funded from FBI base resources, subject to the reprogramming requirements outlined in section 605 of this Act. The conference agreement includes bill language which allows $98,400,000 of resources provided to the FBI to remain available until expended. Of this amount, the conference agreement assumes that $84,400,000 will be used for expenses related to automation of fingerprint identification services. In addition, the FBI is directed to continue to provide quarterly status reports on this project to the Committees on Appropriations of both the House and Senate.

Use of Unexpended Fiscal Year 1996 Funds.—As highlighted in the Senate report, the FBI had unexpended balances of $40,700,000 from 1996 resources and funds provided in the 1995 Counterterrorism Supplemental Appropriation, largely as a result of hiring delays. The Senate report directed that these funds be used for counterterrorism activities and to cover cost over-runs for the NCIC 2000 and IAFIS projects. The conference agreement assumes that $17,100,000 of these funds will be used for certain counterterrorism activities related to ongoing investigations in Saudi Arabia and in connection with the TWA Flight 800 investigation and the Olympic park bombing, $12,300,000 of these funds are to be deposited into the Telecommunications Carrier Compliance Fund for digital telephony requirements, and $11,400,000 will be used to meet other operational requirements of the FBI in 1996.

The conference agreement also includes a provision, included in the Senate-reported bill, that freezes legislative and public affairs staffing in this account at fiscal year 1995 levels. It is noted that the level of staffing in this provision does not include employees assigned to the FBI Tour and Indoor Firearms Range Unit or the Executive, Congressional and Public Constituent Services Unit. The services provided by these units are considered to be legislative and public affairs activities under the provision contained in the conference agreement.

TELECOMMUNICATIONS CARRIER COMPLIANCE FUND

The conference agreement provides $60,000,000 to be deposited into the Telecommunications Carrier Compliance Fund, established under section 110 of this Act, for making payments to telecommunications carriers, equipment manufacturers, and providers of telecommunications support services to implement technology changes under the Communications Assistance for Law Enforcement Act (CALEA).

The funds provided in the conference agreement are designated by the Congress as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 as amended, and are available as emergency spending only to the extent that the President also designates these funds as emergency requirements.

Both the House and Senate-reported bills included a provision under section 110, which provided for the establishment of a Telecommunications Carrier Compliance Fund, that would authorize agencies will law enforcement and intelligence responsibilities to transfer unobligated balances into this Fund, subject to applicable reprogramming requirements, for the purpose of providing reimbursement to telecommunications carriers, in lieu of direct appropriations for this purpose.

However, the conference agreement recognizes the need to provide ''start-up'' funds to address concerns that implementation of CALEA was being delayed for two reasons: (1) the lack of an agreed upon plan between the telecommunications industry, equipment manufacturers and the law enforcement community and (2) funding for the industry to start developing the ''solutions'' necessary to upgrade their systems. The conference agreement provides these funds but requires the Attorney General to develop and submit an implementation plan for approval by the Committees on Appropriations and the Judiciary of both the House and Senate before any of the funds in the Fund are expended. The Senate-reported bill did not include the requirement for an implementation plan because of concerns relating to provisions in the plan included in the House bill. The conference agreement includes revised language to address these concerns and maintains the requirement that an implementation plan be developed before any expenditure of funds. The modified plan requires that the Attorney General set forth: (1) the law enforcement assistance capability requirements and an explanation of law enforcement's recommended interface; (2) the proposed actual and maximum capacity requirements regarding the number of simultaneous law enforcement communications intercepts, pen registers, and trap and trace devices that authorized agencies may seek, including a detailed county by county listing of proposed actual and maximum capacity requirements; (3) a prioritized list of embedded base technologies to be modified by carriers; and (4) a projected reimbursement plan that estimates for each fiscal year based upon the prioritization, the costs of modifications by carriers. The conferees agree that in addition to the above implementation plan, the Attorney General shall develop, in consultation with the industry, and provide to the Committees on Appropriations and the Judiciary by June 30, 1997, an estimate of reasonable costs of modifications to carrier equipment, facilities, and services, based on law enforcement assistance capability and capacity requirements.

In addition, the conference agreement includes the requirement for an annual report to be submitted to Congress by the Attorney General, which details all deposits and expenditures from the Telecommunications Carrier Compliance Fund made pursuant to CALEA.

CONSTRUCTION

The conference agreement includes $41,639,000 in direct appropriations for Construction for the Federal Bureau of Investigation (FBI), instead of $55,676,000 in direct funding as proposed in the House bill and $28,144,000 from the Violent Crime Reduction Trust Fund as proposed in the Senate-reported bill.

The conference agreement provides for the following: (1) $1,287,000 for completion of FBI Academy Upgrades included in 1996 and (2) $40,352,000 as the second installment toward completion of the FBI Forensic Laboratory at Quantico. The conference agreement also adopts the recommendation included in the Senate report, to withhold funding necessary to complete the laboratory, based on initial cost estimates, and require the Department of Justice to review current design options and submit a construction plan with cost estimates and a time line for completion of this project to the Committees on Appropriations of both the House and Senate by November 1, 1996.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $970,388,000 for the salaries and expenses of the Drug Enforcement Administration (DEA), instead of $976,038,000 as proposed in the House bill and $924,000,000 as proposed in the Senate-reported bill, of which $220,000,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $243,000,000 as proposed in the House bill and $165,000,000 as proposed in the Senate-reported bill. Of the total amount provided, $5,000,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. In addition to amounts appropriated, the conference agreement assumes that $52,824,000 will be available from the Diversion Control Fund for diversion control activities. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent.

Source Country/International Strategy.—The conference agreement adopts the recommendation in the House report, to significantly expand DEA's current supply reduction effort by restoring successful international drug control programs to 1992 levels. Program increases for this initiative include the following: (1) $20,000,000 to support Vetted Units in Peru, Colombia, Boliva and Mexico; (2) $5,000,000 for DEA enforcement personnel to support Operation Gateway; (3) $22,858,000 and 75 agents to increase on-site DEA agents in source countries, as outlined in the House report, to provide equipment and support to augment the intelligence effort, and to train and work with newly emerging vetted units; (4) $2,000,000 for DEA human intelligence, communications equipment and maintenance costs for the Peru riverine strategy; (5) $10,000,000 to restart the Andean initiative in Bolivia and Peru; and (6) $632,000 and 2 agents to establish a country office in Pretoria, South Africa. As stated in the House report, DEA is directed to submit a quarterly report, beginning with the first quarter of fiscal year 1997, that provides investigative workhours and funding, by type, within major drug source and transit countries, delineated by country and function.

Southwest Border Initiative.—To support counter-drug efforts on the Southwest border, where over 70 percent of all drugs enter the United States, the conference agreement provides the following program increases: (1) $9,000,000 for a cooperative effort with the FBI to penetrate command and control communications of Mexican drug trafficking organizations; (2) $8,131,000 and 50 agents for investigations from Title III wire intercepts; (3) $4,133,000 to support a classified intelligence research project; and (4) $2,394,000 and 4 agents and 15 diversion investigators to focus on methamphetamine activity on the Southwest border.

Domestic Enforcement and Infrastructure Enhancements.—The conference agreement includes additional resources to support domestic counter-drug activities, including critically-needed support to State and local law enforcement, who are on the front lines of the fight against drug and gang-related violence. Included are the following program increases: (1) $10,900,000 to add 130 more special agents to DEA domestic field offices to support Mobil Enforcement Teams (MET), including $4,000,000 for a new METs initiative focused on drug problems in rural areas and $1,000,000 for METs focused on methamphetamine-related problems; (2) $3,500,000 for marijuana eradication activities; (3) $1,500,000 for investigative equipment; (4) $8,000,000 for wireless radio communications equipment; (5) $1,000,000 for aircraft replacement; and (6) $5,000,000 for replacement vehicles.

The conference agreement also includes a provision, included in the Senate-reported bill, that freezes legislative and public affairs staffing in this account at fiscal year 1995 levels.

CONSTRUCTION

The conference agreement includes $30,806,000 in direct appropriations for Construction for the Drug Enforcement Administration (DEA), instead of $36,306,000 from the Violent Crime Reduction Trust Fund as proposed in the Senate-reported bill and no funding as proposed by the House.

The conference agreement provides for the following: (1) $1,500,000 for the highest priority renovation and upgrade needs at DEA's current forensic laboratory facilities, and (2) $29,306,000 to complete the Justice Training Center to be located at the FBI Academy at Quantico, VA. As stated in the Senate report, the conference agreement adopts the recommendation that any increase in construction costs above the amounts provided for the Justice Training Center are to be absorbed within base DEA operations.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $2,105,159,000 for the salaries and expenses of the Immigration and Naturalization Service (INS), instead of $2,167,782,000 as proposed in the House bill and $1,973,625,000 as proposed in the Senate-reported bill, of which $500,000,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $500,168,000 as proposed in the House bill and $539,476,000 as proposed in the Senate-reported bill. Of the total amount provided, $15,000,000 is designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. In addition to amounts appropriated, the conference agreement assumes that $975,774,000 will be available from offsetting fee collections, instead of $919,285,000 as proposed by the House and $1,029,991,000 as proposed by the Senate-reported bill. Thus, including resources provided under construction, the conference agreement provides a total operating level of $3,090,774,000 for INS, instead of $3,096,908,000 as proposed by the House, $3,009,157,000 as proposed by the Senate-reported bill, and $3,081,908,000 as requested by the Administration. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent.

Border control.—The conference agreement includes: (1) $121,426,000 for 1,000 new border patrol agents and 136 support personnel, instead of 700 new agents as requested by the Administration; (2) $27,093,000 for infrared scopes, low light television systems, sensors and the replacement of three helicopters, including upgraded forward-looking infrared systems; (3) $12,300,000 for 150 new land border inspectors for the Southern border; (4) $1,000,000 to pilot an automated arrival/departure system for pedestrian crossers; (5) $5,000,000 for anti-smuggling and field intelligence activities both domestic and overseas; (6) $5,000,000 for expansion of the interior repatriation program started in San Diego this fiscal year; and (7) $1,243,000 for management support of border enforcement activities. The conference agreement provides $7,000,000 more than requested for additional investments in force-multiplying technology to be deployed along the Southwest border. As stated in the Senate report, allocation of these additional resources is subject to the reprogramming procedures outlined in section 605 of this Act and within the overall amount recommended for border automation and technology, INS should examine the use of Smart Multisensor Acquisition and Remote Transmitting System (SMARTS) technology, a network of sensor packages and communication repeaters that can monitor large, sparsely populated regions of the U.S./Mexico border, thermal imaging sensor upgrades for Border Patrol helicopters, and a prototype interagency enforcement program at the Otay Mesa Port of Entry. In addition, the conference agreement assumes that the San Clemente checkpoint will be operated in accordance with the provision in the bill and the House report.

Detention and Removal of Deportable Aliens.—The conference agreement provides over $70,000,000 more than requested by the Administration because the current shortage of detention space has forced INS to release illegal criminal and non-criminal aliens, who would otherwise be deported. Program increases of $114,322,000 are provided in accordance with the House report and include over 2,700 detention beds, and $10,000,000 to address the deportation of terrorists requested in the Administration's September 12, 1996 budget amendment. As outlined in the House and Senate reports, the INS is directed to submit a quarterly report on removals beginning no later than January 1, 1997.

Infrastructure.—The conference agreement also includes $50,583,000 for infrastructure improvements, including: (1) $16,250,000 for replacement of obsolete radios, weapons and body armor; (2) $14,000,000 for replacement of vehicles and buses; (3) $15,253,000 for 104 additional field administrative and contract support personnel, 7 internal audit positions, and training for new automated systems; and (4) $5,380,000 for training to support long-range career development of journeymen employees.

The conference agreement adopts recommendations included in the House and Senate reports with regard to deployment of resources, INS management reforms, exit control strategy, and increased cooperation of illegal immigration enforcement on Federal lands. Furthermore, the INS is reminded that the opening and closing of offices not identified and provided for in this Act, is subject to the reprogramming requirements in section 605 of this Act.

The conference agreement also includes a provision that provides the level of staffing included for the offices of legislative and public affairs. Also included is technical language included in the Senate-reported bill, that allows prior year balances from the Community Relations Service, Cuban and Haitian Resettlement Program, to be transferred to INS.

Offsetting Fee Collections

The conference agreement assumes that $975,774,000 will be available from offsetting fee collections for INS, instead of $919,285,000 as proposed by the House and $1,029,991,000 as proposed by the Senate-reported bill, to support activities related to the legal admission of persons into the United States. These activities are supported entirely by fees paid by persons who are either traveling internationally or are applying for immigration benefits. The following increases are recommended:

Immigration Examinations Fees.—The conference agreement assumes $567,550,000 of spending from the Immigration Examinations Fee account, instead of $511,061,000 as proposed by the House bill and $586,800,000 as proposed by the Senate-reported bill. The level provided in the conference agreement

assumes that $56,489,000 of carryover available in this account will be used to support $29,567,000 currently provided under the Violent Crime Reduction Trust Fund (VCRTF) for expenses in the citizenship and benefits budget activity related to asylum processing, and $26,922,000 currently provided under the VCRTF for automation programs and infrastructure for exams-related projects. It is noted that INS has over $225,000,000 in unobligated resources that will carryover into fiscal year 1997 in the Examinations Fee Account. The conference agreement adopts the recommendation similar to that included in the Senate report, to transfer base funding to the Immigration Examinations Fee account by transfering the above-mentioned adjudication-related activities from the VCRTF base funding to the Immigration Examinations Fee account, in order to free up additional resources for higher priority border control, deportation and detention initiatives.

In addition, the conference agreement assumes the following program increases for this account: (1) $3,597,000 to continue temporary staffing in Miami, New York, Chicago, Los Angeles and San Francisco to handle naturalization caseload; (2) $2,246,000 to continue temporary staffing in Miami, Newark, New York, Los Angeles and San Francisco to handle adjustment of status case processing; (3) $3,600,000 for FBI fingerprint checks; (4) $2,217,000 to fund court costs for naturalization ceremonies; (5) $6,591,000 to support the Service Center Direct Mail Records contract; and (6) $4,819,000 to continue the pilot records contract currently ongoing in the Miami, Los Angeles, and Chicago District offices.

Inspections User Fees.—The conference agreement assumes $388,664,000 of spending from the Inspections User Fee account as proposed in the House bill, instead of $423,631,000 as proposed in the Senate-reported bill. All requested airport inspections staffing increases were fully funded in both the House and Senate reports. Funding is provided in accordance with the House report.

Land Border Inspections Fees.—The conference agreement includes $11,054,000 in spending from the Land Border Inspection Fund, as proposed in both the House and Senate-reported bills, and assumes funding in accordance with the House and Senate reports.

CONSTRUCTION

The conference agreement includes $9,841,000 for construction for INS as proposed in the House bill, instead of $5,541,000 as proposed in the Senate-reported bill. The conference agreement assumes funding is provided in accordance with the House report.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The conference agreement includes $2,793,540,000 for the salaries and expenses of the Federal Prison System as proposed in the Senate-reported bill, instead of $2,798,040,000 as proposed by the House bill. Of this amount, the conference agreement provides that $25,224,000 will be derived from the Violent Crime Reduction Trust Fund (VCRTF), as proposed by both the House and Senate-reported bills. The conference agreement also assumes that in addition to amounts appropriated, $90,000,000 will be available from unobligated balances from the prior year as proposed in the Senate-reported bill, instead of $50,000,000 as assumed in the House bill. The amount provided is the full amount required to activate all facilities that are scheduled to open in 1997 and is to be used for the purposes set forth in the House and Senate reports, including activations and expansions of prisons at the following locations: Beaumont, Texas; Edgefield, South Carolina; Seattle, Washington; and Elkton, Ohio. In addition, the conference agreement adopts the recommendation included in the House report regarding the Prime Vendor Assistance Program and the recommendation included in the Senate report on privatization of the Federal prison in Taft, California.

BUILDINGS AND FACILITIES

The conference agreement includes $395,700,000 for construction, modernization, maintenance and repair of prison and detention facilities housing Federal prisoners as proposed by the House, instead of $385,700,000 as proposed in the Senate-reported bill. The conference agreement assumes funding is provided in accordance with the House report and supports the Senate report language regarding the detention facility in Hawaii.

FEDERAL PRISON INDUSTRIES INCORPORATED

(LIMITATION ON ADMINISTRATIVE EXPENSES)

The conference agreement includes a limitation on administrative expenses of $3,042,000 for the Federal Prison Industries, as proposed in both the House and Senate-reported bills, and assumes funding is provided in accordance with the House and Senate reports.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

The conference agreement includes $118,429,000 for Justice Assistance, instead of $105,000,000 as proposed in the House bill and $101,629,000 as proposed in the Senate-reported bill. Of the amount provided, $17,000,000 is designated by the 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, and amounts above the request are available as emergency spending only to the extent that the President also designates these funds as emergency requirements. The conference agreement provides the following:

National Institute of Justice	$31,429,000
Defense/Law Enforcement Technology Network	(9,229,000)
Counterterrorism Technologies	10,000,000
Grants to Firefighters/Emergency Service Personnel	5,000,000
State and Local Training—Counterterrorism	2,000,000
Bureau of Justice Statistics	21,379,000
Missing Children	5,971,000
Regional Information Sharing System	14,500,000
White Collar Crime Information Center	3,850,000
Management and Administration	24,300,000
Total	118,429,000

National Institute of Justice. (NIJ).—In addition to the above amount, $20,000,000 will be provided to NIJ in fiscal year 1997 from the Local Law Enforcement Block Grant for assisting units of local government to identify, select, develop, modernize, and purchase new technologies for use by law enforcement. The conference agreement adopts the recommendation in the House report, that provides that within the overall amount provided to NIJ, the Office of Justice programs is expected to provide $11,500,000 for the Southwest Border States Anti-Drug Information System, $3,500,000 for Facial Recognition Technology, $1,000,000 for a national study on the health care status of soon-to-be-released inmates, and an appropriate level of resources to be transferred to the FBI for continued operations of the Center of Advanced Support in Technology for Law Enforcement. In addition, as stated in the Senate report, the allowed use of the remaining funds in this program should be modified to include counterterrorism technologies, computerized identification systems, and forensic DNA analysis technologies as outlined in sections 811 and 821 of the Antiterrorism and Effective Death Penalty Act of 1996. OJP is also expected to submit quarterly reports on funding for activities within NIJ and to utilize NIJ employees for oversight of the Office of Law Enforcement Technology Commercialization, as stated in the House report.

Defense/law enforcement technology transfer.—The conference agreement provides $7,800,000 to assist the NIJ in its efforts to adopt technologies for law enforcement purposes. Within this amount, $5,000,000 is provided for continuation of the law enforcement technology center network and $2,800,000 is provided to continue the technology commercialization initiative at the National Technology Transfer Center. In addition, to ensure adequate oversight of the joint departmental initiative, $1,429,000 is provided for management by NIJ personnel.

Counterterrorism Technologies.—The conference agreement provides $10,000,000 for counterterrorism technology programs authorized under section 821 of the Antiterrorism and Effective Death Penalty Act of 1996. These funds are designated by the Congress as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and are available as emergency spending only to the extent that the President also designates these funds as emergency requirements. The House bill included funding for these programs within amounts provided to NIJ from the Local law Enforcement Block Grant. The Senate bill included funding for these programs under State and Local Law Enforcement Assistance, Violent Crime Reduction Programs.

Grants to Firefighters and Emergency Services Personnel.—The conference agreement provides $5,000,000 for local firefighter and emergency service training grants as authorized under section 819 of the Antiterrorism and Effective Death Penalty Act of 1996. These funds are designated by the Congress as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and are available as emergency spending only to the extent that the President also designates these funds as emergency requirements. The House bill included funding for these programs within amounts provided in this account. The Senate bill included funding for these programs under State and Local Law Enforcement Assistance, Violent Crime Reduction Programs.

State and local Antiterrorism Training.—The conference agreement provides $2,000,000 as requested in the Administration's recent budget amendment, for State and local law enforcement training to address antiterrorism preparedness. These funds are designated by the Congress and the President as emergency requirements pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Missing children.—The conference agreement provides $5,971,000 for the Missing Children Program as proposed by both the House and Senate-reported bills.

National White Collar Crime Center.—The conference agreement includes $3,850,000 for the National White Collar Crime Center as

proposed by both the House and Senate-reported bills.

Management and administration.—The conference agreement provides $24,300,000 and 300 FTE for Management and Administration expenses of the Office of Justice Programs as proposed in both the House and Senate-reported bills. In addition, reimbursable funding from VCRTF programs and Community Oriented Policing Services and a transfer from the Juvenile Justice account, will be provided for the administration of grants under these activities. Total funding for the administration of grants assumed in the conference agreement is as follows:

	Amount	FTE
Direct Appropriation	$24,300,000	300
Transfer from Juvenile Justice programs	4,800,000	71
Reimbursement from VCRTF	32,325,000	286
Reimbursement from COPs	2,500,000	23
Total	64,025,000	680

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

The conference agreement includes $2,397,150,000 for State and Local Law Enforcement Assistance instead of $2,434,900,000 as proposed in the House bill and $2,304,100,000 as proposed in the Senate-reported bill. Of this amount, the conference agreement provides that $2,036,150,000 shall be derived from the Violent Crime Reduction Trust Fund (VCRTF), instead of $2,119,900,000 as proposed in the House bill and $1,944,100,000 as proposed in the Senate-reported bill.

The conference agreement provides for the following programs from direct appropriations and the VCRTF:

Direct Appropriation:	
Byrne Discretionary Grants	$60,000,000
Byrne Formula Grants	301,000,000
Total Direct Appropriations	361,000,000
Violent Crime Reduction Trust Fund:	
Byrne Formula Grants	199,000,000
Local Law Enforcement Block Grant	523,000,000
Boys and Girls Clubs	(20,000,000)
Drug Courts	30,000,000
Upgrade Criminal History Records (Brady Bill)	50,000,000
State Prison Grants	670,000,000
Cooperative Agreement Program	(12,500,000)
Alien Incarceration	(170,000,000)
State Criminal Alien Incarceration Program	330,000,000
Violence Against Women Act Grants	196,500,000
State Prison Drug Treatment	30,000,000
DNA Identification Grants	3,000,000
Law Enforcement Family Support Programs	1,000,000
Senior Citizens Against Marketing Scams	2,000,000
Motor Vehicle Theft Prevention	750,000
Missing Alzheimer's Patient Program	900,000
Total, Violent Crime Reduction Trust Fund	2,036,150,000

Edward Byrne grants to States.—The conference agreement provides $560,000,000 for the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, of which $60,000,000 is for discretionary grants and $500,000,000 is provided for formula grants under this program. The amount provided in the conference agreement includes an additional $25,000,000 as proposed by the House, to allow States to implement drug testing initiatives.

Byrne discretionary grants.—The conference agreement provides $60,000,000 for discretionary grants under Chapter A of the Edward Byrne Memorial State and Local Assistance Program, as proposed in both the House and Senate-reported bills. Within the amount provided, the conferees expect the Bureau of Justice Assistance (BJA) to provide:

$28,500,000 for the Weed and Seed program;

$4,000,000 for the National Crime Prevention Council to continue and expand the National Citizens Crime Prevention Campaign (McGruff);

$1,750,000 to continue and expand the Drug Abuse Resistance Education (DARE AMERICA) program;

$2,000,000 for continued funding for the Washington Metropolitan Area Drug Enforcement Task Force;

$775,000 for Project Return, a correctional options program;

$1,000,000 for continued funding for the National Judicial College;

$1,000,000 to SEARCH Group, Inc. to continue and expand the National Technical Assistance Program, which provides support to State and local criminal justice agencies to improve their use of computers and information technology; and

1,000,000 for the National Motor Vehicle Title Information System, authorized by the Anti-Car Theft Improvement Act, to begin pilot implementation and complete network infrastructure.

Within the available resources the conferees also urged BJA to favorably consider funding for the trauma reduction initiative, the victim information and notification everyday (VINE) system, the National Night Out Program, establishment of a Violence Institute and the community security program of the Local Initiative Support Corporation, as stated in the House and Senate reports.

In addition, the conferees recommend that the Department of Justice consider submission of a reprogramming to continue support for State and local task forces to address church burnings.

VIOLENT CRIME REDUCTION TRUST FUND PROGRAMS

Local Law enforcement block grant.—The conference agreement includes $523,000,000 for the Local Law Enforcement Block Grant program, instead of $571,000,000 as proposed by the House and $503,000,000 as proposed by the Senate-reported bill, in order to continue the commitment to provide local governments with the resources and flexibility to address specific crime problems in their communities with their own solutions. Within the amount provided, the conference agreement includes language providing $20,000,000 to the Boys and Girls Clubs of America. Funding provided for drug courts is included under a separate account, instead of under this account as proposed by the House.

Drug Courts.—The conference agreement includes $30,000,000 for drug courts under a separate account, instead of requiring a reprogramming of $18,000,000 from the Local Law Enforcement Block Grant as proposed in the House bill, or a reprogramming of $20,000,000 from the Community Oriented Policing Services Program, as proposed in the Senate-reported bill.

Violence Against Women Act programs.—The conference agreement includes $197,500,000 for grants to support the Violence Against Women Act of which $196,500,000 is provided under this account and $1,000,000 is provided under the U.S. Attorneys, as proposed in both the House and Senate-reported bills. Grants provided under this account are for the following programs:

General Grants	$145,000,000
Victims of Child Abuse Programs:	
Court-Appointed Special Advocates	6,000,000
Training for Judicial Personnel	1,000,000
Grants for Televised Testimony	550,000
Grants to Encourage Arrest Policies	33,000,000
Rural Domestic Violence	8,000,000
National Stalker and Domestic Violence	1,750,000
Training Programs	1,000,000
Study on Campus Sexual Assault	200,000
Total	196,500,000

National Instant Criminal Background Check System.—The conference agreement provides $50,000,000, as proposed in both the House and Senate-reported bills, for States to upgrade criminal history records as required under the Brady Bill. In addition, $20,240,000 is included in the conference agreement under the FBI to complete development of the National Instant Criminal Background Check System, as proposed by both the House and Senate-reported bills.

State prison grants.—The conference agreement provides $670,000,000 for State Prison Grants, instead of $680,000,000 as proposed in the House bill and $630,000,000 as proposed in the Senate-reported bill. Of the amount provided, $170,000,000 is available to States for the incarceration of criminal aliens and $12,500,000 is for the Cooperative Agreement Program, as proposed in both the House and Senate-reported bills. The conference agreement also includes language proposed in the House bill that allows California to use funds provided under the State Prison Grant program to support the cost of incarcerating criminal aliens. In addition, the conference agreement includes new language, not proposed in the House or Senate-reported bills, that requires that beginning in fiscal year a State cannot receive a grant under this program unless it has implemented a program of drug testing for certain convicted offenders.

State Criminal Alien Assistance Program.—The conference agreement provides $330,000,000 for the State Criminal Alien Assistance Program for reimbursement to States for the costs of incarceration of criminal aliens, as proposed by both the House and Senate. In addition to this amount the conference agreement also provides $170,000,000 for this purpose under the State Prison Grants program. Thus, the conference agreement includes a total of $500,000,000 for reimbursement to States for alien incarceration, as proposed in both the House and Senate-reported bills.

Substance Abuse Treatment for State Prisoners.—The conference agreement includes $30,000,000 for substance abuse treatment programs within State and local correctional facilities, instead of $35,000,000 as proposed by the House and $29,700,000 as proposed in the Senate-reported bill.

State Courts Assistance Program.—The conference agreement does not include $5,000,000 in funding under the State Courts Assistance program, as proposed in the House, but instead provides funding for State court programs under the State Justice Institute as proposed in the Senate-reported bill.

DNA Identification State grants.—The conference agreement includes $3,000,000 for DNA Identification State Grants, as proposed by both the House and Senate-reported

bills. Within the amount made available under this program and in conjunction with State grants for this purpose under the FBI, the conferees expect the Office of Justice Programs and the FBI to examine proposals to establish a South Carolina State DNA identification record data base and a Center for Forensic Science Standards, including an arson and explosion reference laboratory in Central Florida, and provide grants, if warranted.

Law Enforcement Family Support Programs.—The conference agreement includes $1,000,000 for law enforcement family support programs, as proposed by the House, instead of no funding as proposed in the Senate-reported bill.

Senior Citizens Against Marketing Scams.—The conference agreement includes $2,000,000 for programs to assist law enforcement in preventing and stopping marketing scams against senior citizens, as proposed in the House bill, instead of no funding as proposed in the Senate-reported bill.

Motor vehicle theft prevention.—The conference agreement includes $750,000 for grants to combat motor vehicle theft, instead of $500,000 as proposed in the House bill and $1,000,000 as proposed in the Senate-reported bill.

Safe Return Program.—The conference agreement includes $900,000 for the Missing Alzheimer's Patient Program, as proposed in both the House and Senate-reported bills.

The conference agreement adopts the recommendation included in the Senate report which directs the Attorney General, to the extent possible to ensure that State, local, and Indian tribal criminal justice agency technology grant proposals include technology that is compatible with or can interface with other national law enforcement and criminal justice information systems being developed, in particular, NCIC 2000, the National Instant Background Check System, the national incident-based reporting system, and DRUGFIRE.

WEED AND SEED PROGRAM FUND

The conference agreement includes $28,500,000 for the Weed and Seed program from discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, as proposed by both the House and Senate-reported bills.

COMMUNITY ORIENTED POLICING SERVICES

VIOLENT CRIME REDUCTION PROGRAMS

The conference agreement includes $1,400,000,000 for the Community Oriented Policing Services (COPs) program, as proposed by both the House and Senate-reported bills. In addition to this amount, the conference agreement provides $20,000,000 for the Police Corps program as proposed by the Senate-reported bill, instead of $10,000,000 as proposed by the House bill.

The conference agreement does not include provisions included in the House bill, which would have directed $71,000,000 of the funds provided to be used to support local police officers participating on DEA task forces and $30,500,000 of the funds to be used to enhance grants available to States to develop innovative and community policing initiatives designed to address youth violence and juvenile crime.

The conference agreement also does not include provisions included in the Senate-reported bill, which would have allowed $20,000,000 of the funds provided to be used for drug courts and $42,500,000 of the funds to be used for drug testing initiatives, subject to reprogramming procedures in section 605 of the Act.

The conference agreement has not included these non-hiring initiatives in order to address the Administration's concern that sufficient funding be provided to maintain the commitment to hiring 100,000 new police officers. Thus, funding provided in this Act is to be used only for police hiring grants, which include grants under the Universal Hiring Program and the COPs MORE program. Funds available from prior year carryover may be used for innovative community policing programs, subject to the reprogramming requirements in sections 605 of this Act. The conference agreement has provided sufficient funding under other programs to support initiatives such as training, overtime, innovative prevention programs and technology enhancements, which should not be duplicated under this program.

The conference agreement also includes a provision that provides that not to exceed 186 positions, 174 workyears, and $19,800,000 shall be expended for management and administration of the COPs program, as proposed by the Senate-reported bill, instead of 130 positions, 130 workyears, and $14,602,000, as proposed in the House bill.

JUVENILE JUSTICE PROGRAMS

The conference agreement includes $174,500,000 for Juvenile Justice programs, instead of $149,500,000 as proposed by the House and $158,500,000 as proposed by the Senate-reported bill.

Juvenile justice and delinquency prevention.—Of the total amount provided, $170,000,000 is for grants and administrative expenses for Juvenile Justice and Delinquency Prevention (JJDP) programs including:

1. $5,000,000 for the Office of Juvenile Justice and Delinquency Prevention (OJJDP) (Part A).

2. $86,500,000 for Formula Grants for assistance to State and local programs (Part B). A provision is included that makes $16,500,000 of the amount available for formula grants available to States that have adopted policies (or will have in effect not later than one year after date of application) and programs that ensure that juveniles are subject to accountability-based sanctions for every act for which they are adjudicated delinquent.

3. $29,500,000 for Discretionary Grants for National Programs and Special Emphasis Programs (Part C). Within the amount provided for Part C discretionary grants, the conference agreement adopts recommendations included in the House and Senate reports that direct OJJDP to provide the following:

$2,300,000 to continue and expand the National Council of Juvenile and Family Courts which provides continuing legal education in family and juvenile law;

$1,000,000 for the Teens, Crime and the Community program;

$2,300,000 for the Angel Gate Academy;

$1,900,000 for the National Institute for School/Community Violence;

$1,500,000 for the Jimmy Ryce Law Enforcement Training Center at the Center for Missing and Exploited Children; and

$800,000 for the Suffolk County Police Athletic League, a program that serves over 26,000 high-risk, low-income youths.

In addition, the conference agreement also adopts recommendations included in the House and Senate reports that direct OJJDP to examine each of the following proposals, to provide grants if warranted, and to report to the Committees on Appropriations of both the House and Senate on its intentions for each proposal: a grant to the Institute on Violence and Destructive Behavior; a grant to the Parents Resource Institute for Drug Education (PRIDE); a grant to the coalition for juvenile justice; restorative justice challenge grants; a grant to the Teen Night Out Program; a grant to a Kansas Juvenile Intake and Assessment Center; a grant to Parents Anonymous, Inc.; a grant to Project O.A.S.I.S.; a grant to Kids Peace National Center for Kids; a grant to the Savannah Youth Futures Authority; a grant to the Consortium on Children, Families, and Law; and continued support for law-related education.

4. $12,000,000 to expand the Youth Gangs (Part D) program which provides grants to public and private nonprofit organizations to prevent and reduce the participation of at-risk youth in the activities of gangs that commit crimes.

5. $10,000,000 for Discretionary Grants for State Challenge Activities (Part E) to increase the amount of a State's formula grant by up to 10 percent, if that State agrees to undertake some or all of the ten challenge activities designed to improve various aspects of a State's juvenile justice and delinquency prevention program.

6. $7,000,000 for Juvenile Mentoring Program (Part G) to reduce juvenile delinquency, improve academic performance, and reduce the drop-out rate among at-risk youth through the use of mentors by bringing together young people in high crime areas with law enforcement officers and other responsible adults who are willing to serve as long-term mentors.

7. $20,000,000 for Incentive Grants for Local Delinquency Prevention Programs (Title V), to units of general local government for delinquency prevention programs and other activities for at-risk youth.

In addition, the conferees urge OJJDP to pay particular attention to intervention and crime prevention programs which focus on addressing unique circumstances at Indian reservations.

Victims of Child Abuse Act.—The conference agreement includes $4,500,000 for the various programs authorized under the Victims of Child Abuse Act (VOCA), as proposed in both the House and Senate-reported bills. In addition, funding of $7,000,000 is provided for Victims of Child Abuse programs under the Violence Against Women Programs funded by the Violent Crime Reduction Trust Fund. The following programs are included in the recommendation:

$4,500,000 to Improve Investigations and Prosecutions (Subtitle A) as follows:

$500,000 to establish Regional Children's Advocacy Centers, as authorized by section 213 of VOCA;

$2,000,000 to establish local Children's Advocacy Centers, as authorized by section 214 of VOCA;

$1,500,000 for a continuation grant to the National Center for Prosecution of Child Abuse for specialized technical assistance and training programs to improve the prosecution of child abuse cases, as authorized by section 214a of VOCA; and

$500,000 for a continuation grant to the National Network of Child Advocacy Centers for technical assistance and training, as authorized by section 214a of VOCA.

PUBLIC SAFETY OFFICERS BENEFITS

The conference agreement includes $2,200,000 for the Public Safety Officers benefits as proposed by both the House and the Senate-reported bills.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

The conference agreement includes the following general provisions for the Department of Justice:

Sec. 101.—The conference agreement includes section 101 as proposed by both the House and Senate-reported bills, which makes up to $45,000 of the funds appropriated to the Department of Justice available for reception and representation expenses.

Sec. 102.—The conference agreement includes section 102 as proposed by both the

House and Senate-reported bills, which continues certain authorities for the Justice Department in fiscal year 1997 that were contained in the Department of Justice Authorization Act, fiscal year 1980.

Sec. 103.—The conference agreement includes section 103 as proposed by both the House and Senate-reported bills, which prohibits the use of funds to perform abortions in the Federal Prison System.

Sec. 104.—The conference agreement includes section 104 as proposed by both the House and Senate-reported bills, which prohibits use of the funds to require any person to perform, or facilitate the performance of, an abortion.

Sec. 105.—The conference agreement includes section 105 as proposed by both the House and Senate-reported bills, which states that nothing in the previous section removes the obligation of the Director of the Bureau of Prisons to provide escort services to female inmates who seek to obtain abortions outside a Federal facility.

Sec. 106.—The conference agreement includes section 106 as proposed by both the House and Senate-reported bills, which allows the Department of Justice to spend up to $10,000,000 for rewards for information regarding acts of terrorism against a United States person or property at levels not to exceed $2,000,000 per reward.

Sec. 107.—The conference agreement includes section 107 as proposed by both the House and Senate-reported bills, which allows the Department of Justice, subject to reprogramming procedures, to transfer up to 5 percent between any appropriation, but limits to 10 percent the amount that can be transferred into any one appropriation.

Sec. 108.—The conference agreement includes section 108 as proposed in the House and Senate-reported bills, that allows balances remaining in the Assets Forfeiture Fund after September 30, 1996 to be available to the Attorney General for any authorized purpose of the Department of Justice.

Sec. 109.—The conference agreement includes section 109 as proposed in the Senate bill, and similar to language included in the House bill, which restructures quarterly fee payments for debtors under chapter 11 of the Bankruptcy Code, and which allows all fees to be used as offsetting collections to the U.S. Trustees Program and which amends a provision included in the 1996 Appropriations Act, to clarify that fees collected under post-confirmation status are to be assessed in all pending chapter 11 cases.

Sec. 110.—The conference agreement includes section 110 which establishes the telecommunications carrier compliance fund for payments to telecommunications carriers and equipment manufacturers to implement technology changes required under the Communications Assistance for Law Enforcement Act (CALEA), as proposed by both the House and Senate. However, revisions have been made to this language to address concerns over the requirements set forth in the implementation plan and are explained under the heading Federal Bureau of Investigation, Telecommunications Carrier Compliance Fund.

Sec. 111.—The conference agreement includes section 111 as proposed by the House which states the sense of the Congress with regard to the illegal importation of the drug Rohypnol.

Sec. 112.—The conference agreement includes section 111 as proposed by the Senate and changes the number to section 112, which allows funds available to States from the Victims of Crime Fund to be available for expenditure over a two-year period instead of one year, as provided in current law, and allows $500,000 of funds available in the reserve fund held by the Department of Justice, to be available to assist the victims of the Oklahoma City bombing throughout the trial.

Sec. 113.—The conference agreement includes new language, to replace language included in the Senate-reported bill under section 112, which amends Section 732 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132). First, the provision expands the evaluation under subsection (a) to include an evaluation and concurrent report by the Secretary of the Treasury, in consultation with the Attorney General, on the possible use and exploitation of special technologies, such as ''vapor detection devices, computer tomography, nuclear quadrupole resonance, thermal neutron analysis, pulsed fast neutron-analysis, and other technologies''. Because special technologies have developed and advanced, this study directs the Secretary of the Treasury to investigate and recommend to Congress a course of action on the further study and possible use of these special technologies to detect explosive devices before they can do any harm. Second, the provision requires the Secretary of the Treasury to enter into a contract with the National Academy of Sciences to conduct a study of the feasibility of adding taggants to black and smokeless powder. The study will be supervised by an independent panel of five experts appointed by the Academy and will consider six elements, each of which is important to determining whether the possible use of taggants is both desirable and feasible. Additionally, the study requires that the Academy consult with Federal, state, and local officials, nongovernmental organizations, including national police organizations, national sporting organizations and national industry associations with expertise in this area, as well as other individuals as the Academy deems necessary. The conferees expect to have as broad and comprehensive a consultation process as is practical. The Academy is required to present this study to Congress, twelve months after the enactment of these subsections, and both the study and any data used to formulate the study are to be made publicly available. The Congress may then take action on the matter in accord with its usual procedure.

Sec. 114.—The conference agreement includes new language, not included in the House or Senate-reported bills, that allows the portion of an award payment associated with a forfeiture to be paid for out of the permanent indefinite appropriation of the Asset Forfeiture Fund and conforms these expenses to the method of payment for other costs of forfeiture.

Sec. 115.—The conference agreement includes new language, not included in the House or Senate-reported bills, which authorizes the Attorney General to reimburse employees paid for under any appropriation account of the Department of Justice for additional Federal, State and local income taxes incurred as the result of extended temporary duty status when traveling on behalf of the United States to investigate, prosecute, or litigate a criminal or civil matter, or for other similar special circumstances.

Sec. 116.—The conference agreement includes new language, not included in the House or Senate-reported bills, which provides the Attorney General with authorization to accept gifts of personal property for the purpose of aiding or facilitating the work of the Department of Justice and its agencies.

Sec. 117.—The conference agreement includes new language, not included in the House or Senate-reported bills, which authorizes the Attorney General for fiscal year 1997, to transfer certain forfeited properties to State and local governments, or their designated contractor or transferee, for public health, safety and welfare purposes. The conferees expect the Attorney General to notify the Committees on Appropriations of the House and Senate prior to the transfer of properties under this provision.

Sec. 118.—The conference agreement includes new language, not included in the House or Senate-reported bills, which allows the Independent Counsel to extend by successive six-month periods, the travel status of an employee and the appropriate reimbursement of travel expenses.

Sec. 119.—The conference agreement includes new language, not included in the House or Senate-reported bills, which restores the public safety exemption under the Age Discrimination in Employment Act, thereby allowing police and fire departments to use maximum hiring ages and mandatory retirement ages as elements of their overall personnel policies.

Sec. 120.—The conference agreement includes new language, not included in the House or Senate-reported bills, which clarifies the original intent of a provision included in the Violent Crime Control and Law Enforcement Act of 1994 concerning Federal rules of evidence in Federal sex offense trials. The amendment ensures that evidence of a defendant's prior sexual assaults is admissible in all Federal sex offense trials conducted after the effective date (including cases which were indicted before the effective date) established in the 1994 Act.

Sec. 121.—The conference agreement includes new language, not included in the House or Senate-reported bills, to address the growing problem of child pornograhic materials produced using new computer imaging and ''morphing'' technologies. Current law covers only materials produced using actual children engaging in sexually explicit conduct. This section amends U.S. Code Title 18, Section 2256, to establish a specific statutory definition of child pornography. Under this section, any visual depiction, such as a photograph, film, videotape or computer image, which is produced by any means, including electronically by computer, of sexually explicit conduct will be classified as child pornography if: (a) its production involved the use of a minor engaging in sexually explicit conduct; (b) it depicts, or appears to depict, a minor engaging in sexually explicit conduct; (c) it has been created, adapted or modified to appear that an identifiable minor is engaging in sexually explicit conduct; or (d) it is promoted or advertised as depicting a minor engaging in sexually explicit conduct. It would increase the penalties for child sexual exploitation, child sexual abuse and child pornography offenses, particularly for repeat offenders.

This section would also protect federal, state and local governments, and state and local law enforcement officials, from the threat of civil lawsuits and the awarding of damages as the result of searches and seizures made in connection with child pornography investigations or prosecutions. It does so by extending current Privacy Protection Act (U.S. Code Title 42, Section 2000aa) exceptions allowing certain searches and seizures where the offense consists of the receipt, possession of communication of information pertaining to the national defense, classified information or restricted data to offenses involving the production, possession, sale or distribution of child pornography, the sexual exploitation of children, or the sale or purchase of children.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

The conference agreement includes $21,449,000 for the salaries and expenses of the Office of the United States Trade Representative, the same amount as proposed in both the House and Senate-reported bills.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $40,850,000 for the salaries and expenses of the International Trade Commission (ITC) for fiscal year 1997, instead of $40,000,000 as proposed in the House bill and $41,707,000 as proposed in the Senate-reported bill.

Within the amounts provided, the conference agreement assumes that not less than 3 permanent full time equivalents (FTE) and 1 temporary FTE will be allocated to the Office of the Inspector General, and contract funds will be provided to the IG at not less than the fiscal year 1996 level.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

The conference agreement includes $270,000,000 for the operations and administration of the International Trade Administration for fiscal year 1997, instead of $272,000,000 as proposed by the House bill, and $267,939,000 recommended in the Senate-reported bill. The following table reflects the distribution of these funds by activity included in the conference agreement:

Trade Development	$59,400,000
Int'l Economic Policy	17,100,000
(Trade Compliance Center)	(2,500,000)
Import Administration	29,500,000
U.S. & F.C.S.	168,200,000
Carryover	4,200,000
Total, ITA	270,000,000

The conferees remind ITA that any changes to this distribution are subject to the reprogramming procedures set forth in section 605 of this Act.

The conferences approved the recent reorganization of the International Economic Policy (IEP) unit which established a Trade Compliance Center (TCC) to compile and utilize a comprehensive database of trade and other relevant agreements. The conference agreement includes $17,100,000 for IEP, of which $2,500,000 and 25 full time equivalents (FTE) are provided for the TCC.

Within the amounts provided under this account, $168,200,000 is for the U.S. and Foreign Commercial Service (U.S.&FCS). The conference agreement assumes this level is sufficient to support the full request for U.S.&FCS domestic and international operations, and assumes they any reductions will be taken from headquarters functions.

The conference agreement provides $59,400,000 for Trade Development, including funding at levels provided in the House report for the current participants in the National Textile Center (NTC) Consortium and the Textile/Clothing Technology Corporation. In addition, within the increase provided for Trade Development, the conferees expect ITA to provide support for items included in the Senate report related to the expansion of the NTC and to international environmental regulations, as well as initiatives previously supported by ITA to help small businesses improve their international competitiveness, and to increase small business global competitiveness in biotechnology. Further, the Market Development Cooperator Program is funded at $1,500,000, the same level provided in the fiscal year 1996. In addition, any reductions in Trade Development are to be taken proportionately across all programs and functions.

Further, the conference agreement adopts language included in the House report concerning the Technology Village Partnership, unfair trade practices with respect to Canadian lumber, and privatization of certain trade shows. The conferees expect ITA to follow the language included in the Senate report regarding reorganization of the domestic field office structure.

In addition, the conference agreement provides $9,400,000 in fiscal year 1997 emergency funding in title IV of the bill as part of the counterterrorism initiative for the U.S.&FCS to address its overseas security requirements. It is the conferees intent that the U.S.&FCS determine requirements and that program management and administration be carried out by the Department of State.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

The conference agreement includes $39, 900,000 for the Bureau of Export Administration (BXA), instead of $38,604,000 as proposed in the House bill, and $34,698,000 as proposed in the Senate-reported bill. When combined with carryover balances of approximately $1,800,000, a total of $41,700,000 will be available to the BXA in fiscal year 1997. The conference agreement provides increases above the fiscal year 1996 appropriated level for counterterrorism initiatives and implementation of the Fastener Quality Act.

Counterterrorism Initiative.—Of the amounts provided under this account for BXA, the conference agreement includes $3,900,000 and 22 FTE for the Office of Export Enforcement to expand BXA's nonproliferation enforcement efforts. Such amounts are designated as emergency requirements pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, as requested in the budget amendment submitted September 12, 1996. Neither the House nor Senate-reported bills included emergency funding for this purpose. Instead, the Senate-reported bill proposed to transfer of $2,500,000 from the Department of Justice to BXA for counterterrorism activities. The conference agreement does not include this transfer.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The conference agreement includes $328,500,000 for the Economic Development Administration grant programs as proposed in the House bill, instead of $273,500,000 as proposed in the Senate-reported bill.

The following table shows the distribution of these funds by activity as agreed to by the conferees:

Public Works (Title I)	$165,200,000
Planning	24,000,000
Technical Assistance	17,600,000
Defense Conversion	90,000,000
Economic Adjustment (Title IX)	31,200,000
Research and Evaluation	500,000

The conference agreement provides funding for the Title I Public Works and Defense Conversion programs at the fiscal year 1996 level. In addition, $17,600,000 is included for EDA's technical assistance programs, including the University Centers and Trade Adjustment Assistance Centers programs.

The conference agreement increases amounts for Economic Adjustment (Title IX) above the request in order to allow EDA to complete is activities pursuant to section 11(b) of Public Law 99–663 as in the Senate report. In addition, the Committees expect EDA to continue its effort to assist communities impacted by economic dislocations related to coal industry downswings. Further, the conference agreement endorses the recommendations in the House report regarding targeting of resources to the most severely distressed communities.

SALARIES AND EXPENSES

The conference agreement includes $20,036,000 for salaries and expenses for the EDA as proposed in the Senate-reported bill, instead of $20,000,000 as proposed in the House bill. The conference agreement assumes EDA will use either the Salaries and Expenses appropriation or the revolving fund (under 42 U.S.C. 3143) to pay the salaries and expenses of the EDA Liquidation Division. The conference agreement adopts the recommendations included in both the House and Senate reports.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

The conference agreement includes $28,000,000 for the programs of the Minority Business Development Agency (MBDA), instead of $29,000,000 proposed in the House bill and $26,000,000 as proposed in the Senate-reported bill. The conferees direct that to the maximum extent possible these reductions should come from downsizing MBDA headquarters and regional staff in order to maintain program delivery to minority entrepreneurs.

The conference recommendation reflects concerns expressed in both the House and Senate reports regarding continued duplication and lack of coordination between the MBDA and the Small Business Administration (SBA). The conference agreement adopts the House concept setting aside $2,000,000 of MBDA's funding to be used only for projects jointly developed, implemented, and administered in conjunction with the SBA. Further, an additional $1,000,000 is provided under the Small Business Administration in title V of the bill as part of this initiative. The conferees direct the interagency working group to submit a plan for the use of these funds no later than November 15, 1996, and to submit a reprogramming notification in accordance with section 605 of this Act.

The conference agreement assumes that MBDA will continue its support for the Entrepreneurial Technology Apprenticeship Program. The conferees believe this program provides unique experiences and opportunities in the field of technology to minority students, and expects the agency to continue its commitment to this important initiative and report back to the Appropriations Committees on its intentions regarding this matter by December 1, 1996.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

The conferees have provided $45,900,000 for salaries and expenses of the activities funded under the Economic and Statistical Analysis account as proposed in the House bill, instead of $49,400,000 as proposed in the Senate-reported bill. The conference agreement adopts the directive included in the House report regarding the Integrated Environmental-Economic Accounting or ''Green GDP'' initiative. In addition, the conference agreement assumes that BEA, within the resources provided, will place a high priority on its initiative to improve gross domestic product (GDP) data. The Committees would be willing to entertain a transfer of funds from within the Department to augment this activity if additional funds are required.

ECONOMICS AND STATISTICS ADMINISTRATION

REVOLVING FUND

The conference agreement includes language allowing the dissemination of economic and statistical data products at full cost as proposed in both the House and Senate bills.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

The conference agreement includes $135,000,000 for the Bureau of the Census Salaries and Expenses account, instead of $133,617,000 as proposed in the House bill and $139,700,000 as proposed in the Senate bill. The conference agreement provides an increase above the fiscal year 1996 level for the Bureau's initiative to restructure the national standard industrial codes system. Further, the conference agreement adopts the recommendations included in both the House and Senate reports regarding reprioritization of programs funded under this account as well as reimbursements from other Federal agencies and private organizations.

PERIODIC CENSUSES AND PROGRAMS

The conference agreement provides $210,500,000 for the Census Bureau's Periodic Censuses and Programs account as proposed in the Senate-reported bill, instead of $205,100,000 as proposed in the House bill.

The conferees have included the following amounts for Census programs:

Economic Censuses	$25,000,000
Census of governments	2,000,000
Intercensal Demographic estimates	5,200,000
Decennial Census	84,110,000
Continuous measurement	16,600,000
Sample redesign	3,800,000
CASIC	6,000,000
Geographic support	43,000,000
Data processing systems	24,790,000
Total	210,500,000

The conference agreement assumes that this distribution will be used as the basis for any proposed reprogramming of funds in accordance with section 605 of this Act.

The conference agreement adopts recommendations included in the House report regarding prioritization of national statistical programs.

Census 2000.—The conference agreement provides an increase of $60,400,000 in the overall account for decennial-related activities, including a $35,285,000 increase for the Year 2000 Decennial Census direct activities. The conferees reiterate the concern expressed in the House report regarding the inability of the Bureau to produce an adequate plan that accurately predicts and budgets for the costs of the Year 2000 Census. In addition, the conferees reiterate concerns in the House report regarding the Bureau's lack of adequate plans to develop options and alternatives adequately addressing issues of accuracy and cost. Therefore, within the amounts provided, the conference agreement intends that the funds provided be devoted to those activities most critical to preparation for the 2000 Census in fiscal year 1997, namely geographic and address list preparation, and data capture and processing systems activities. Further, the conference agreement adopts the directive included in the House report requiring the Bureau to develop and submit a plan for the expenditure of the increases provided in accordance with section 605 of this Act, prior to the expenditure of such funds.

Finally, the conferees are disappointed that the Bureau has failed to act on the stipulation included in both the fiscal years 1995 and 1996 reports directing the Bureau to work to obtain reimbursement from other Federal agencies for the costs associated with obtaining information on the decennial census. Therefore, the conference agreement adopts recommendation included in the House report regarding this matter.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $15,000,000 for the National Telecommunications and Information Administration salaries and expenses as proposed in the House bill, instead of $16,003,000 as proposed in the Senate-reported bill.

In addition, the conference agreement includes new language at the request of the Administration clarifying the authority of NTIA to obtain reimbursement from other government agencies for activities related to spectrum management, analysis and operations. The conference agreement assumes that NTIA will receive an additional $5,000,000 from such reimbursements, resulting in a total availability to NTIA of $20,000,000.

The conference agreement does not include funds proposed in the Senate-reported bill to pay for costs associated with the International Telecommunications Union. This matter is further addressed under title IV.

PUBLIC BROADCASTING FACILITIES, PLANNING AND CONSTRUCTION

The conference agreement includes $15,250,000 for Public Broadcasting Facilities, Planning and Construction grants as proposed in both the House bill and the Senate-reported bill. The conference agreement allows up to $1,500,000 of this amount to be used for program administration, as provided in both the House bill and the Senate-reported bill. The conference agreement adopts recommendations included in both the House and Senate reports regarding this program.

INFORMATION INFRASTRUCTURE GRANTS

The conference agreement includes $21,490,000 for NTIA's Information Infrastructure Grant program as recommended by the House, instead of $4,075,000 as proposed in the Senate-reported bill.

As proposed in the House bill, within the amount provided, the conference agreement designates $3,000,000 for program, administration and allows not to exceed five percent of the total amount provided to be used for certain telecommunications research activities. The Senate-reported bill contained no provision on these matters.

The conference agreement adopts recommendations included in the House report regarding this program.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

The conference agreement provides $61,252,000 in direct appropriations for the Patent and Trademark Office (PTO) as proposed in both the House bill and Senate-reported bill. The conference agreement, when combined with additional fee collections and $30,000,000 in estimated carryover, will provide the PTO will total resources of $692,975,000 for the PTO in fiscal year 1997, an increase of $79,623,000 over the current operating level. The conferees concur with the concerns included in the House report. In addition, the conferees expect the PTO to promulgate rules and regulations with regard to the issuance of patents only in accordance with its existing statutory authorities.

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

The conference agreement includes 9,500,000 for the Technology Administration, instead of $500,000,000 proposed in the House bill and $7,500,000 as proposed in the Senate-reported bill. The conference agreement adopts the recommendations included in the House and Senate reports with the following exception. The conference agreement designates $2,500,000 of the amounts provided to be used to fund the U.S.-Israel Science and Technology Commission as proposed in the Senate-reported bill. The conference agreement retains the heading proposed for this account in the House bill, instead of the heading included in the Senate-reported bill.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

The conference agreement includes $268,000,000 for the internal (core) research account of the National Institute of Standards and Technology as proposed in the House bill, instead of $270,400,000 as proposed in the Senate-reported bill.

The conference agreement adopts the allocation of funds provided in this account as delineated in the House report, with the following exception. The conference agreement assumes that, of the amounts provided, $1,200,00 is provided for NIST to expand its activities related to a national resource construction program utilizing natural resources.

INDUSTRIAL TECHNOLOGY SERVICES

The conference agreement includes 320,000,000 for the NIST external research account instead of $200,400,000 as proposed in the House bill and $159,900,000 as proposed in the Senate-reported bill.

Of the amounts provided, $95,000,000 is for the Manufacturing Extension Partnership Program instead of $89,900,000 as proposed in the House bill and $99,000,000 as proposed in the Senate-reported bill. Language is included in the bill to allow one additional year of support for manufacturing technology centers which have already existed for six years. The Senate-reported bill proposed a three year extension of support for these centers. The House bill contained no extension. The conference agreement reflects the belief that this matter is most appropriately addressed through the authorization process. The conference agreement has included the funding increase above the House in order to allow continued funding of these centers for one year.

The conference agreement provides $225,000,000 for the Advanced Technology Program (ATP), instead of $110,500,000 as proposed in the House bill and $60,000,000 as proposed in the Senate-reported bill. The conference agreement included in the House and Senate-reported bills deletes limitations restricting the use of funds provided for this program.

CONSTRUCTION OF RESEARCH FACILITIES

The conference agreement provides no appropriation for the NIST Construction account instead of $15,000,000 as proposed in the Senate-reported bill. The House bill recommended no appropriation for this account.

The conference agreement also includes, at the end of this title, the rescission of $16,000,000 of prior year carryover amounts from this account. The result of the conference action will allow NIST to obligate $27,600,000 under this account for fiscal year 1997. The conference agreement adopts the recommendations included in the Senate report allowing these funds to be used only for maintenance and necessary fire and safety upgrades for existing NIST facilities, and for the completion of the Advanced Chemical Sciences Laboratory at the NIST Gaithersburg campus. The conferees expect NIST to follow the direction included in both

the House and Senate reports regarding an evaluation of NIST's long-term facilities requirements.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $1,854,067,000 for the Operations, Research, and Facilities account of the National Oceanic and Atmospheric Administration (NOAA) instead of $1,738,200,000 as proposed by the House and $1,933,703,000 as proposed in the Senate-reported bill. In addition, the conference agreement allows $3,000,000 in offsetting fees related to the aeronautical charting program to be collected to offset this amount, resulting in a final direct appropriation of $1,851,067,000 instead of $1,735,200,000 as proposed by the House and $1,930,703,000 as proposed in the Senate-reported bill.

In addition to the new budget authority provided, the conference agreement allows a transfer of $66,000,000 from balances in the account titled ''Promote and Develop Fishery Products and Research Related to American Fisheries'', instead of $68,000,000 as proposed by the Hose and $62,000,000 as proposed in the Senate-reported bill. In addition, the conference agreement assumes NOAA will use the Federal Ship Financing Fund to cover administrative expenses related to that account.

The conference agreement does not include language proposed in the House bill designating the amounts provided under this account for the six NOAA line offices. The Senate-reported bill contained no similar provision. The conference agreement adopts the direction included in the House report regarding the development of a revised budget structure for NOAA in consultation with the House and Senate Appropriations Committees, as well as recommendations concerning financial and budgetary management deficiencies at NOAA.

NOAA Commissioned Corps.—The conference agreement includes new language setting the ceiling on the number of commissioned corps officers in fiscal year 1997 at not more than 299 by September 30, 1997 and requires the Department of Commerce, in conjunction with NOAA, to submit to the Congress by November 15, 1996 a long-term plan and legislative proposal to implement its recommendations regarding the NOAA commissioned corps. The House bill contained a provision to eliminate all commissioned corps officers by September 30, 1997 in accordance with the Administrator of NOAA's announcement on January 25, 1996 to eliminate the commissioned corps in fiscal year 1997. The Senate-reported bill set a ceiling of not to exceed 358 officers in fiscal year 1997.

Marine Services.—The conference agreement adopts the House recommendation to eliminate the Marine Services subactivity and provide funding directly to the line offices under the heading ''Acquisition of Data.'' The conferees believe this reform will provide NOAA line organizations with an incentive to make cost-benefit tradeoffs between using NOAA and charter vessels. As the NOAA fleet has downsized, NOAA line organizations are seeking alternatives to fleet resources to meet their data collection needs. This reform will provide NOAA line offices additional flexibility necessary to meet their needs. The conferees expect NOAA to follow the guidance in the House report regarding the use of these funds.

Unless specifically stated otherwise in this Statement of the Committee of the Conference, amounts expended from the NOAA Operations, Research and Facilities account are to be allocated in accordance with the recommendations previously described in the Committee reports of the House and Senate.

The following table reflects the distribution of the funds provided in this conference agreement:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—FISCAL YEAR 1997 BUDGET

[Dollars in thousands]

	Fiscal year 1996 appropriation	Fiscal year 1997—			
		Request	House	Senate	Conference
NATIONAL OCEAN SERVICE:					
Navigation Services:					
Mapping and Charting	$36,500	$38,586	$38,000	$35,500	$38,000
Geodesy	20,167	20,330	20,330	19,367	20,167
Tide and Current Data	11,000	11,679	11,000	13,679	12,500
Chesapeake Bay observation buoys	400	.....	.....	400	.....
Total, Navigation Services	68,067	70,595	69,330	68,946	70,667
Ocean Resources Conservation and Assessment:					
Estuarine and Coastal Assessment	2,674	2,674	2,674	2,674	2,674
Ocean assessment program	21,925	24,204	12,600	28,619	27,300
Damage assessment	1,200	3,200	2,200	3,200	2,200
Transfer from Damage Assessment Fund	6,550	5,276	5,276	5,276	5,276
Oil Pollution Act of 1990	1,000	1,000	1,000	1,000	1,000
Ocean Services	3,000	3,000	2,500	3,000	2,500
Subtotal	36,349	39,354	26,250	43,769	40,950
Coastal Ocean Science: Coastal ocean program	11,500	14,841	11,700	15,200	15,200
Subtotal	11,500	14,841	11,700	15,200	15,200
Total, Ocean Resources Conserv. & Assess	47,849	54,195	37,950	58,969	56,150
Ocean and Coastal Management:					
Coastal Management:					
CZM grants	46,200	46,200	46,200	49,800	46,200
Estuarine research reserve system	1,000	4,088	1,000	4,588	1,300
Nonpoint pollution control	.....	2,552	.....	2,552	.....
Subtotal	47,700	52,840	47,200	57,440	47,500
Ocean Management: Marine sanctuary program	11,685	11,876	11,685	11,876	11,685
Subtotal	11,685	11,876	11,685	11,876	11,685
Total, Ocean and Coastal Management	59,385	64,716	58,885	69,316	59,185
Acquisition of Data [1]	.....	.....	16,495	.....	18,200
TOTAL, NOS	175,301	189,506	182,660	197,231	204,202
NATIONAL MARINE FISHERIES SERVICE:					
Information Collection & Analyses:					
Resource Information	83,171	95,285	87,000	98,513	91,330
Antarctic research	1,200	1,200	1,200	1,200	1,200
Chesapeake Bay Studies	1,500	1,500	1,890	1,500	1,890
Right whale research	200	200	200	300	250
MARFIN	3,000	3,000	3,000	3,000	3,000
SEAMAP	1,200	1,200	900	1,200	1,200
Alaskan groundfish surveys	661	661	661	661	661
Bering Sea pollock research	945	945	945	945	945
West Coast groundfish	780	780	780	780	780
New England stock depletion	1,000	1,000	1,000	1,000	1,000
Hawaii stock management plan	500	.....	.....	500	500
Yukon River chinook salmon	700	700	700	700	700
Atlantic salmon research	710	710	500	710	710
Gulf of Maine groundfish survey	567	567	567	567	567
Dolphin/Yellowfin Tuna Research	250	250	250	250	250
Habitat research/evaluation	450	450	450	450	450
Pacific salmon treaty program	5,587	5,587	5,000	5,587	5,587
Fisheries Cooperative Institute	410	410	410	410	410
Hawaiian monk seals	500	500	.....	520	500
Stellar sea lion recovery plan	1,440	1,440	1,440	1,770	1,770
Hawaiian sea turtles	240	240	.....	248	248
Bluefish/Striped Bass	.....	.....	785	.....	785
Halibut/Sablefish	1,200	1,200	1,200	1,200	1,200

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—FISCAL YEAR 1997 BUDGET—Continued

[Dollars in thousands]

	Fiscal year 1996 appropriation	Fiscal year 1997—			
		Request	House	Senate	Conference
Gulf of Mexico Mariculture	.....	.....	300	.....	300
Subtotal	107,461	117,825	109,178	122,011	116,233
Fishery Industry Information:					
Fish statistics	13,000	13,481	13,000	14,000	13,000
Alaska groundfish monitoring	5,200	5,200	5,200	5,400	5,200
PACFIN/catch effort data	3,000	3,000	3,000	3,000	3,000
Rec. fishery harvest monitoring	2,900	2,900	2,900	3,900	3,400
Subtotal	24,100	24,581	24,100	26,300	24,600
Information Analyses & Dissemination	20,913	21,471	18,400	21,500	20,900
Computer hardware and software	4,000	4,000	4,000	4,000	4,000
Subtotal	24,913	25,471	22,440	25,500	24,900
Total, Info., Collection & Analyses	156,474	167,877	155,678	173,811	165,733
Conservation and Management Operations:					
Fisheries Management Programs	19,500	25,597	18,000	26,100	22,000
Columbia River hatcheries	10,300	10,300	9,000	10,955	10,955
Columbia River end species studies	288	288	144	288	288
Regional councils	10,200	10,200	9,500	10,500	10,200
International fisheries commissions	400	400	400	400	950
Management of George's Bank	478	478	478	478	478
Beluga whale committee	200	.....	200	200	200
Pacific tuna management	1,500	1,500	1,500	1,900	1,900
Subtotal	42,866	48,763	39,222	50,821	46,971
Protected Species Management	6,225	6,750	5,000	6,500	5,700
Driftnet Act implementation	3,278	3,278	2,500	3,278	3,278
Marine Mammal Protection Act	9,000	10,250	8,000	10,250	9,125
Endangered Species Act recovery plan	13,000	14,800	13,000	14,800	13,500
Fishery observer training	417	.....	417	417	417
East Coast observers	350	350	350	350	350
Subtotal	32,270	35,428	29,267	35,595	32,370
Habitat Conservation	8,000	10,300	8,000	10,300	8,000
Enforcement & Surveillance	15,800	17,790	15,800	17,700	16,500
Total, Conservation and Mgmt. Opns	98,936	112,281	92,289	114,416	103,841
State and Industry Assistant Programs:					
Interjurisdictional fisheries grants	2,600	2,600	2,000	2,600	2,600
Anadromous grants	2,108	2,108	1,000	2,108	2,108
Anadromous fishery project	250	250	.....	250	.....
Interstate fish commissions	4,000	4,000	4,000	5,700	5,000
Subtotal	8,958	8,958	7,000	10,658	9,708
Fisheries Development Program:					
Product quality and safety/Seafood Inspection	14,624	14,624	14,000	14,624	14,624
Hawaiian Fisheries Development	750	.....	.....	750	750
Marine Biotechnology	1,900	1,900	.....	1,900	1,900
Subtotal	17,274	16,524	14,000	17,274	17,274
Total, State & Industry Assist. Progs.	26,232	25,482	21,000	27,932	26,982
Acquisition of Data [1]	.....	.....	29,940	.....	26,840
TOTAL, NMFS	281,642	305,640	298,907	316,159	323,396
OCEANIC AND ATMOSPHERIC RESEARCH:					
Climate and Air Quality Research:					
Interannual & Seasonal/Climate & Global	65,500	76,712	67,000	73,500	68,000
GLOBE	.....	7,000	.....	7,000	6,000
Subtotal	.....	83,712	67,000	80,500	74,000
Long-Term Climate & Air Quality Research	27,272	29,402	27,272	29,402	28,372
VENTS	2,500	.....	.....	.....	.....
High Performance Computing	6,500	9,567	6,500	9,000	7,500
Subtotal	36,272	38,969	33,772	38,402	35,872
Total, Climate and Air Quality	101,772	122,681	100,772	118,902	109,872
Atmospheric Programs:					
Weather Research	33,613	33,905	33,613	33,613	33,613
Wind profiler	4,350	4,350	4,350	4,350	4,350
Subtotal	37,963	38,255	37,963	37,963	37,963
Solar/Geomagnetic Research	5,483	5,511	5,219	5,493	5,493
Total, Atmospheric Program	43,446	43,766	43,182	43,456	43,456
Ocean and Great Lakes Programs:					
Marine Prediction Research	10,226	9,608	10,608	12,151	15,651
GLERL	5,200	5,200	5,200	5,200	5,200
Great Lakes Sea Lampricide	.....	.....	4,099	4,099	.....
VENTS	.....	2,500	.....	2,500	.....
Subtotal	15,426	17,308	19,907	23,950	20,851
Sea Grant:					
Sea grant college program	53,300	48,793	53,300	55,300	54,300
Subtotal	53,300	48,793	53,300	55,300	54,300
National Undersea Research Program	12,000	.....	.....	14,900	12,000
Subtotal	12,000	.....	.....	14,900	12,000
Total, Ocean & Great Lakes Programs	80,726	66,101	73,207	94,150	87,151
Acquisition of Data [1]	.....	.....	14,665	.....	12,690
TOTAL, OAR	225,944	232,548	231,826	256,508	253,169
NATIONAL WEATHER SERVICE:					
Operations and Research:					
Local Warnings and Forecasts	405,300	399,020	387,020	392,337	390,000

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—FISCAL YEAR 1997 BUDGET—Continued

[Dollars in thousands]

	Fiscal year 1996 appropriation	Fiscal year 1997—			
		Request	House	Senate	Conference
Radiosonde replacement	.....	4,255	.....	4,255	1,500
Susquehanna River Basin Flood Sys	669	669	1,000	1,000	1,000
Aviation forecasts	35,596	35,596	35,596	35,596	35,596
Regional climate centers	2,000	.....	2,000	2,000	2,000
Subtotal	443,565	439,540	425,616	435,188	430,096
Central Forecast Guidance	28,193	29,543	28,193	29,543	28,700
Atmospheric and Hydrological Research	2,000	2,589	2,000	2,589	2,000
Total, Operations and Research	473,758	471,672	455,809	467,320	460,796
Systems Acquisition; Public Warning and Forecast Systems:					
NEXRAD	53,335	53,145	53,145	53,145	53,145
ASOS	16,952	10,056	10,056	10,056	10,056
AWIPS/NOAAPort	50,000	119,800	100,000	100,000	100,000
Computer Facility Upgrades	12,000	15,993	14,000	15,993	14,000
Total, Systems Acquisition	132,287	198,994	177,201	179,194	177,201
TOTAL, NWS	606,045	670,666	633,010	646,514	637,997
NATIONAL ENVIRONMENTAL SATELLITE, DATA, AND INFORMATION SERVICE:					
Satellite Observing Systems:					
Polar spacecraft and launching	174,765	147,644	147,300	147,644	147,300
Polar convergence/IPO	39,500	78,200	19,000	29,000	29,000
Geostationary spacecraft and launching	153,106	205,922	171,480	191,922	171,480
Ocean remote sensing	4,000	1,552	.....	6,000	4,000
Environmental observing services	49,000	53,615	49,000	52,600	51,000
Total, Satellite Observing Systems	430,371	486,933	386,780	427,166	402,780
Environmental Data Management Systems	29,865	30,098	30,002	27,515	30,002
Data and Information Services	11,300	14,800	14,800	11,300	14,800
Total, EDMS	41,165	44,898	44,802	38,815	44,802
Undistributed Reduction	.....	.....	(5,685)	.....	.....
TOTAL, NESDIS	471,536	531,831	425,897	465,981	447,582
PROGRAM SUPPORT:					
Administration and Services:					
Executive direction and administration	20,000	19,512	17,520	19,500	19,200
Systems Program Office (SPO)	1,500	1,497	1,497	1,497	1,497
Subtotal	21,500	21,009	19,017	20,997	20,697
Central Administrative Support	33,000	35,573	31,000	35,500	33,000
Retired Pay Commissioned Officers	7,706	8,112	7,706	8,112	8,000
Total, Administration and Services	62,206	64,694	57,723	64,609	61,697
Marine Services [2]	61,100	56,292	.....	56,292	.....
Aircraft Services	9,153	10,182	9,153	10,182	10,000
Total, Aircraft Services	9,153	10,182	9,153	10,182	10,000
TOTAL, PS	132,459	131,168	66,876	131,083	71,697
Direct Obligations	1,892,927	2,061,539	1,839,176	2,013,476	1,938,043
Reimbursable Obligations	309,715	310,515	313,515	313,515	313,515
New offsetting collections (data sales)	.....	1,200	1,200	1,200	1,200
Anticipated Collections	3,000	3,000	3,000	3,000	3,000
Subtotal—Reimbursables	312,715	314,715	317,715	317,715	317,715
TOTAL OBLIGATIONS	2,205,642	2,376,074	2,156,891	2,331,191	2,255,758
FINANCING:					
Deobligations	(29,000)	(13,800)	(29,000)	(13,800)	(14,000)
Fish Fees	.....	(10,000)	.....	.....	.....
Unobligated balance transferred, net	(2,650)	.....	.....	.....	.....
Federal Ship Financing Fund expenses	(1,700)	.....	(1,700)	(1,700)	(1,700)
New offsetting collections (data sales)	.....	(1,200)	(1,200)	(1,200)	(1,200)
Anticipated offsetting collections	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Federal funds	(272,207)	(282,500)	(282,500)	(282,500)	(282,500)
Non-federal funds	(37,508)	(31,015)	(31,015)	(31,015)	(31,015)
SUBTOTAL—FINANCING	(346,065)	(341,515)	(348,415)	(333,215)	(333,415)
BUDGET AUTHORITY	1,859,577	2,037,559	1,808,476	1,997,976	1,922,343
FINANCING FROM:					
Promote and devleop American fisheries	(63,000)	(61,068)	(68,000)	(62,000)	(66,000)
Damage assessment & restoration revolving fund	(3,900)	(5,276)	(5,276)	(5,276)	(5,276)
	=	=	=	=	=
APPROPRIATION, ORF	1,792,677	1,971,215	1,735,200	1,930,700	1,851,067

[1] Funding for this item previously appeared under Marine Services in Program Support.
[2] Funding for this item appears under Acquisition of Data in NOS, NMFS, and OAR.

The following narrative provides additional information related to certain items included in the preceding table.

NATIONAL OCEAN SERVICE

The conferees have provided a total of $204,202,000 under this account for the activities of the National Ocean Service. In addition, the conference agreement adopts changes proposed by the House to reorder and rename certain activities under NOS to more clearly identify their functions.

Mapping and Charting.—The conference agreement provides $38,000,000 for NOAA's mapping and charting programs for the purposes as described in the House report. The conferees continue their direction included in the fiscal year 1996 conference report that no funds available to NOAA should be used to procure equipment that replaces or modernizes NOAA's in-house measurement capabilities when similar services may be obtained by contract through the private sector.

Coastal Ocean Program.—The conference agreement provides $15,200,000 for the Coastal Ocean Program. The conference agreement adopts the recommendation included in the House report regarding efforts to respond to the algae bloom in the Peconic Estuary system and adjacent Long Island waters, as well as the Gulf of Mexico waters. In addition, within the increase provided, the conference agreement recommends that the Coastal Ocean Program managers initiate a national harmful algal bloom program focused on the causes and different types of blooms, and long-term strategies for examining and alleviating them. Further, the conference agreement includes support for the high-salinity estuary activities as directed in the Senate report. Further, the conferees recommend a moderate portion of the increase provided for COP to be used for restoration of the South Florida ecosystem, but

encourage NOAA to consolidate these activities within existing programs whenever possible. In addition, the conferees would support funding for this activity from within NMFS.

Coastal Zone Management Program.—The conference agreement includes $46,200,000 for CZM program grants. An additional $1,300,000 is provided for the National Estuarine Research Reserve program, in addition to $3,000,000 provided under the Coastal Zone Management Fund described later in this report.

Marine Sanctuary Program.—The conference agreement includes $11,685,000 for the National Marine Sanctuary Program. The conferees direct that no user fees be imposed with respect to the Hawaiian Islands National Humpback Whale Sanctuary.

Other.—Within the amounts provided for geodesy, the conference agreement includes $500,000 for continuation of geodetic survey work as described in the Senate report, and adopts the recommendations in the House report concerning the completion of the multipurpose land information system project. The conferees expect NOAA to provide a report within 30 days of enactment of the accompanying Act on its plans to implement this guidance.

Within the amounts provided for tide and current data, $1,500,000 is provided for a one-time effort to establish a national coastal data center as identified in the Senate report.

Within the amounts provided for ocean assessment, the conference agreement includes a total of $12,000,000 for NOAA's Coastal Services Center, including activities related to coastal hazards research and defense technology as provided in the Senate report. In addition, the conference agreement provides $2,700,000 as described in the Senate report for research efforts to apply innovative technologies to the monitoring, management, and prevention of contamination of estuaries and coastal waters.

Within the amounts provided for acquisition of data under the National Ocean Service, the conference agreement includes $1,705,000 for operation of the RONALD H. BROWN in fiscal year 1997 in accordance with the direction included in the Senate report.

NATIONAL MARINE FISHERIES SERVICE

The conference agreement includes a total of $323,396,000 for the National Marine Fisheries Service.

The conference agreement provides $91,330,000 for fisheries resource information. Within the funds provided, the conference agreement adopts the recommendations included in the Senate report with respect to experimental by-catch research, MARMAP, research related to rehabilitation of Gulf Coast fisheries, red drum research and research related to pollution and depletion of stocks in the Narragansett Bay. In addition, the conference agreement provides $5,200,000 for Alaska groundfish to be allocated per the distribution in the Senate report, and $1,770,000 for Stellar Sea Lion recovery plans in accordance with the direction included in the Senate report.

Within the funds provided for Fishery Industry Information, the conference agreement provides $3,400,000 for recreational fishery harvest monitoring to be expended in accordance with the direction included in the Senate report.

The conference agreement includes $22,000,000 for fisheries management programs. Within the amounts provided, the conference agreement includes funding at levels recommended in the Senate report for the Alaska Native Harbor Seal Commission, the Advisory Committee to the International Convention for the Conservation of the Atlantic Tuna, and pelagic fisheries research and management. The conference agreement also provides $10,955,000 for Mitchell Act hatchery programs, including $655,000 for mass marking of Mitchell Act hatchery salmon, and concurs with the Senate Report regarding these programs and regarding NMFS staffing needs in the Northwest. Within the amounts provided for international fisheries commissions, the conference agreement provides $450,000 for the Arctic Council Sustainable Development Secretariat.

Within the funds provided for protected species management, the conferees expect that no reductions will be taken against field activities.

In addition, the conference agreement adopts the recommendations included in the House report regarding the funding and direction for sea turtle protection except that the sea protection activities at Rancho Nuevo shall also include the implementation of tagging all of the released hatchlings to improve data on survivability, and the implementation of a Kemp's Ridley headstart program in Mexico. The conferees also concur in the direction included in the House report regarding See Turtle/Shrimp Fishery Response Plan activities. In addition, the conferees reiterate the previous direction provided to NOAA that NOAA and NMFS provide an independent peer review of the NMFS November 14, 1994 and subsequent Biological Opinions on sea turtle conservation. The conferees direct NMFS and the Department not to decertify any turtle excluder devices until every effort has been made, working with industry and others, to improve or modify existing devices to increase turtle escapement. The conference agreement assumes that funds will be made available under Resource Information and other NMFS programs to enable an independent entity to collect and assess data on catch effort and by-catch in the shrimp fishery. This independent effort shall provide site-to-site and long term information regarding the relative abundance of sea turtles, and NMFS may use its authority to provide scientific exemption permits to collect shrimp trawl by-catch data in non-turtle excluder device equipped trawls. The conferees reiterate the funding direction provided in fiscal year 1996 for the establishment of a systematic stranding monitoring program and direct that these funds be used to establish a scientifically sound program based on transect survey techniques that will provide data suitable for analytical stock assessments.

Within the funds provided for the Marine Mammal Protection Act, the conference agreement adopts recommendations specified in the Senate report, and includes $100,000 for data collection regarding bowhead whales in the North Slope Borough.

OCEANIC AND ATMOSPHERIC RESEARCH

The conference agreement includes a total of $253,169,000 for Oceanic and Atmospheric Research activities.

Interannual and seasonal climate research.—The conferees have provided $68,000,000 for interannual and seasonal climate research under the structure proposed by the House, of which $60,000,000 is to continue the basic Climate and Global Change program. The remaining $8,000,000 is to carry out the base interannual and seasonal research programs. The increases are provided in accordance with the direction included in the House report.

The conference agreement provides $6,000,000 for the Global Learning to Benefit the Environment (GLOBE) program; instead of no funding as proposed by the House, and $7,000,000 as proposed in the Senate-reported bill.

Marine prediction research.—The conference agreement provides $15,651,000 for marine prediction research. Within this amount, the Arctic Research Initiative is to be funded according to the House report, and the tsunami mitigation, Lake Champlain and VENTS programs are to be funded according to direction in the Senate report.

GLERL.—Within the $5,200,000 provided for the Great Lakes Environmental Research Laboratory, the conferees expect NOAA to continue to support the Great Lakes nearshore research and GLERL zebra mussel research programs.

Sea grant.—The conferees have included $54,300,000 for the National Sea Grant program, and expect NOAA to continue to fund oyster disease research, zebra mussel research and the National Coastal Research and Development Institute within these amounts. The conferees continue to urge NOAA to fund proposals related to the Vibrio vulnificus issue and the education of at-risk consumers regarding raw molluscan shellfish.

NATIONAL WEATHER SERVICE

The conference agreement includes a total of $637,997,000 for the National Weather Service.

The amount provided includes $390,000,000 for local warnings and forecasts, including the staffing related to the modernization of the weather service, data buoy maintenance, and Pacific and Alaska regional headquarters.

The conferees direct that any reductions required be applied to the operations and staffing levels at NWS central headquarters in the national capital area, and adopt the directive included in the House report that NWS submit a streamlining plan for such reductions not later than November 1, 1996. The conference agreement adopts the direction in the House report regarding notification prior to NWS office closures. In addition, the conference agreement includes the House recommendation regarding radiosonde replacement.

The conference agreement provides the full request for acquisition of the next-generation radar (NEXRAD) and the automated surface observing system (ASOS), including funding for the three additional NEXRADs identified as necessary in the Secretary's report concerning the adequacy of coverage, and the conferees encourage NOAA to have such equipment in place and operational prior to the 1997 tornado season.

The conferees remain concerned about gaps in coverage provided by NOAA Weather Radio in eastern Kentucky and Kansas. NOAA is directed to promptly update its 1994 study of radio coverage and provide recommendations for the placement of additional or upgraded transmitters by March 30, 1997. NOAA is further directed to immediately implement recommendations of the 1994 study by placing 1000 watt transmitters at Ezel, Pineville, and Pikeville, Kentucky.

Advanced Weather Interactive Processing Systems (AWIPS).—The conferees are extremely concerned about the AWIPS program. The AWIPS program has been plagued by cost growth, scheduling delays, management changes, and slow technical progress. The conferees remind NOAA that the original plans estimated a total cost at completion of $350,000,000. Earlier this year, the Administrator of NOAA testified to the House Science Committee that the estimated cost at completion (EAC) for the program was $525,000,000 and that the AWIPS program could be operated under such a cost cap. The conferees note that Congress, through the end of fiscal year 1996, will have already invested $261,335,000 in the AWIPS program. Therefore, the conferees direct the AWIPS

program to be delivered within the $525,000,000 EAC, and put NOAA on notice that additional resources will not be available should NOAA fail to deliver the system within the current $525,000,000 cost estimate.

Further, the conferees continue to have reservations about NOAA's current plan to make the final production decision on full-scale deployment of AWIPS in September 1996. The conferees agree with the Department of Commerce Inspector General and believe that sufficient operational testing of the system must occur prior to the final decision being made for full scale deployment. The conferees note that a small delay in the final production decision would not impede the ability of NWS to complete deployments scheduled in fiscal year 1997. Therefore, the conferees believe the most prudent course would be for the NWS and the Department to delay such decisions until additional operational testing has been completed.

Therefore, the conference agreement provides $100,000,000 for the AWIPS program, a 100 percent increase over the current fiscal year, an amount sufficient to enable a two year deployment of the system within a $525,000,000 total EAC for the program. The conference agreement adopts the directives included in the House report directing NOAA to submit a reprogramming in accordance with section 605 of the accompanying Act prior to the expenditure of funds for full-scale acquisition and deployment of the system. Such reprogramming should include a certification by the Secretary of Commerce to address the criteria specified in the House report, with the following modification: the cost to complete development, acquisition and deployment of the AWIPS through build six and associated activities, including program management and operations and maintenance through completion of deployment will not exceed $263,665,000.

NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE

The conference agreement includes $447,582,000 for NOAA's satellite and data management programs.

The conference agreement includes $44,802,000 for environmental data management systems within the amount provided for NESDIS in accordance with the recommendations included in the House report.

The conference agreement includes $29,000,000 for the interagency program office to converge the NOAA and Department of Defense (DOD) polar satellite convergence programs. The funding level provided meets the revised estimate of need for this fiscal year and was agreed upon jointly by NOAA and DOD. The conferees continue to assume that NOAA and DOD will share equally the costs for all common activities for this program. Further, the conferees expect NOAA to report to them should any additional revisions to the program be contemplated.

In addition, the conferees encourage NESDIS to work closely with the national coastal data center discussed under the National Ocean Service.

PROGRAM SUPPORT

The conference agreement provides $71,697,000 for NOAA program support.

Marine services.—The conference agreement adopts the House recommendation to eliminate the Marine Services account and to provide funding for these activities directly to the line offices. This matter is further discussed elsewhere in this title. In addition, the conference agreement adopts the Senate position regarding the new oceanographic research vessel, the RONALD H. BROWN, coming online in fiscal year 1997. The vessel will be homeported at the NOAA Coastal Services Center as proposed by NOAA, and operational funds have been included under NOS data acquisition.

COASTAL ZONE MANAGEMENT FUND

The conference agreement includes an appropriation of $7,800,000, as provided in both the House bill and the Senate-reported bill, from the Coastal Zone Management Fund for the purposes designated in both bills. The conference agreement allocates these funds as follows: $4,300,000 for program administration, $500,000 for State development grants, and $3,000,000 for the National Estuarine Research Reserve Program. The conference agreement provides an additional $1,300,000 in direct appropriations under the NOAA Operations, Research, and Facilities account for the National Estuarine Research Reserve Program.

CONSTRUCTION

The conference agreement includes a total of $58,250,000 for the NOAA Construction account, instead of $36,000,000 as proposed in the House bill and $58,000,000 as proposed in the Senate-reported bill. The conference agreement provides these funds for the purposes described in the following paragraphs.

The Conference agreement provides $2,000,000 for general facilities maintenance, $1,750,000 for the Sandy Hook lease, $2,000,000 for environmental compliance, and $2,000,000 for above-standard costs at the Boulder laboratory.

The conference agreement includes a total of $12,000,000 for weather forecast office (WFO) construction, including $2,000,000 for the construction costs of WFO/Center for Environmental Studies and Management in Albany, New York. In addition, the conference agreement includes $1,000,000 for WFO maintenance.

The conference agreement provides $4,700,000 for Columbia River facilities.

The conference agreement includes $2,000,000 for NMFS Honolulu laboratory renovations, $3,500,000 for the Newport Science Center renovation and expansion, $5,000,000 to complete the NMFS Southeast laboratory project, and $6,000,000 for the NMFS Juneau laboratory.

In addition, the conference agreement designates $8,500,000 for construction and related expenses for an environmental technology facility in New Hampshire.

As provided by both the House and Senate, the conference agreement includes $5,000,000 for Pribilof Island cleanup. In addition, $1,000,000 is provided for National Estuarine Research Reserves construction.

FLEET MODERNIZATION, SHIPBUILDING AND CONVERSION

The conference agreement includes $8,000,000 for the NOAA Fleet Modernization account, as provided in the Senate-reported bill, instead of $6,000,000 as provided in the House bill. The conference agreement provides funding for necessary maintenance costs as well as funds to complete the outfitting of the oceanographic vessel scheduled to come on line in fiscal year 1997. This matter is further addressed elsewhere in this title under the NOAA Operations, Research and Facilities account. In addition, the conference agreement contains language included in section 612 further clarifying the uses of these funds.

FISHING VESSELS AND GEAR DAMAGE COMPENSATION FUND

The conference agreement includes $200,000 for an appropriation to the Fishing Vessel and Gear Damage Fund as provided in both the House bill and the Senate-reported bill.

FISHERMEN'S CONTINGENCY FUND

The conference agreement includes $1,000,000 for the Fishermen's Contingency Fund, as provided in both the House bill and the Senate-reported bill.

FOREIGN FISHING OBSERVER FUND

The conference agreement includes $196,000 for the expenses related to the Foreign Fishing Observer Fund, as provided in both the House bill and Senate-reported bill.

FISHING VESSEL OBLIGATIONS GUARANTEES

The conference agreement provides $250,000 in subsidy amounts for Fishing Vessel Obligations Guarantees as proposed by the House bill and the Senate-reported bill.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $28,490,000 for the general administration of the Commerce Department, instead of $27,400,000 as provided in the House bill and $29,100,000 as provided in the Senate-reported bill. The conferees are concerned that disproportionate reductions have been taken against the Departmental support functions. Therefore, the conferees expect that any further reductions necessary will be taken from Executive Direction, and expect the Department to submit a plan for meeting the reductions assumed in the bill in accordance with section 605 of this Act.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $20,140,000 for the Commerce Department Inspector General, instead of $19,445,000 as proposed in the House bill and $20,849,000 as proposed in the Senate-reported bill.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

CONSTRUCTION OF RESEARCH FACILITIES

(RESCISSION)

The conference agreement includes a rescission of $16,000,000 from the NIST Construction account, instead of $31,800,000 as proposed in the Senate-reported bill. This rescission of $16,000,000 reduces the carryover appropriation under this account to $27,600,000. Uses of these remaining funds are addressed in the description of the fiscal year 1997 appropriation under this account.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(RESCISSION)

The conference agreement includes a rescission of $20,000,000 from the NOAA Operations, Research and Facilities account, instead of $10,000,000 as proposed in both the House and Senate-reported bills. This rescission is derived from balances no longer required in the NOAA satellites programs due to re-estimates of program needs.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

The conference agreement includes the following general provisions for the Department of Commerce:

SEC. 201.—The conference agreement includes section 201, identical in both the House and Senate versions of the bill, regarding certifications of advanced payments.

SEC. 202.—The conference agreement includes section 202, identical in both the House and Senate versions of the bill, allowing funds to be used for hire of passenger motor vehicles.

SEC. 203.—The conference agreement includes section 203, identical in both the House and Senate versions of the bill, prohibiting reimbursement to the Air Force for hurricane reconnaissance planes.

SEC. 204.—The conference agreement includes section 204, identical in both the House and Senate versions of the bill, prohibiting funds from being used to reimburse the Unemployment Trust Fund for temporary census workers.

SEC. 205.—The conference agreement includes section 205, identical in both the House and Senate versions of the bill, regarding transfer authority between Commerce Department appropriation accounts.

SEC. 206.—The conference agreement includes section 206, identical in both the House and Senate-reported versions of the bill, providing for the notification of the House and Senate committees on Appropriations of a plan for transferring funds to appropriate successor organizations within 90 days of enactment of any legislation dismantling or reorganizing the Department of Commerce.

Sec. 207.—The conference agreement includes section 207, identical in both the House and Senate-reported versions of the bill, requiring that any costs related to personnel actions incurred by a Department or agency funded in title II of the accompanying Act, be absorbed within the total budgetary resources available to such Department or agency.

Sec. 208.—The conference agreement includes a modified general provision, similar to language included in the House and Senate bills, permanently prohibiting funds to develop or implement new individual fishing quota programs, whether such quota are transferable or not, until offsetting fees to pay for the cost of administrating such quotas are authorized. The modified provision also clarifies the application of this provision to certain fisheries.

Sec. 209.—The conference agreement includes section 209, included in the House bill and in the fiscal year 1996 appropriations Act, allowing the Secretary to award contracts for certain mapping and charting activities in accordance with the Federal Property and Administrative Services Act. The Senate bill contained no similar provision.

Sec. 210.—The conference agreement includes section 210, identical in both the House and Senate-reported versions of the bill, establishing a working capital fund in the Bureau of the Census to be available without fiscal year limitation.

The conference agreement does not include a new section, included in the Senate-reported bill, prohibiting the Department of Commerce from developing, implementing or collecting any user fees for any activity within the Hawaiian Islands National Humpback Whale Sanctuary. However, this matter is addressed elsewhere in the Statement of Managers of the Committee of Conference under the National Oceanic and Atmospheric Administration Operations, Research and Facilities account. The House bill contained no provision on this matter.

Sec. 211.—The conference agreement includes a new provision, not in either the House or Senate-reported bills, renaming the ''Magnuson Fishery Conservation and Management Act'' as the ''Magnuson-Stevens Fishery Conservation and Management Act''.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The conference agreement includes $27,157,000 for the salaries and expenses of the Supreme Court as provided in both the House and Senate-reported bills.

CARE OF THE BUILDING AND GROUNDS

The conference agreement includes $2,800,000 for the Supreme Court Care of the Buildings and Grounds account, compared with $2,490,000 as proposed in the House bill and $3,100,000 as proposed in the Senate-reported bill. No funding is provided for the Schematic Systems Study in this fiscal year requested in the budget, and the balance of the reduction from the request is to be taken from funding requested for staff, to bring funding in line with actual on-board staffing levels.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

The conference agreement includes $15,013,000 for the U.S. Court of Appeals for the Federal Circuit as proposed by the House and the Senate-reported bills.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

The conference agreement includes $11,114,000 for the U.S. Court of International Trade as provided in both the House and Senate-reported bills.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $2,566,000,000 for the salaries and expenses of the Federal Judiciary, instead of $2,538,956,000 as proposed in the House bill and $2,578,646,000 as proposed in the Senate-reported bill. This includes $10,000,000 provided for increased workload associated with the Antiterrorism and Effective Death Penalty Act of 1996 and Court Security needs. Funding for these purposes was not considered by either House, and is provided in response to the Administration's budget amendment submitted on September 12, 1996.

Including amounts provided under the Violent Crime Reduction Trust Fund, addressed below, the total amount available in this conference agreement for the salaries and expenses of the courts is $2,596,000,000 rather than $2,568,956,000 as proposed in the House bill and $2,608,646,000 as proposed in the Senate-reported bill.

In addition to these appropriated resources, there is likely to be available at least $121,000,000 in carryover, $115,000,000 in current year fees and $15,000,000 from prior year funding no longer needed for the original purpose. As a result, a total of at least $2,847,000,000 will be available for the salaries and expenses of the Judiciary in fiscal year 1997.

Within the overall funding available for fiscal year 1997, the conferees expect the Judiciary to fund its highest program priorities, including additional magistrate judges to eliminate existing backlogs in caseloads, and bankruptcy personnel to address the record number of bankruptcy filings currently taking place.

The conference agreement provides that within the total provided, $500,000 shall be transferred to the Commission on Structural Alternatives for the Federal Courts of Appeals, subject to authorization of the Commission. The Senate-reported bill proposed this transfer of $500,000, but did not make it subject to authorization of the Commission. Instead, the Senate-reported bill included the authorization for the Commission under section 307. The conference agreement does not include section 307, due to the expectation that legislation authorizing the Commission will be moved separately. The conference agreement includes a change in the heading of this account, as proposed in the Senate-reported bill, to indicate that this account contains a transfer of funds. The House bill contained no provision on this matter.

The conference agreement also appropriates $2,390,000 from the Vaccine Injury Compensation Trust Fund for expenses associated with the National Childhood Vaccine Injury Act of 1986, as provided in both the House and Senate-reported bills.

Optimal utilization of judicial resources.—The conferees believe that the review underway within the Judiciary to review the optimal utilization of judicial resources, in response to the fiscal year 1996 House and Conference reports accompanying the fiscal year 1996 appropriations Act, has the capability to make important contributions to ensure that the Judiciary operates in the most efficient and cost-effective manner and expect the language in the House report accompanying H.R. 3814 to be followed.

Violent crime reduction trust-fund.—The conference agreement includes an appropriation of $30,000,000 from the Violent Crime Reduction Trust Fund, the same amount provided in the House and Senate-reported bills. The conferees intend that these funds be used to offset workload requirements of the Federal Judiciary related to the Violent Crime Control and Law Enforcement Act of 1994.

DEFENDER SERVICES

The conferees have included $308,000,000 for the Federal Judiciary's Defender Services account, instead of $297,000,000 as proposed in the House bill and $311,900,000 as proposed in the Senate-reported bill. The amount provided is for the operation of Federal public defender and community defender organizations and the compensation, reimbursement, and expenses of attorneys appointed to represent persons under the Criminal Justice Act, as amended. If additional funds are required, funding provided to the Judiciary under the Violent Crime Reduction Trust Fund and fee carryover is available by transfer, and funding for increases in workload and costs related to the Antiterrorism and Effective Death Penalty Act of 1996 is available as a result of the $10,000,000 provided under the Salaries and Expenses account.

The conferees are concerned about the rapidly rising costs in this account, and believe that the Administrative Office of the Courts needs to move as quickly as possible to understand the reason for these increases and to take such steps as may be advisable to moderate the rate of increase. Because the costs of the existing program have been rising so rapidly, sufficient funds are not available to provide an increase in the rate for panel attorneys, excluding the increase provided in fiscal year 1996, and so funding for this purpose has not been provided. Funding of new defender organizations, in addition to any that have already been proposed, should be considered only after it is clear that sufficient funding is available for the costs of existing organizations.

FEES OF JURORS AND COMMISSIONERS

The conference agreement includes $67,000,000 for Fees of Jurors and Commissioners, instead of $66,000,000 as proposed in the House bill and $68,083,000 as proposed in the Senate-reported bill.

COURT SECURITY

The conference agreement includes $127,000,000 for the Federal Judiciary's Court Security account as proposed by the Senate instead of $131,000,000 as proposed by the House. The Senate-reported bill included an additional $4,000,000 by transfer from the Counterterrorism Fund under the Department of Justice. The conferees expect that an additional $4,000,000 will be available for court security from within the $10,000,000 provided within the Salaries and Expenses account for increases in workload and costs related to the Antiterrorism and Effective Death Penalty Act of 1996.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

The conference agreement includes $49,450,000 for the Administrative Office of the United States Courts, instead of $48,500,000 as provided in the House bill and $50,900,000 as provided in the Senate-reported bill. Funding is provided for staffing at the current services level. The conferees assume that additional financial resources of $1,080,000 in fee carryover, $6,065,000 in new fee collections, and $212,000 in Independent Counsel funding will be available for the operations of the Administrative Office.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

The conference agreement includes $17,495,000 for the fiscal year 1997 salaries and expenses of the Federal Judicial Center, as proposed in the House bill, instead of $17,914,000 as proposed in the Senate-reported bill. The conferees applaud the Federal Judicial Center for the efforts underway to increase the use of video-conferencing and other innovative methods of education and training, and intend that reductions be reflected in travel costs.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO THE JUDICIARY TRUST FUNDS

The conference agreement includes $30,200,000 for payment to the various Judicial retirement funds as provided in both the House and Senate-reported bills.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

The conferees have included $8,490,000 for the U.S. Sentencing Commission, instead of $8,300,000 as provided in the House bill, and $8,867,000 as provided in the Senate-reported bill. The conferees understand that the Commission has available to it at least $800,000 in carryover, which will provide an operating level in fiscal year 1997 of $9,290,000.

THE JUDICIARY

GENERAL PROVISIONS

Sec. 301.—The conference agreement includes section 301 as provided in both the House and Senate-reported bills allowing appropriations to be used for services as authorized by 5 U.S.C. 3109.

Sec. 302.—The conference agreement includes section 302 as provided in both the House and Senate-reported bills which allows appropriations to be available to the Special Court established under the Regional Rail Reorganization Act of 1973.

Sec. 303.—The conference agreement includes section 303, included in both the House and Senate-reported bills, providing the Judiciary with the authority to transfer funds between appropriations accounts. The conference agreement includes language exempting the Judiciary's Defender Services and Fees of Jurors and Commissioners account from the 10 percent increase ceiling set by this provision.

Sec. 304.—The conference agreement includes section 304, identical in both the House and Senate-reported versions of the bill, allowing up to $10,000 of salaries and expenses funds provided in this title to be used for official reception and representation expenses of the Judicial Conference of the United States.

Sec. 305.—The conference agreement includes section 305, as proposed in both the House and Senate-reported bills, which provides a one-year extension to September 30 1998 of the authorization for Judiciary Automation Fund.

Sec. 306.—The conference agreement includes section 306, as proposed in the Senate-reported bill, which clarifies that the Judiciary bear the cost only of special master appointed subsequent to the enactment of the Prison Litigation Reform Act passed as part of the fiscal year 1996 Omnibus Appropriations Act. The House bill contained no similar provision.

Sec. 307.—The conference agreement includes section 307, which was not provided in either the House or Senate-reported bill, to name the United States courthouse in Medford, Oregon, as the James A. Redden Federal Courthouse.

The conference agreement does not contain section 307, as proposed in the Senate-reported bill, which authorizes the establishment of a commission to study the structure and alignment of the Federal Courts of Appeals. The House bill contained no similar provision. Under the ''Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses'' account, $500,000 has been provided to fund this commission, subject to enactment of legislation authorizing the commission.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCIES

DEPARTMENT OF STATE

ADMINISTRARION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The conference agreement includes a total of $1,725,300,000 for Diplomatic and Consular Programs. This amount includes: a direct appropriation of $1,700,450,000, the same as the amount in the Senate-reported bill, instead of $1,691,000,000 as proposed in the House bill; $450,000 from the reserve fund for the International Center, as provided in both the House and Senate-reported bill; $700,000 to be derived from registration fees, as provided in both the House and the Senate-reported bill; and $23,700,000 for increased security overseas, designated as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985, which is described in more detail below, and which is provided in response to the antiterrorism budget amendment submitted by the Administration on September 12, 1996. The Senate-reported bill included $8,400,000 for security enhancements at overseas posts in the Counterterrorism Fund under the Department of Justice.

The conferees agree that the language in both the House and Senate reports under this heading is to be followed in expending fiscal year 1997 funds, with the following exceptions: the Arctic Council Sustainable Development Secretariat is addressed in this conference report under the National Oceanic and Atmospheric Administration; funding is included for the continuation of the National law Center for Inter-American Free Trade; and the International Telecommunications Union Conference funding is intended to be addressed as provided in the House report. Funding for this Conference will be addressed only after the State and Commerce Departments have exhausted every potential source of private financing to assure that the costs of this international conference are not borne by the taxpayer.

The conference agreement includes language that was included in both the House and Senate-reported bills requiring that in fiscal year 1998, a system be in place that allocates to each department and agency the full costs of its presence outside the United States. The conferees direct that the new International Cooperative Administrative Support Services (ICASS) system is to be implemented in fiscal year 1998, and intend that the Department of State, the Office of Management and Budget and all agencies with a presence overseas cooperate to make this happen. The Office of Management and Budget is directed to ensure that the fiscal year 1998 budget submission for each Federal agency include the cost of its overseas presence in accordance with ICASS.

Security Enhancements. The conference agreement provides $23,700,000, to be available until expended, to improve the security of U.S. diplomatic facilities and increases the protection of personnel overseas. This is the amount requested in the budget amendment submitted on September 12, 1996. The funding is provided for the following:

$12,352,000 is provided for overseas physical security support, including local guards, residential security upgrades, fully and lightly armored vehicles, public access control equipment, and special protective equipment;

$6,800,000 is provided for overseas technical security support, including electronic security equipment, increased maintenance of security equipment overseas, strengthened Seabees and security engineering support, and explosive detection equipment;

$500,000 for training; and

$4,048,000 for security positions, including 53 positions in the Gulf Region.

The conferees believe that all necessary steps should be taken to protect Americans working overseas. The conferees recommend that the Department take into consideration off-the-shelf security technology that has been approved and tested by the Department of Justice, Department of State, and the Department of Defense. Such technological enhancements as security barriers, security film, improved intelligence communications, and security scanning devices have been shown to greatly decreased the vulnerability, improve initial safety, and decrease the level and number of injuries from terrorist attacks.

The House and Senate Committees expect to receive a full assessment of the adequacy of the security measures being undertaken as soon as possible.

SALARIES AND EXPENSES

The conference agreement includes a total of $352,300,000 for Salaries and Expenses, as proposed in the House bill, instead of $357,000,000 as proposed in the Senate-reported bill. The conferees adopt by reference the provisions of both the House and the Senate reports under this heading.

CAPITAL INVESTMENT FUND

The conference agreement includes $24,600,000 for the Capital Investment Fund, instead of $16,400,000 as proposed in the House bill, and $32,800,000 as proposed in the Senate-reported bill. The conferees adopt by reference the provisions of both the House and the Senate reports under this heading. The conferees look forward to the submission of a fully developed plan for the Department's information management effort at the earliest possible time.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $27,495,000 for the Office of Inspector General, which has jurisdiction over the Department of State, the United States Information Agency, and the Arms Control and Disarmament Agency, the same amount as provided in both the House and the Senate-reported bills. The conference agreement includes language proposed in the Senate-reported bill that makes permanent the consolidation of the Inspector General Office of the United States Information Agency into this Office that was enacted in the fiscal year 1996 appropriations Act. The House bill included the same language as in fiscal year 1996, the legal interpretation of which is not clear as to whether the consolidation is permanent.

The conferees recommend that the fiscal year 1998 budget include all funds for the oversight of ACDA directly as part of the Inspector General's budget.

REPRESENTATION ALLOWANCES

The conference agreement includes $4,490,000 for Representation Allowances, as provided in both the House and the Senate-reported bill.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

The conference agreement includes $8,332,000 for Protection of Foreign Missions and Officials, as provided in both the House and the Senate-reported bills.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

The conference agreement includes $389,320,000 for this account, which is comprised of the following: $364,495,000 for the

regular operations of the Security and Maintenance account, instead of $370,000,000 as proposed in the House bill, and $360,000,000 as proposed in the Senate-reported bill; and $24,825,000, to remain available until expended, provided in response to the Administration's antiterrorism budget amendment submitted on September 12, 1996 and designated as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985, which is described in more detail below.

The conference agreement assumes the sale of the residence in Hamilton, Bermuda.

The conference agreement does not provide funds for any new facilities, nor is it likely that such funds will be available in the near future, due to budget constraints. As a result, it is incumbent upon the Department to step up its management of its existing real estate portfolio.

The April, 1996 General Accounting Office report recommended that the Secretary of State establish an independent panel to make recommendations regarding the sale of excess real estate to reduce the current inventory of property. While the conferees support the trust of GAO's findings, they are concerned that directing the Department to sell what GAO has identified as surplus overseas properties without adequate knowledge of market conditions in those countries could cost taxpayers millions of dollars.

Consequently, the conferees direct that by no later than December 30, 1996, the Secretary establish an advisory board on real property management to (1) review information on Department of States properties proposed for sale by the Department, the Office of the Inspector General, the GAO or any other agency of the federal government; and (2) compile a list of properties recommended for sale to the Under Secretary of State for Management for approval. This list should be transmitted to the appropriate committees of the Congress. At any time when appropriate market conditions exist, the State Department is to proceed with the immediate sale of items on the approved list.

In order to assure oversight of the disposition and acquisition of facilities, the Department is expected to submit a quarterly report on its transactions, and to seek a reprogramming with respect to plans for any major new facility, such as an embassy, or consulate.

Security Enhancement. The conference agreement includes $24,825,000 for security improvements, necessary relocation expenses and security equipment for United States diplomatic facilities and missions overseas. The amount is provided in response to the funding requested by the Administration's September 12, 1996 antiterrorism budget amendment under three separate accounts: $14,300,000 under this account; $9,400,000 under the International Trade Administration in the Department of Commerce for United States and Foreign Commercial Service posts overseas, and the overseas portion, totaling $1,125,000, of the $2,500,000 requested under the Salaries and Expenses account of the United States Information Agency. All of these requests are intended to provide funds to upgrade the security of overseas facilities. Generally, the State Department has management responsibility for overseas facilities, and the conferees believe it would be more prudent to provide these requests under this account in order to assure the management of these funds by the entity that has the most experience in providing for facility needs overseas. The conference agreement earmarks the amounts intended for US&FCS and USIA to assure that the requested funds are available for these agencies.

Funding is provided for the following:

$14,300,000 for the Department of State, for security upgrades at Gulf region posts, the Cairo embassy, and relocation of US&FCS facilities in Cairo and Jeddah, and security upgrades, to U.S. owned residences.

$9,400,000 to provide security upgrades and relocations for 42 non-chancery US&FCS locations worldwide. The conferees direct that a plan be provided to the Committees on Appropriation within 30 days describing how these funds will be expended and for what locations; and

$1,125,000 for USIA for overseas security, including radios, security enhancement projects, and light armored vehicles.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

The conference agreement includes $5,800,000 for Emergencies in the Diplomatic and Consular Service account, as provided in both the House and Senate-reported bills.

REPATRIATION LOANS PROGRAM ACCOUNT

The conference agreement includes a total appropriation of $1,256,000 for the Repatriation Loans Program account, as provided in both the House and Senate-reported bills.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

The conference agreement includes $14,490,000 for the Payment to the American Institute in Taiwan account, instead of $15,001,000 as proposed in the House bill, and $14,165,000 as proposed in the Senate-reported bill.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The conference agreement includes $126,491,000 for the Payment to the Foreign Service Retirement and Disability Fund account, as provided in both the House and Senate-reported bills.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The conference agreement includes $892,000,000 for Contributions to International Organizations to pay the costs assessed to the United States for membership in international organizations, instead of $875,000,000, as proposed in the House bill, and $550,000,000 as proposed in the Senate-reported bill.

The conference agreement provides that $100,000,000 of the assessment for the United Nations can be made available only after the Secretary of State certifies by January 30, 1997 that the United Nations has taken no action during calendar year 1996 to increase funding for any United Nations program without identifying an offsetting decrease elsewhere in the United Nations budget and cause the United Nations to exceed its no growth budget for the biennium 1996–1997 adopted in December, 1995. The House and Senate-reported bills contained language that would have made the funds available on a quarterly basis in fiscal year 1997 only after such a certification.

The conference agreement provides that if the Secretary cannot make such a certification by January 30, 1997, the $100,000,000 is to be applied to the assessments for other international organizations in the current or next fiscal year, subject to reprogramming.

The Senate-reported bill stated that the amount was to be applied to reducing the fiscal year 1998 obligations for specific organizations. The House bill contained no provision on this issue.

The conference agreement provides that $10,000,000 may be transferred to the International Conferences and Contingencies account for contributions to new or provisional international organizations or to provide funding for the travel expenses of official delegates to international conferences, subject to reprogramming. Both the House and Senate-reported bills provided that the transfer could be made only for new or provisional international organizations.

The conference agreement includes all language that was identical in the House and Senate-reported bills.

The conferees agree that from the amounts provided, five organizations be provided the full assessment: the International Atomic Energy Agency, the North Atlantic Treaty Organization and the related North Atlantic Assembly, the United Nations, and the International Civil Aviation Organization (ICAO). Funding for ICAO is provided as part of the comprehensive counterterrorism initiative included in this conference report, and the conferees urge the U.S. delegation to place increased emphasis on international flight safety and airport security.

The conferees agree that no funding is to be provided to the five organizations for which funding was not provided in fiscal year 1996.

Allocation of the remaining funds included in the conference agreement is to be made in conjunction with an assessment of the importance of the international organizations to the national interest of the United States. The Department is expected to report the results of its review of these organizations to the Appropriations Committees no later than January 30, 1997.

The conferees adopt by reference the language in the Senate report concerning the Framework Convention on Climate Change.

The conferees agree that no funding is provided for world-wide conferences.

The conferees are aware that despite the position of the United States that reductions are required, the budget for the United Nations Conference on Trade and Development (UNCTAD) is exactly the same during the current biennium as it was in the last. The Department is asked to report within 30 days of enactment of this legislation on the efforts it is making, in conjunction with the Under-Secretary-General for Management of the United Nations, to find additional budget savings in UNCTAD.

The conferees are aware that the World Intellectual Property Organization is running a surplus of approximately $100,000,000, and is proposing to spend those funds on a new building. The conferees applaud the position of the United States in opposition to the new building and encourage efforts to use the budget surplus to reduce assessments or to provide rebates to participants.

The Pan American Health Organization (PAHO) is to be commended for its improved efforts to keep the Congress informed of its activities. PAHO is urged to maintain these efforts.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The conference agreement provides $352,400,000 for Contributions for International Peacekeeping Activities, instead of $332,400,000, as proposed by the House, and $282,600,000 as proposed in the Senate-reported bill.

The conference agreement includes language included in the House bill, provided that of the total amount $50,000,000 is for payment of arrearages, which shall be available only upon certification by the Secretary of State that at least two of the following have been achieved: (1) savings of at least $100,000,000 in the biennial expenses of certain United Nations divisions and activities; (2) the number of professional and general service staff employed by the United Nations at the end of the current biennium will be at least ten percent below the number of such

positions at the beginning of the biennium; and (3) the United Nations has adopted a budget outline for the 1998–1999 biennium that is below the current biennial budget, as part of a five-year program to achieve major cost-saving reforms in the United Nations and specialized agencies. The Senate-reported bill contained no provision on payment of arrearages.

The conferees cannot support payment of arrearages if the funding will be used to support wasteful, business-as-usual practices. Any effort to address arrearages will be taken a step at a time, and a year at a time, and should be proportional to the reform that the United Nations achieves.

Of the funds provided by the conference agreement, up to $20,000,000 is for contingencies related to African crises, particularly Burundi. If contingencies related to potential African crises arise that require use of these funds, the funds will be subject to the regular Committee review procedures under this heading prior to obligation.

The conference report contains all other language that was identical in the House and Senate-reported bills.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

The conference agreement includes $15,490,000 for Salaries and Expenses of the International Boundary and Water Commission (IBWC), instead of $18,490,000 as proposed in both the House and the Senate-reported bills. The reason for the reduction is that the International Boundary and Water Commission has indicated that the results of contract negotiations on pending contracts have resulted in lower requirements than anticipated.

CONSTRUCTION

The conference agreement includes $6,463,000 for the Construction account of the IBWC, as proposed by the House, instead of $7,568,000, as proposed by the Senate. The amount provided in the conference agreement, together with remaining funds previously appropriated for Mexican participation in the International Wastewater Treatment Plant, for which no use has been identified, is sufficient to fund all construction projects requested in the budget.

The conferees recognize that the issue of responsibility for the repair and maintenance of the International Outfall Line that conveys sewage from Mexico to the Nogales International Water Treatment Plant has not been resolved. The Committee requests that IBWC work diligently to resolve the issues with the City of Nogales, Arizona, and finalize an agreement by October 1, 1997.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

The conference agreement includes $5,490,000 for the U.S. share of expenses of the International Boundary Commission, the International Joint Commission, United States and Canada, and the Border Environment Cooperation Commission, as provided in the House bill, instead of $5,627,000 as provided in the Senate-reported bill. The reduction from the budget request is to be taken proportionately from the three Commissions.

INTERNATIONAL FISHERIES COMMISSIONS

The conference agreement includes $14,549,000 for the U.S. share of the expenses of the International Fisheries Commissions and related activities. The House bill provided $10,450,000. The Senate-reported bill provided $9,051,000. Both bills provided that $4,099,000 for the Great Lakes Fishery Commission sea lampricide program be funded under the National Oceanic and Atmospheric Administration. The conference agreement includes funding for that program under this account. The reduction from the budget request is to be taken from increases requested for any Commission over its fiscal year 1996 funding level.

For the Great Lakes Fishery Commission, the conferees intend that the U.S. participation in the Commission be provided in a comparable manner to Canadian participation.

The conferees request that in the fiscal year 1998 budget, the Department display funding for this account in a manner that makes it clear how much of the funding for each Commission is related to supporting the cost of the international secretariat of each Commission, and how much of the cost is related to supporting other programmatic activities, and what those activities are.

OTHER

PAYMENT TO THE ASIA FOUNDATION

The conference agreement includes $8,000,000 for the Payment to the Asia Foundation account, the amount provided in the House bill, instead of no funding, as provided in the Senate-reported bill.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

The conference agreement includes $41,500,000 for the Arms Control and Disarmament Agency (ACDA), instead of $38,495,000, as proposed in the House bill, and instead of $30,000,000 as proposed in the Senate-reported bill. To the maximum extent possible, reductions from the current year operating level should be taken from administrative functions, rather than from programmatic staff involved in technical aspects of ACDA's activities, including monitoring functions.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

The conference agreement includes $441,375,000 for Salaries and Expenses of the United States Information Agency (USIA), of which $440,000,000 is for the regular operations of the Agency, as proposed in the Senate-reported bill, instead of $439,300,000, as proposed in the House bill; and $1,375,000 is for antiterrorism and security purposes, provided in response to the Administration's antiterrorism budget amendment submitted on September 12, 1996 and designated as an emergency requirement under the Balanced Budget and Emergency Deficit Control Act of 1985, which is described in more detail below. All other bill language, which is identical in the House and Senate bills, is included in the conference agreement, except for one technical modification to assure that fees from student advising and counseling may be credited to this appropriation in the absence of an authorization.

Security Enhancements. The conference agreement includes $1,375,000 for enhanced security for U.S. personnel and facilities for USIA's five main facilities in Washington, and 19 facilities throughout the U.S. The funding will provide for additional guard staff, glass protection, construction of package/mail/visitor screening areas, alarms, locks and video surveillance.

TECHNOLOGY FUND

The conference agreement includes $5,050,000 for the Technology Fund, as provided in both the House and Senate-reported bills.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

The conference agreement includes $185,000,000 for Educational and Cultural Exchange Programs, as proposed in the House bill, instead of $183,000,000, as proposed in the Senate-reported bill.

To the maximum extent possible, the conferees urge that the following exchange programs be supported: the International Visitors Program, the Pepper Scholarships, including the Executive Education Program for Central European Business and Professional Leaders, the Muskie Fellowships, the Humphrey Fellowships, the Disability Exchange Clearinghouse, the Congress Bundestag Exchanges, the South Pacific Exchanges, other Asian exchanges, the Institute for Representative Government, and the United States/Mexico Conflict Resolution Center.

USIA shall disburse funds to the Mansfield Center for Pacific Affairs as provided in the Senate report.

The conferees intend that $1,000,000 is to be available for the Center for Irish Management.

The conferees intend that the remaining program direction included in both the House and the Senate reports be followed.

The conferees expect that a proposal for the distribution of the available resources among exchange programs, as well as propose enhancements for exchanges with the Newly Independent States, will be submitted through the normal reprogramming process prior to final decisions being made.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

The conference agreement includes language as provided in both the House and Senate bills, allowing all interest and earnings accruing to the Trust Fund in fiscal year 1997 to be used for necessary expenses of the Eisenhower Exchange Fellowships.

ISRAELI ARAB SCHOLARSHIP PROGRAM

The conference agreement language as provided in both the House and Senate bills, allowing all interest and earnings accruing to the Scholarship Fund in fiscal year 1997 to be used for necessary expenses of the Israeli Arab Scholarship Program.

INTERNATIONAL BROADCASTING OPERATIONS

The conference agreement includes $325,000,000 for International Broadcasting Operations, as proposed in the Senate-reported bill, instead of $335,700,000 as proposed in the House bill. The conference agreement does not include funds for radio broadcasting to Cuba under this account, as proposed by the House, but rather includes all funding for Broadcasting to Cuba under a separate account, as proposed by the Senate, consistent with the fiscal year 1996 appropriations Act.

The conference agreement does not contain a provision included in the House bill stating that $9,300,000 may be made available for the operating costs of Radio Free Asia. However, the conferees are agree that up to $9,300,000 may be made available for this purpose from the funding available under this account.

The conferees note that the Broadcasting Board of Governors has submitted an operating plan for Radio Free Asia. However, before such a plan can be approved, and additional FY 1997 funds expended, more specific information must be provided to the committees concerning transmission facilities, costs, and potential offsets for broadcast hours and costs from the Voice of America and from the rest of the Bureau of Broadcasting. The conferees are aware that RFA has carryover balances of at least $5,000,000 that may be expended in FY 1997 pending approval of a final FY 1997 operating plan. Because RFA is a new organization, the conferees request monthly progress reports and expect that a complete plan for the total broadcasts to be funded in FY 1997 be submitted no later than December 1, 1996 in accordance with Section 605 reprogramming requirements. Thereafter, the conferees direct

that quarterly progress reports be submitted to the appropriate committees of jurisdiction concerning implementation of the plan

The conference agreement does not contain a provision included in the Senate-reported bill, making $5,000,000 available until expended.

The conference agreement includes citations of underlying authorization statutes in the form proposed in the House bill, instead of in the form proposed in the Senate-reported bill.

The conferees expect that the Committees will be notified of the final distribution of funding among the activities under this account pursuant to the normal reprogramming procedures.

BROADCASTING TO CUBA

The conference agreement includes $25,000,000 for Broadcasting to Cuba under a separate account, as proposed in the Senate-reported bill, instead of $13,375,000 for radio broadcasting to Cuba within the total for International Broadcasting Operations, as proposed in the House bill.

RADIO CONSTRUCTION

The conference agreement includes $35,490,000 for Radio Construction, instead of $39,000,000, as proposed in the House bill, and $32,000,000, as proposed in the Senate-reported bill. The account provides funding for the following activities: maintenance, improvements, replacements and repairs; satellite and terrestrial program feeds; engineering support activities; and broadcast facility leases and land rentals.

The conferees expect USIA to report on the expected distribution of funds in fiscal year 1997 including carryover through the normal reprogramming procedure.

EAST-WEST CENTER

The conference agreement includes $10,000,000 for operations of the East-West Center, instead of no funds, as proposed in the House bill, and $11,750,000, as proposed in the Senate-reported bill.

NORTH/SOUTH CENTER

The conference agreement includes $1,495,000 for operations of the North/South Center, instead of no funds, as proposed in the House bill, and $2,000,000, as proposed in the Senate-reported bill.

NATIONAL ENDOWMENT FOR DEMOCRACY

The conference agreement includes $30,000,000 for the National Endowment for Democracy, as provided in the House bill, instead of no funds, as provided in the Senate-reported bill.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCIES

Sec. 401.—The conference agreement includes section 401, as provided in both the House and Senate-reported bills, permitting use of funds for allowances, differentials, and transportation.

Sec. 402.—The conference agreement includes section 402, as provided in both the House and Senate-reported bills, dealing with transfer authority.

Sec. 403.—The conference agreement includes section 403, as provided in both the House and Senate bills, dealing with the compensation of the United States Commissioner of the International Boundary Commission, United States and Canada.

Sec. 404.—The conference agreement includes a provision waiving provisions of existing legislation that require authorizations to be in place for State Department, United States Information Agency, including International Broadcasting Operations, and Arms Control and Disarmament Agency activities prior to the expenditure of any appropriated funds, as provided in both the House- and Senate-reported bills.

Sec. 405.—The conference agreement includes a provision requiring any personnel costs incurred by any Department or agency funded under this title as a result of funding reductions be absorbed within the total budgetary resources available to the Department or agency, and providing authority to transfer funds between appropriations accounts for that purpose, as proposed in both the House and Senate-reported bills.

Sec. 406.—The conference agreement includes a provision stating that starting sixty days after the enactment of this Act, none of the funds made available by this Act may be used to fund the Standing Consultative Commission unless the President provides a report to the Congress containing a detailed analysis of whether the Memorandum of Understanding on Succession and the Agreed Statement regarding Demarcation agreed to by the Standing Consultative Commission represent substantive changes to the Anti-Ballistic Missile Treaty of 1972 and whether these agreements will require the advice and consent of the Senate of the United States. The House bill contained a provision prohibiting funding for the Standing Consultative Commission or to implement changes to the Anti-Ballistic Missile Treaty unless the President certifies to the Congress that any such changes will be submitted to the Senate for its advice and consent. The Senate-reported bill contained no provision on this matter.

Sec. 407.—The conference agreement includes a provision, not in either the House or the Senate-reported bill, which permits the Secretary of State to authorize State officials or the United States Postal Service to collect and retain the execution fee for passport applications.

TITLE V—RELATED AGENCIES

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

The conference agreement includes $148,430,000 for payment of obligations incurred for the Maritime Administration (MARAD) operating differential subsidy program, as provided in both the House and Senate-reported bills.

MARITIME SECURITY PROGRAM

The conference agreement includes $54,000,000 for the Maritime Security Program (MSP) which provides payments to maintain and preserve a U.S.-flag merchant fleet for the national security needs of the United States, subject to the authorization of the program. The Senate-reported bill contained no funding for MSP. The House bill includes $63,000,000. This program is funded under the allocation for national security programs. The conferees expect MARAD to submit a notification of the proposed distribution of these funds to the House and Senate Committees on Appropriations prior to the initiation of the program.

OPERATIONS AND TRAINING

The conference agreement includes $65,000,000 for the Maritime Administration Operations and Training account instead of $66,600,000 as proposed by the Senate and instead of $62,300,000 as proposed by the House. The conferees intend that funding for the operation and maintenance of the U.S. Merchant Marine Academy and the State maritime schools be at no less than their respective fiscal year 1996 appropriated levels. The conference agreement does not specifically allocate the balance of the funds in this account.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

The conference agreement provides $37,450,000 is subsidy appropriations for the Maritime Guaranteed Loan Program as proposed by the House and Senate-reported bills. This amount will subsidize a program level of not more than $1,000,000,000 as proposed by both the House and Senate-reported bills.

The conferees have also included $3,450,000 for administrative expenses associated with the Maritime Guaranteed Loan Program, as proposed in the House and Senate-reported bills. These amounts may be transferred to and merged with amounts under the MARAD Operations and Training account.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

The conference agreement includes provisions contained in both the House and Senate-reported bills involving Government property controlled by MARAD, the accounting for certain funds received by MARAD, and a prohibition on obligations from the MARAD construction fund.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

The conference agreement provides $206,000 for the Commission on the Preservation of America's Heritage Abroad, as provided in both the House and Senate-reported bills.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

The conference agreement includes $8,740,000 for the salaries and expenses of the Commission on Civil Rights, as proposed in both the House and Senate-reported bills.

COMMISSION ON IMMIGRATION REFORM

SALARIES AND EXPENSES

The conference agreement $2,196,000, as proposed in both the House and Senate-reported bills.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

The conference agreement includes $1,090,000 for the Commission on Security and Cooperation in Europe, as provided in both the House and Senate-reported bills.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $239,740,000 for the salaries and expenses of the Equal Employment Opportunity Commission, as provided in both the House and Senate-reported bills. The House bill provided $232,740,000 under this account, but under section 618, an additional $7,000,000 was provided.

Within the total amount, the conference agreement includes $27,500,000 for payments to State and local enforcement agencies for services to the Commission, instead of $26,500,000, as provided in both the House and Senate-reported bills.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

The conference agreement provides a total of $189,079,000 for the salaries and expenses of the Federal Communications Commission instead of $185,619,000 as proposed by the House, and $192,538,00 as proposed in the Senate-reported bill. The conference agreement provides for the collection and retention of $152,523,000 in offsetting fee collections as provided in the Senate-reported bill instead of $126,400,000 as provided in the House bill.

The conference agreement includes language proposed by the House and included in previous appropriations Acts, allowing fees in excess of the amounts specified to remain available for expenditure in future years.

The conference agreement does not include language, proposed in the Senate-reported

bill, to prohibit funds from being used to relocate the FCC headquarters to the Portals. However, the conference agreement does not include the requested $30,000,000 increase for costs related to this relocation. The conferees understand that there have been delays, thereby reducing the fiscal year 1997 requirements to $19,000,000. However, even with the reduced requirement, the funding allocation provided in this conference agreement will not support such significant increases for this agency in the current fiscal climate. The conferees direct the FCC to work with the General Services Administration to decrease the overall cost of the relocation and to identify alternative mechanisms to finance the relocation. The conferees expect the FCC to take actions to further streamline its operations as recommended in the House report, and intend that no funds be diverted from FCC activities directly related to implementation of the Telecommunications Act. Should actions relating to this proposed relocation be necessary in fiscal year 1997, the FCC would be required to submit a reprogramming in accordance with section 605 of this Act to cover the costs from within available resources.

The conference agreement does not include a provision proposed in the House bill prohibiting funds provided in the Act to be used to deny or delay action on licenses for any religious or religiously affiliated entity on the basis of certain employment practices. The Senate-reported bill contained no provision on this matter. However, while this provision has been deleted from the bill, concerns remain that actions taken by the FCC to challenge radio license applications or renewals for religious broadcasters on the grounds that requiring religious knowledge, training or expertise for employees is discriminatory. These concerns have arisen because of the potential impact of such actions on legitimate religious free speech. Therefore, the conferees direct the FCC not to deny any license application or renewal on these grounds inconsistent with the right to exercise this free speech in recruitment and hiring practices. If the FCC does move to deny a license application or renewal for a religious broadcaster according to its policy, it shall report to the Committees on its actions and include a demonstration that is not abridging the free speech of religious broadcasters.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $14,000,000 for the salaries and expenses of the Federal Maritime Commission, instead of $14,450,000 as proposed in the Senate-reported bill and $11,000,000 as proposed in the House bill.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

The conference agreement allows a total operating level of $101,930,000 for the Federal Trade Commission, instead of $93,819,000 as proposed in the House bill and $104,462,000 as proposed in the Senate-reported bill. The conference agreement assumes that of the amount provided, $58,905,000 will be derived from fees collected in fiscal year 1997 and $16,000,000 will be derived from estimated unobligated fee collections available from 1996. These actions result in a final appropriated level of $27,025,000, the same as provided by the House.

Use of any unobligated fee collections from 1996 above $16,000,000 are subject to the reprogramming requirements outlined in section 605 of this Act.

The conference agreement does not include a change in the fee structure for Hart-Scott-Rodino fees as proposed in the Senate-reported bill, which would have eliminated the requirement for any direct appropriation for this account.

GAMBLING IMPACT STUDY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $4,000,000 for the salaries and expenses of the Gambling Impact Study Commission, instead of $2,000,000 as proposed by the Senate. The House bill did not include a provision. This commission was authorized by Public Law 104–169, signed into law on August 3, 1996.

JAPAN-UNITED STATES FRIENDSHIP COMMISSION

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

The conference agreement does not provide an appropriation for the Japan-United States Friendship Commission, as proposed in the House bill, instead of $1,250,000 from interest earned on the Japan-United States Friendship Trust Fund and an amount of Japanese currency not to exceed the equivalent of $1,420,000 for the expenses of the Japan-United States Friendship Commission, as provided in the Senate-reported bill.

Under terms of Public Law 94–118, which established the Commission, it was authorized to spend up to five percent of the principal of the Japan-United States Friendship Trust Fund. Since 1990, however, the Commission has operated under a policy of not spending funds out of the principal and relying on appropriations of interest earned on the Fund to finance its operations, supplemented by gifts from outside sources.

The conferees believe that, in this time of fiscal restraint, it makes better sense for the Commission to operate on a self-financing basis, as was apparently envisioned in the original legislation, by spending five percent of its Fund capital per year. The Fund currently contains approximately $15,000,000. These funds, together with funds obtained from outside sources, would allow the Commission to maintain its highest priority activities without the need for annual appropriations. Any interest earnings of the fund that accrue in the Commission's account will be considered to be original principal.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

The conference agreement includes $283,000,000 for payment to the Legal Services Corporation instead of $250,000,000 as proposed in the House bill and $288,000,000 as proposed in the Senate-reported bill.

The conference agreement provides $274,400,000 for grants to basic field programs and independent audits, $7,100,000 for management and administration, and $1,500,000 for the Office of the Inspector General.

ADMINISTRATIVE PROVISIONS—LEGAL SERVICES CORPORATION

The conference agreement contains language, identical in both the House bill and Senate-reported bill, continuing all statutory requirements and restrictions included in the fiscal year 1996 appropriations Act, with one modification. Section 502 of both bills contains an exception to the restrictions to allow non-Federal funds to be used to provide legal assistance in domestic violence and related matters.

The conference agreement makes several technical changes to correct statutory citations that were incorrectly cited in the House and Senate-reported bills.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $1,189,000 for the salaries and expenses of the Marine Mammal Commission instead of $1,385,000 as proposed in the Senate-reported bill and $975,000 as proposed in the House bill.

NATIONAL BANKRUPTCY REVIEW COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $494,000 for the salaries and expenses of the National Bankruptcy Review Commission instead of $498,000, as proposed in the Senate-reported bill, and $490,000, as proposed in the House bill.

OUNCE OF PREVENTION COUNCIL

The conference agreement includes $1,500,000 for the Ounce of Prevention Council. Neither the House nor Senate-reported bills proposed funding for this program.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

The conference agreement provides a total operating level of $305,400,000 for the Securities and Exchange Commission, instead of $297,021,000, as proposed in the House bill, and $306,400,000, as proposed in the Senate-reported bill. The conference agreement includes a reduction in registration fees under section 6(b) of the Securities Act of 1933 from fiscal year 1996, to one thirty-third of one percent, as provided in both the House and Senate-reported bills, and a transaction fee on over-the-counter transactions in the amount of one three-hundredth of one percent of the aggregate dollar amount of sales of last sale reported securities, to be collected on a semi-annual basis, starting on January 1, 1997, instead of one eight-hundredth of one percent for each $1,000,000 of the aggregate dollar amount of sales, starting on September 1, 1996 or the date of enactment of this Act, whichever is later, as provided in both the House and Senate-reported bills. These offsetting fees are expected to provide $222,622,000 in fiscal year 1997. In addition, the conference agreement assumes the use of $45,000,000 in carryover funds from fiscal year 1996. These actions result in a net direct appropriation of $37,778,000, instead of $58,047,000, as provided in the House bill, and $64,426,000, as provided in the Senate-reported bill.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides an appropriation of $235,047,000 for the Small Business Administration (SBA) Salaries and Expenses account, instead of $214,419,000 as proposed in the House bill and $33,190,000 as proposed in the Senate-reported bill. In addition, the conference agreement allows for the collection of $4,500,000 in offsetting fees to offset this appropriation, instead of $6,000,000 in offsetting fee collections proposed in the House bill and $3,300,000 in fee collections proposed in the Senate-reported bill, thus making $239,547,000 available under this account.

In addition to amounts made available under this heading, the conference agreement includes $94,000,000 for administrative expenses under the Business Loans Program Account and $86,500,000 for administrative expenses under the Disaster Loans Program account, and $22,000,000 in emergency fiscal year 1997 funding related to Hurricane Fran and Hurricane Hortense provided in title IX of this bill. These amounts are transferred to and merged with amounts available under Salaries and Expenses, resulting in a total level of $442,047,000 for SBA operating programs, noncredit and other initiatives, instead of $414,482,000 as proposed in the House bill and $408,580,000 as proposed in the Senate-reported bill.

The conference agreement provides that of the amounts available under this account, $1,000,000 is designated only for projects

jointly developed, implemented and administered with the Department of Commerce's Minority Business Development Agency, instead of $3,000,000 designated for this purpose in the House bill. The conference agreement provides this funding under the 7(j) technical assistance program under noncredit initiatives. In addition, the conference agreement adopts the recommendations included in the House report regarding this matter. The Senate-reported bill contained no provision on this matter.

The conference agreement includes a provision, not included in either the House bill or Senate-reported bill, providing two year availability for funds provided for the Small Business Development Center program. Of this amount, $2,000,000 is to continue efforts by the SBDC defense transition programs started in fiscal year 1995.

The conference agreement includes the following amounts for noncredit programs:

Small Business Development Centers	$73,500,000
SBDC Defense Transition	2,000,000
7(j) Technical Assistance	2,600,000
(Joint MBDA/SBA Technical Assistance)	(1,000,000)
SCORE	3,300,000
Business Information Centers	485,000
Women's Demonstration	4,000,000
Women's Council	194,000
EZ/EC One Stop Capital Shops	2,767,000
Microloan Technical Assistance	12,000,000
US Export Assistance Centers	2,500,000
Total	103,346,000

The conference agreement provides no funds for Advocacy Research. However, the conferees would be willing to entertain a reprogramming subject to section 605 of this Act to maintain activities approved in fiscal year 1996.

The conference agreement adopts language included in the House report directing the SBA to continue to support activities assisting small businesses to adapt to a paperless procurement environment, and activities assisting small businesses in complying with the requirements of the Clean Air Act. In addition, the conference agreement expects that SBA will support activities which assist small businesses in making the transition to meet both military and ISO 9000 quality systems requirements. The conferees also expect SBA to support business outreach programs at urban universities referenced in the Senate report.

The conferees have provided $4,000,000 for the Women's Outreach Program. Within these amounts, the conferees expect SBA to follow the direction given in the Senate report with respect to this program.

In June 1996, the Committees approved a reorganization proposal submitted by the SBA as part of its Reinventing Government (REGO) II proposal to downsize its regional offices in order to devote additional resources to the district offices. The conferees are concerned that SBA may be taking actions to reorganize and augment its regional office structure, contrary to the intent of REGO II, and are disturbed that such action is being taken without proper notification to the Committees in accordance with section 605 of this, and prior, appropriations Acts. Therefore, the conferees direct SBA to immediately cease all activities to increase staffing in the regional offices.

In addition, the conferees expect the SBA to follow the direction included in the Senate report concerning filling vital technical and support positions. In addition, the conference agreement includes the following small business initiatives: $3,000,000 for continuation of an outreach program to assist small business development; $7,000,000 for small business and rural technology development assistance, $1,000,000 for construction activities increasing small business opportunities and economic development; and $500,000 for continuation of a program for small business consulting and technical assistance.

Further, the conferees continue to believe the SBA should move forward with a program to consolidate and streamline activities. The conferees believe that SBA can satisfy the increased demands on its programs by greater reliance on centralization of loan processing, servicing, and liquidation activities, and encourage SBA to continue to work with the Committees regarding this matter. In addition,the conferees encourage SBA to explore opportunities for privatization of some functions, such as the disaster loan servicing and liquidation, to help improve management of the portfolio.

In addition, the conferees are supportive of efforts to upgrade SBA's computer systems to improve the financial management of its operations and loan portfolios. Therefore, the conferees urge the SBA to work with the Committees in this endeavor.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $9,000,000 for the SBA Office of Inspector General as proposed in the Senate-reported bill instead of $8,900,000 as proposed in the House bill.

Further, as proposed in both the House bill and the Senate-reported bill, an additional $500,000 has been provided under the administrative expenses of the Disaster Loans Program to be made available to the Office of Inspector General for work associated with oversight of the disaster loans program.

BUSINESS LOANS PROGRAM ACCOUNT

The conference agreement includes $277,708,000 in appropriations under the SBA Business Loans Program Account, instead of $258,153,000 as proposed in the House bill and $309,199,000 as proposed in the Senate-reported bill.

Of the amounts provided under this account, $1,691,000 is for the microloan direct loan program. Both the House bill and the Senate-reported bill provided $2,792,000 for this program. The conference agreement reduces this amount due to the availability of $5,000,000 in unobligated balances carrying forward into fiscal year 1997 for this program.

The conference agreement also designates $40,510,000 of the total amount provided shall be available until September 30, 1998, as provided in both the House bill and the Senate-reported bill.

The conference agreement provides $158,000,000 in subsidy appropriations for the 7(a) general business guaranteed loan program, instead of $144,200,000 as proposed in the House bill and $174,500,000 as proposed in the Senate-reported bill. When combined with prior year carryover balances of $40,500,000 in subsidy appropriations, this amount will subsidize a $7,900,000,000 program level upon enactment of legislative changes under consideration by the Congress, as compared to a $7,200,000,000 program level in fiscal year 1996.

In addition, $21,700,000 is provided for the Small Business Investment Corporation debenture and participating securities programs, instead of $16,459,000 as proposed in the House bill and $35,500,000 as proposed in the Senate-reported bill. Upon enactment of legislative changes under consideration by the Congress, these subsidy amounts will result in a program level of $225,000,000 for the SBIC debenture program and $400,000,000 for the SBIC participating securities program.

Within the total amount provided under this account, the conference agreement provides $2,317,000 for the microloan guaranty program as proposed in the Senate-reported bill, instead of $1,216,000 included in the House bill. The conferees continue to support the transition of microloans from a direct loan program to a guaranteed loan program.

In addition, the conference agreement includes $94,000,000 for administrative expenses to carry out the direct and guaranteed loan programs, instead of $93,485,000 proposed in the House bill and $94,090,000 as proposed in the Senate-reported bill. The amount provided for administrative expenses is available to be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

The conference agreement includes $105,432,000 for subsidy costs associated with the SBA Disaster Loan Program as proposed in the House bill, the same amount that was made available in fiscal year 1996 through a combination of regular and emergency appropriations. The conference agreement provides a $39,632,000 increase above the amounts requested by the Administration and provided in the Senate-reported bill for disaster loan subsidy costs. In addition to amounts made available under this title for disaster assistance, an additional $113,000,000 in emergency fiscal year 1997 funding is included in title IX of the bill to provide disaster loans for individuals and businesses impacted by Hurricanes Fran and Hortense, and other natural disasters.

The conference agreement provides $86,500,000 for administrative expenses under this account, instead of $92,578,000 as proposed by the House and $78,000,000 as proposed in the Senate-reported bill. In addition to amounts made available under this title, an additional $22,000,000 in emergency appropriations is provided in title IX of the bill to provide necessary administrative expenses for SBA disaster loan administrative activities related to Hurricane Fran and Hurricane Hortense.

SURETY BOND GUARANTEES REVOLVING FUND

The conference agreement provides $3,730,000 for additional capital for the SBA Surety Bond Guarantees Revolving Fund as proposed in both the House bill and the Senate-reported bill.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

The conference agreement includes section 504, providing SBA with the authority to transfer funds between appropriations accounts, as provided in the House bill and the Senate-reported bill.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

The conference agreement provides $6,000,000 for the salaries and expenses of the State Justice Institute (SJI) instead of $10,000,000 as proposed by the Senate and instead of no funds as proposed by the House.

The House report directed the Office of Justice Programs (OJP) to provide a portion of State court assistance funds to SJI under State and Local Law Enforcement Assistance under title I. The Senate-reported bill did not provide funds for State court assistance. The conference agreement does not provide funds to OJP for State court assistance.

TITLE VI—GENERAL PROVISIONS

The conference agreement includes the following general provisions:

Sec. 601.—The conference agreement includes section 601, identical in both the House and Senate-reported versions of the

bill, regarding the use of appropriations for publicity or propaganda purposes.

Sec. 602.—The conference agreement includes section 602, identical in both the House and Senate-reported versions of the bill, regarding the availability of appropriations for obligation beyond the current fiscal year.

Sec. 603.—The conference agreement includes section 603, identical in both the House and Senate-reported versions of the bill, regarding the use of funds for consulting services.

Sec. 604.—The conference agreement includes section 604, identical in both the House and Senate-reported versions of the bill, providing that should any provision of the Act be held to be invalid, the remainder of the Act would not be affected.

Sec. 605.—The conference agreement includes section 605, identical in both the House and Senate-reported versions of the bill, establishing the policy by which funding available to the agencies funded under this Act may be reprogrammed for other purposes.

Sec. 606.—The conference agreement includes section 606, identical in both the House and Senate-reported versions of the bill, regarding the construction, repair or modification of National Oceanic and Atmospheric Administration vessels in overseas shipyards.

Sec. 607.—The conference agreement includes section 607 regarding the purchase of American-made products, as provided in both the House and Senate-reported bills.

Sec. 608.—The conference agreement includes section 608 which prohibits funds in the bill from being used to implement, administer, or enforce any guidelines of the equal Employment Opportunity Commission covering harassment based on religion similar to proposed guidelines published by the EEOC in October, 1993, as provided in both the House and Senate-reported bills.

Sec. 609.—The conference agreement repeats language contained in P.L. 104–134 which prohibits use of funds in this Act to expand U.S. diplomatic presence in Vietnam beyond the level in effect on July 11, 1995, unless the President certifies that Vietnam is cooperating in full faith with the United States on POW/MIA issues, as proposed in the House bill. The Senate-reported bill deleted this provision.

Sec. 610.—The conference agreement includes section 610, which repeats language contained in P.L. 104–134, prohibiting the use of funds for any United Nations peacekeeping mission that involves U.S. Armed Forces under the command or operational control of a foreign national, unless the President certifies that the involvement is in the national security interest, as proposed in both the House and the Senate-reported bills.

Sec. 611.—The conference agreement includes section 611 which prohibits the use of funds to provide certain amenities for Federal prisoners as provided for in both the House and Senate-reported bills.

Sec. 612.—The conference agreement includes a modified version of section 612 restricting the use of funds provided under the National Oceanic and Atmospheric Administration Fleet Modernization account, as proposed in the House bill. The Senate-reported bill deleted this provision. The modification permits NOAA to develop long term plans to support its fisheries research requirements.

The conference agreement does not include section 613, as proposed by the House, but deleted by the Senate-reported bill, imposing a limitation on funding for TV Marti when it is made known that such funds would be inconsistent with the March 1995 Office of Cuba Broadcasting Reinventing Plan of the United States Information Agency.

Sec. 613.—The conference agreement includes section 613, which requires agencies and Departments funded in this Act to absorb any necessary costs related to downsizing or consolidations within the amounts provided to the agency or Department. Both the House and the Senate-reported bills included this section as section 614.

Sec. 614.—The conference agreement includes section 614, which prohibits funds made available to the Federal Bureau of Prisons from being used to make available any commercially published information or material to a prisoner when it is made known that such information or material is sexually explicit or features nudity. Both the House and the Senate-reported bills included this section as section 615.

Sec. 615.—The conference agreement includes section 615, which requires a combined ten percent reduction in Community Oriented Policing grants and the Local Law Enforcement Block Grant, to a locality if it is made known that public safety officers in that locality, who retire as a result of injuries sustained in the line of duty do not continue to receive health insurance benefits at the same or better level of benefits as would be paid by the locality under a regular retirement plan. The House bill proposed this provision as section 616. The Senate-reported bill deleted this provision.

The conference agreement does not include a provision included in the House bill as section 617, and deleted in the Senate-reported bill, which would have required a ten percent reduction in funds provided to a State, local or Federal prison, if the facility had not reported to the Attorney General each death of any individual who dies in custody of that prison and the circumstances surrounding the death. The conferees agree that in developing the fiscal year 1997 solicitation for grant applications for the State Corrections Grant program, the conferees direct the Office of Justice Programs to review the feasibility of requiring States to report the name and circumstance of deaths that occur at a municipal or county jail, State or Federal prison, or other similar facility for the confinement of accused or convicted criminals. The conferees further direct the Office of Justice Programs to provide the House and Senate Committees on Appropriations with a report outlining recommendations for the implementation of such a requirement by December 15, 1996.

The conference agreement does not include a provision that was included in the House bill as section 618, which was deleted by the Senate-reported bill, that increased funding for the Equal Employment Opportunity Commission and decreased funding for Small Business Administration Disaster loan program administrative expenses. Funding for these accounts has been addressed in this conference agreement under title V.

Sec. 616.—The conference agreement includes section 616, which includes language not in either the House or Senate-reported bill, that addresses the subject included in the House bill as section 619 and deleted by the Senate-reported bill. The provision included in this conference agreement precludes the filing of civil action for damages or injunctive relief against a medical practitioner licensed by the State to provide the medical activity or related health care entity who performs a medical activity that would otherwise constitute an infringement or inducement to infringe under 35 U.S.C. 271(a) or (b) for patents issued after its enactment.

The term ''medical activity'' as defined in subsection 287(c)(2)(A) does not include ''the practice of a patented use of a composition of matter.'' The term ''patented use of a composition of matter'' as used in subsection (c)(2)(A)(ii) is limited by subsection (c)(2)(F). Subsection (c)(2)(F) provides that the term ''patented use of a composition of matter'' does not include any claim for performing a medical or surgical procedure on a body that recites the use of the composition of matter where the use of the composition of matter does not directly contribute to the achievement of the objective of the claimed method. A use of a composition of matter as a step in a claim will direct contribute to the achievement of the objective of the claimed method if it is itself novel or if it contributes to or is necessary to establish the non-obviousness of the claim as a whole.

For a method claim in which each of the method steps recites a ''use of a composition of matter'' the claim cannot represent a ''medical activity'' because the use of a composition of matter must necessarily contribute to the novelty—and, therefore, to the objective—of the claimed method. ''Uses of compositions of matter'' include, without limitation, novel uses of drugs, novel uses of chemical or biological reagents for diagnostic purposes, novel methods for scheduling or timing administration of drugs, novel methods for combining drug therapies, and novel methods for providing genetic or other biological materials to a patient (including gene therapies.) A particular example would be a claim that recites only the novel use of a drug for the treatment of diabetes that involves the administration of a drug at a particular time of day and/or at a specified dose and/or with a specified concomitant medicinal therapy could not be construed as a ''medical activity.''

For a ''hybrid'' claim, ie., a claim with at least one step that recites the use of a composition of matter and at least one step that is not directed to the use of a composition of matter (*e.g.*, a surgical step), the test established by subsection (c)(2)(F) must be applied to determine whether the claim as a whole is exempted from the definition of a ''medical activity'' because it is a patented use of a composition of matter. The first step in this test is to determine the objective of the claimed method taking into account all of the process steps set forth in the claim. The second part of this test is to determine whether the steps involving the use of one or more compositions of matter either alone or in combination contribute directly to the achievement of the objective of the claimed method. It is interested that this part of the test will have been met if the uses of the compositions of matter, either individually or collectively, represents novel subject matter, or if one or more of these steps contributes to or are necessary to establish the non-obviousness of the claim as a whole. Thus, even where the steps involving uses of one or more compositions of matter are not novel individually or in combination with each other, these uses may still directly contribute to the achievement of the objective of the claimed method if, in combination with the steps that involve collectively obvious medical or surgical techniques, they produce a novel and non-obvious method.

As an example, in the case of a surgical method for transplanting a healthy heart into a patient with a diseased heart, the inclusion of the step administering a conventional anaesthetic in a claim reciting a novel and non-obvious surgical transplantation procedure would not cause the surgical procedure to be treated as a patented use of a composition of matter within the meaning of subsection (c)(2)(A)(ii). Therefore, assuming none of the other exceptions in subsection (c)(2)(A) apply, the claimed surgical method would necessarily qualify as a medical activity. In contrast, where the administration of

the anaesthesia was accomplished, for example, using a novel anaesthetic or a novel dosing schedule, the objective of the claimed method would include the provision of a novel use of an anaesthetic in transplantation surgery and the use of the composition of matter (ie., the anaesthetic) would directly contribute to the achievement of the objective.

It is intended that the applicability of the exception in (c)(2)(A)(ii) for a patented use of a composition of matter can usually be decided by a motion to dismiss or summary judgment under Rule 12(b) or Rule 56, respectively, of the Federal Rules of Civil Procedure. For example, an accused infringer seeking to invoke the relief from remedies afforded under 287(c)(1) would ordinarily prevail under such a motion if the following conditions are met: (1) the movant shows by clear and convincing evidence that the recited uses of the compositions of matter, both individually and collectively, lack novelty, and (2) the movant also shows by a preponderance of the evidence that the steps of the claimed method that do not involve uses of compositions of matter (ie., the medical or surgical procedure steps) are, by themselves, novel and non-obvious, provided, however, that the movant may concede the non-obviousness in lieu of making the required evidentiary showing.

Paragraph (c)(2)(A)(iii) excludes from the definition of ''medical activity'' the practice of a patented process in violation of a biotechnology patent. For the purposes of this provision, the definition of the term ''biotechnology patent'' includes a patent on a ''biotechnological process'' as defined in 35 U.S.C. §103(b), as well as a patent on a process of making or using biological materials, including treatment using those materials, where those materials have been manipulated *ex vivo* at the cellular or molecular level.

Biological materials which may be manipulated *ex vivo* at the cellular or molecular level include a variety of cellular, intracellular, extracellular, and acellular substances. Cellular substances include (but are not limited to) cultured microbial and mammalian cells. Intracellular substances include (but are not limited to) genetic materials, such as DNA and RNA that is obtained from within the cell. Extracellular substances include (but are not limited to) proteins and other molecules that are secreted or excreted by cells. Acellular substances include (but are not limited to) viruses and other vectors for transmitting genetic material.

Ex vivo manipulation includes propagation, expansion, selection, purification, pharmaceutical treatment, or alteration of the biological characteristics of these substances outside of a human body.

This definition excluded medical procedures which do not involve *ex vivo* cellular or molecular manipulation of a biological material. For example, a patent on a method of performing heart transplantation surgery, including the use of a heart-lung machine, is excluded from this definition on two grounds: first, the method involves manipulation *in vivo*, not *ex vivo*, and second, the method does not manipulate the cellular or molecular characteristics of the heart.

The House bill included a provision which prohibited funds from being used by the Patent and Trademark Office to issue patents for surgical and medical procedures and diagnoses, with certain exceptions for medical and biomedical devices and processes.

Sec. 617.—The conference agreement includes section 617, which eliminates current reprogramming requirements which are redundant with section 605 of this Act. The Senate-reported bill included this provision as section 620. The House bill contained no similar provision.

Sec. 618.—The conference agreement includes section 618, which permits the Secretary of Transportation to issue a guarantee under title XI of the Merchant Marine Act, 1936, upon such terms as the Secretary may prescribe, to assist in the reactivation and modernization of currently closed shipyards that historically built military vessels if the State in which it is located is making a significant financial investment and is paying the credit subsidy cost of the guarantee. The provision requires the Secretary to impose such conditions as are necessary to protect the interests of the United States from the risk of a default. Total guarantees under this section are not to exceed $50,000,000, and no commitment to guarantee obligations under this provision may be issued more than one year from the date of enactment of this section. The Senate-reported bill contained a provision under section 622 that provided authority to make these guarantees, but did not require State contributions or require the imposition of any conditions relating to the risk of default. The House bill did not contain any provision on this matter.

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

WORKING CAPITAL FUND

(RESCISSION)

The conference agreement includes a rescission of $30,000,000 from unobligated balances under this heading, as proposed in the Senate-reported bill. The House bill did not include a rescission from this account.

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

The conference agreement includes a rescission of $34,779,000 from unobligated balances under this heading, as proposed in the Senate-reported bill. The House bill did not include a rescission from this account.

TITLE VIII—FISCAL YEAR 1996 SUPPLEMENTAL AND RESCISSION

DEPARTMENT OF JUSTICE

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The conference agreement includes a $40,000,000 supplemental appropriation for fiscal year 1996, for the Federal Prison System and makes these funds available until September 30, 1997, in order to allow total carryover funding for this account to be $90,000,000. This provision was not included in the House and Senate-reported bills, but is necessary for technical reasons to ensure that adequate funds are available for prison activations which were scheduled for 1996, but have been delayed until 1997.

(RESCISSION)

The conference agreement includes a rescission of $40,000,000 from funds appropriated in fiscal year 1996 for the Federal Prison System. Neither the House nor the Senate-reported bills included this rescission. Funding is available for rescission as a result of delayed activations of prisons scheduled to open in fiscal year 1996. This provision, in conjunction with the previous provision, is necessary to ensure that additional resources may carry forward from fiscal year 1996 to fiscal year 1997 to support ongoing prison system operations.

TITLE IX—FISCAL YEAR 1997 DISASTER ASSISTANCE

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The conference agreement includes $25,000,000 in emergency fiscal year 1997 funding for infrastructure expenses related to recovery efforts associated with Hurricanes Fran and Hortense and other natural disasters, instead of $18,000,000 requested as a fiscal year 1996 emergency supplemental appropriation. Amounts provided under this account are designated as emergency requirements pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RELATED AGENCY

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

In addition to amounts provided under title V of the bill, the conference agreement provides an additional $113,000,000 in emergency fiscal year 1997 subsidy appropriations for disaster loans for recovery efforts related to Hurricanes Fran and Hortense, and other natural disasters.

In addition to amounts provided under title V of the bill, the conference agreement includes an additional $22,000,000 in emergency fiscal year 1997 funding for administrative expenses necessary to carry out the disaster loan program for Hurricanes Fran and Hortense and other natural disasters, instead of $22,000,000 requested as a fiscal year 1996 emergency supplemental appropriation. Amounts provided under this account are designated as emergency requirements pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SECTION 101(b)

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

The conference agreement on the Department of Defense Appropriations Act, 1997, incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 104–617 and Senate Report 104–286 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

The conferees agree that for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119) and by the Budget Enforcement Act of 1990 (Public Law 101–508), the term program, project, and activity for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 1997, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the mangers of the Committee of Conference, the related classified annexes and reports, and the P–1 and R–1 budget justification documents as subsequently modified by Congressional action. The following exception to the above definition shall apply:

For the Military Personnel and the Operation and Maintenance accounts, the term, ''program, project, and activity'' is defined as the appropriations accounts contained in the Department of Defense Appropriations Act. At the time the President submits his budget for fiscal year 1998, the conferees direct the Department of Defense to transmit

to the congressional defense committees a budget justification document to be known as the ''O–1'' which shall identify, at the budget activity, activity group, and sub-activity group level, the amounts requested by the President to be appropriated to the Department of Defense for operation and maintenance in any budget request, or amended budget request, for fiscal year 1998.

TITLE I—MILITARY PERSONNEL

The conferees agree to the following amounts and end strength totals for the Military Personnel accounts as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Active personnel:				
Army	20,580,738	20,692,838	20,559,042	20,633,998
Navy	16,942,956	17,000,856	16,943,581	16,986,976
Marine Corps	6,102,108	6,103,808	6,099,182	6,111,728
Air Force	17,043,150	17,099,550	17,021,810	17,069,490
Reserve personnel:				
Army	2,043,679	2,083,379	2,052,136	2,073,479
Navy	1,386,306	1,392,406	1,396,989	1,405,606
Marine Corps	381,143	387,943	389,325	388,643
Air Force	775,967	780,497	785,842	783,697
National Guard personnel:				
Army	3,242,493	3,279,393	3,259,169	3,266,393
Air Force	1,284,290	1,294,490	1,295,511	1,296,490
Total, Military Personnel	69,782,830	70,115,160	69,802,587	70,016,500

FORCE STRUCTURE CHANGES

The fiscal year 1997 budget request included reductions in the size of Primary Aircraft Authorized (PAA) levels for Air Force B–52's, and Air National Guard C–130's and General Purpose fighter units. In addition, the budget reduced the number of both active and reserve P–3 squadrons. The conferees have recommended a total of $163,600,000 to maintain these units at the fiscal year 1996 levels as follows:

[In thousands of dollars]

	Milpers	O&M	Proc	Total
Navy, P–3's	22,100	16,100	.....	38,200
Air Force, B–52's	4,400	47,900	11,500	63,800
ANG, C–130's	2,000	6,700	.....	8,700
ANG, General Purpose Fighters	8,500	44,400	.....	52,900
Total	37,000	115,100	11,500	163,600

HOUSING ALLOWANCES

The conferees agree to provide $58,230,000, for a 4.6 percent increase in the Basic Allowance for Quarters (BAQ), to be effective January 1, 1997, and $35,000,000 for an increase to the Variable Housing Allowance (VHA) to help offset the cost to service members who live in high cost geographical areas.

DENTAL INCENTIVE PAY

The conferees recommend an increase of $11,100,000 for special pays and allowances to retain dental officers serving in the military services.

BOARD CERTIFICATION PAY

The conferees encourage the Department to expand board certification pay to all board certified medical department personnel, including nurses and veterinarians, who are involved in the health and well being of our service members and their families.

PERMANENT CHANGE OF STATION COSTS

The conferees are concerned that the Department of Defense is expending excessive amounts each year for permanent change of station (PCS) travel. Accordingly, the conferees direct the Department to reduce the level of funds budgeted for PCS moves in the fiscal year 1998 budget submission by three percent. Further, the conferees recommend a reduction of two percent to the fiscal year 1997 military personnel appropriations accounts.

ACTIVE END STRENGTH

[Fiscal year 1997]

	Budget	Conference	Conference vs. Budget
Army	495,000	495,000	.....
Navy	406,900	407,266	+366
Marine Corps	174,000	174,000	.....
Air Force	381,100	381,100	.....
Total, Active Personnel	1,457,000	1,457,366	+366

MILITARY PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	17,300	10,784	17,300
Variable Housing Allowance	5,900	.....	7,200
Dislocation Allowance	15,500	.....	14,300
Temporary Lodging Expense	12,000	.....	.....
Permanent Change of Station	.....	−41,280	−20,640
Dental Incentive Pay	5,000	2,400	3,700
Special Duty Assignment Pay	6,400	6,400	6,400
Manpower Shortfalls	50,000	.....	25,000
Total, Military Personnel, Army	112,100	−21,696	53,260

MILITARY PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	15,400	9,885	15,400
Variable Housing Allowance	15,200	.....	14,100
Dislocation Allowance	10,900	.....	7,200
Temporary Lodging Expense	4,400	.....	.....
Permanent Change of Station	.....	−23,760	−11,880
Dental Incentive Pay	5,000	3,900	3,700
P–3 Squadron	7,000	10,600	15,500
Total, Military Personnel, Navy	57,900	625	44,020

MILITARY PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	4,500	2,834	4,500
Variable Housing Allowance	10,600	.....	3,300
Dislocation Allowance	3,900	.....	3,000
Temporary Lodging Expense	3,100	.....	.....
Permanent Change of Station	.....	−9,160	−4,580
Embassy Support	−20,400	.....	.....
Selective Reenlistment Bonus	.....	3,400	3,400
Total, Military Personnel, Marine Corps	1,700	−2,926	9,620

MARINE SECURITY GUARDS

The conference agreement fully funds the amounts requested in the budget for the Marine Security Guard program. The Marine Corps has traditionally provided security support at United States Embassies and other overseas diplomatic posts, and the personnel and support costs of these operations have been shared jointly between the Departments of Defense and State. This year's budget submission proposed changing this relationship, with the Department of Defense bearing nearly all the costs of this program.

The conferees are concerned that this decision, along with proposals to increase the scope of overseas Marine Corps diplomatic security support, has been made without sufficient regard to recurring funding shortfalls in the Marine Corps budget as well as manpower constraints stemming from the high tempo of personnel moves and operations. The conferees believe the Departments of Defense and State, along with the Marine Corps, should work together to rationalize the overall requirements stemming from the Marine Security Program in order to strike an appropriate balance between providing essential security support for overseas diplomatic operations and the Marine Corps' military missions. The conferees believe Marine Corps support for our overseas diplomatic efforts should not come at the expense of combat readiness and fully expect future budget submissions to adequately resource both activities.

MILITARY PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	14,700	9,280	14,700
Variable Housing Allowance	11,500	.....	7,600
Dislocation Allowance	18,600	.....	12,400
Temporary Lodging Expense	4,000	.....	.....
Permanent Change of Station	.....	−32,920	−16,460
Dental Incentive Pay	5,000	2,300	3,700
Reliability Testing	2,600	.....	.....
B–52 Force Structure	.....	.....	4,400
Total, Military Personnel, Air Force	56,400	−21,340	26,340

NATIONAL GUARD AND RESERVE FORCES

The conferees agree to provide $9,214,308,000 in Reserve personnel appropriations, $8,582,539,000 in Operation and maintenance appropriations, and $780,000,000 in the National Guard and Reserve Equipment appropriation. These funds support a Selected Reserve strength as shown below.

RESERVE STRENGTHS

[Fiscal year 1997]

	Budget	Conference	Conference vs. Budget
Selected Reserve:			
Army Reserve	214,925	215,179	+254
Navy Reserve	95,941	96,304	+363
Marine Corps Reserve	42,000	42,000	.....
Air Force Reserve	73,281	73,377	+96
Army National Guard	366,758	366,758	.....
Air National Guard	108,018	109,178	+1,160
Total	900,923	902,796	+1,873
AGR/TARS:			
Army Reserve	11,550	11,804	+254
Navy Reserve	16,506	16,626	+120
Marine Corps Reserve	2,559	2,559	.....
Air Force Reserve	625	625	.....
Army National Guard	23,040	23,040	.....
Air National Guard	10,129	10,403	+274
Total	64,409	65,057	+648
Technicians:			
Army Reserve	6,799	6,799	.....
Air Force Reserve	9,704	9,704	.....
Army National Guard	25,500	25,500	.....
Air National Guard	22,881	23,274	+393
Total	64,884	65,277	+393

RESERVE PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Unit Readiness/Training	30,000	.....	20,000
Basic Allowance for Quarters	700	457	700
Variable Housing Allowance	400	.....	500
Dislocation Allowance	600	.....	600
Full Time Support/AGR's	8,000	8,000	8,000
Total, Reserve Personnel, Army	39,700	8,457	29,800

RESERVE PERSONNEL, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	1,100	683	1,100

[In thousands of dollars]

	House	Senate	Conference
Variable Housing Allowance	1,300	.....	700
Dislocation Allowance	600	.....	900
Temporary Lodging Expense	100	.....	.....
P–3 Squadron	3,000	.....	6,600
Contributory Support	.....	10,000	10,000
Total, Reserve Personnel, Navy	6,100	10,683	19,300

RESERVE PERSONNEL, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Annual Training/School Tours	6,000	.....	3,000
Basic Allowance for Quarters	300	182	300
Variable Housing Allowance	400	.....	100
Dislocation Allowance	100	.....	100
Active Duty Special Work	.....	8,000	4,000
Total, Reserve Personnel, Marine Corps	6,800	8,182	7,500

RESERVE PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
BRAC Closure	4,000	9,000	6,500
Basic Allowance for Quarters	430	275	430
Variable Housing Allowance	100	.....	100
Dislocation Allowance	.....	.....	100
Family Support Centers	.....	600	600
Total, Reserve Personnel, Air Force	4,530	9,875	7,730

NATIONAL GUARD PERSONNEL, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
School/Special Training	31,000	15,000	20,000
Basic Allowance for Quarters	2,700	1,676	2,700
Variable Housing Allowance	800	.....	900
Dislocation Allowance	2,400	.....	300
Total, National Guard Personnel, Army	36,900	16,676	23,900

NATIONAL GUARD PERSONNEL, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Basic Allowance for Quarters	1,100	721	1,100
Variable Housing Allowance	600	.....	500
C–130 Force Structure	.....	2,000	2,000
Dislocation Allowance	.....	.....	100
Fighter Force Structure	8,500	8,500	8,500
Total, National Guard Personnel, Air Force	10,200	11,221	12,200

TITLE II—OPERATION AND MAINTENANCE

A summary of the conference agreement on the items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
28500	RECAPITULATION				
28550	O&M. ARMY	18,031,145	18,365,679	17,700,859	17,519,340
28600	TRANSFER—STOCKPILE	(83,334)	(50,000)	(50,000)	(50,000)
28650	O&M. NAVY	20,112,864	20,390,397	20,241,517	20,061,961
28700	TRANSFER—STOCKPILE	(83,333)	(50,000)	(50,000)	(50,000)
28750	O&M. MARINE CORPS	2,203,777	2,465,077	2,275,977	2,254,119
28800	O&M. AIR FORCE	17,830,122	17,938,755	17,331,309	17,263,193
28850	TRANSFER—STOCKPILE	(83,333)	(50,000)	(50,000)	(50,000)
28900	O&M. DEFENSEWIDE	10,156,468	10,212,985	9,953,142	10,044,200
29000	O&M. ARMY RESERVE	1,084,436	1,116,436	1,129,436	1,119,436
29050	O&M. NAVY RESERVE	843,927	882,927	861,527	886,027
29100	O&M. MARINE CORPS RESERVE	99,667	108,467	115,367	109,667
29150	O&M. AIR FORCE RESERVE	1,488,553	1,491,553	1,494,953	1,496,553
29200	O&M. ARMY NATIONAL GUARD	2,208,477	2,268,477	2,294,477	2,254,477
29250	O&M. AIR NATIONAL GUARD	2,654,473	2,671,373	2,721,973	2,716,379
29260	UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES	6,797	6,797	6,185	6,797
29300	ENVIRONMENTAL RESTORATION, ARMY	356,916	.....	356,916	339,109
29350	ENVIRONMENTAL RESTORATION, NAVY	302,900	.....	302,900	287,780
29400	ENVIRONMENTAL RESTORATION, AIR FORCE	414,700	.....	414,700	394,010
29450	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	258,500	.....	38,650	36,722
29455	ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES	.....	.....	269,850	256,387
29500	ENVIRONMENTAL RESTORATION, DEFENSE	.....	1,333,016	.....	.....
29550	FORMER SOVIET UNION THREAT REDUCTION	327,900	302,900	327,900	327,900
29600	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID	80,544	60,544	49,000	49,000
29750	QUALITY OF LIFE ENHANCEMENTS, DEFENSE	.....	975,000	.....	600,000
29755	OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND	.....	.....	1,069,957	1,140,157
29800	REDUCTION OF FUNDS	.....	−35,000	.....	.....
29850	GRAND TOTAL, O&M.	78,462,166	80,555,383	78,956,595	79,163,222

ANTITERRORISM ISSUES

The conferees support DoD efforts to prevent terrorist attacks on US Government personnel overseas and believe that adoption of recommendations contained in the Antiterrorism Task Force Report is a good first step toward improving the security of US Government personnel worldwide. In order to establish a more effective program, the conferees direct the Secretary of Defense, in conjunction with the Secretary of State, to conduct security audits of facilities overseas to ensure that all possible action is being taken, and enforced, to protect US Government personnel against terrorist attacks. These audits should include, but not be limited to, physical and operational security measures; crisis planning; special security measures at nonpermanent facilities; cooperative security measures with host nations; education and training of personnel, and communications security. The results of these audits, and accompanying recommendations, should be provided to the congressional defense committees not later than March 15, 1997.

DOD TRAVEL REENGINEERING

The conferees are aware of the DoD efforts to reengineer the travel process and fully support those objectives. The Department is commended for taking on this effort given the significance of the potential savings. The conferees are aware that many issues have not been resolved regarding the acquisition strategy and how it will be implemented. Given these circumstances, the conferees believe that DoD should provide industry sources with another opportunity to comment on any revised strategy in order to ensure that industry ''best practices'' will be employed. The conferees are also concerned about the Department's continued award of contracts under the old travel system. A tremendous amount of time and expense is incurred by the government and all vendors on these new contracts. Inasmuch as DoD intends to recast the entire travel system, the justification for the Department to award new five year contracts under the old travel system is considered inappropriate. Consequently, the conferees urge the Department to consider placing a moratorium on awarding any new contracts until the new travel system is defined and can be implemented.

CHEMICAL-BIOLOGICAL EQUIPMENT

The conferees direct the Secretary of Defense to provide the congressional defense committees with a report on the actual and projected status of execution of funds appropriated to each of the services in support of chemical-biological protective training and equipment for fiscal years 1996 and 1997, not later than March 1, 1997.

USTRANSCOM EFFICIENCIES

The conferees are aware that the effort to consolidate responsibilities and assets under the charter of USTRANSCOM is a continuing evolution and are encouraged by the potential for a more streamlined and efficient logistics support system for the Department of Defense. The Department is strongly discouraged from redistributing these reductions to the individual service accounts without simultaneously directing a rebate or reduction to the customer rates charged by USTRANSCOM, thereby defeating any effort to capture savings resulting from these consolidation efforts, and the conferees will continue to monitor the progress of this endeavor.

VIETNAMESE COMMANDOS

The Conferees urge the Department of Defense to make available up to $20,000,000 for payments to Vietnamese commandos captured and incarcerated by North Vietnam pursuant to operations under a Vietnam ear operation plan known as OPLAN 34A or its predecessor, and to Vietnamese operatives captured and incarcerated by North Vietnamese forces pursuant to OPLAN 35 who remained in captivity after 1973, and who have

not received payment from the United States for the period spent in captivity.

ENVIRONMENTAL COMPLIANCE

The conferees are aware of the Department's requirement for funding within the environmental compliance accounts, and are concerned with the amount of training and administrative travel within these accounts. Therefore, the conferees direct that each of the services reduce by $5,000,000 the training and administrative travel within the environmental compliance program.

REENGINEERING OF PERSONAL PROPERTY PROGRAM

The conferees recognize the urgency of improving the Department of Defense personal property relocation program, and do not object to the conduct of a pilot program in order to validate this concept. The conferees commend the Department for including industry representatives in the development of the pilot program.

The conferees believe there are still several significant concerns that should be addressed in the final pilot proposal, and encourage the Department to continue their work with the industry representatives to resolve these outstanding issues concerning the structure of the pilot program.

The conferees understand the proposed pilot program involves outbound household goods from a three state region, and direct that this outbound portion of the pilot program not be expanded beyond this area during fiscal years 1997 and 1998. The conferees direct that before the Department proposes further expansion of this program, or any other household goods relocation pilot program, the General Accounting Office (GAO) should review data collected during fiscal year 1997, and validate the results and savings achieved by such pilot programs.

OPERATION AND MAINTENANCE, ARMY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
100	OPERATION AND MAINTENANCE, ARMY				
150	BUDGET ACTIVITY 1: OPERATING FORCES				
200	LAND FORCES				
250	COMBAT UNITS	1,785,131	1,785,131	1,785,131	1,785,131
255	CONTINGENCY OPERATIONS TRANSFER	---	---	−378,657	−382,857
300	TACTICAL SUPPORT	1,144,383	1,144,383	1,144,383	1,144,383
305	HUNTER UAV	---	---	12,000	12,000
350	THEATER DEFENSE FORCES	150,569	150,569	150,569	150,569
400	FORCE RELATED TRAINING/SPECIAL ACTIVITIES	1,410,908	1,468,008	1,410,908	1,453,908
450	FORCE COMMUNICATION	65,150	65,150	65,150	65,150
500	DEPOT MAINTENANCE	845,251	894,951	845,251	879,951
505	SPARES AND REPAIR PARTS	---	---	−30,000	−60,000
510	DEPOT MAINTENANCE RMS PROGRAM	---	---	20,000	---
515	CH–47 HELICOPTER ENGINE UPGRADE SUPPORT	---	---	4,600	4,600
550	JCS EXERCISES	55,087	55,087	55,087	55,087
600	BASE SUPPORT	2,686,320	2,689,320	2,731,720	2,719,912
650	MAINTENANCE OF REAL PROPERTY	835,451	835,451	904,051	835,451
700	LAND OPERATIONS SUPPORT				
750	COMBAT DEVELOPMENTS	206,538	206,538	206,538	206,538
800	UNIFIED COMMANDS	63,769	63,769	63,769	63,769
850	TOTAL, BUDGET ACTIVITY 1	9,248,557	9,358,357	8,990,500	8,933,592
900	BUDGET ACTIVITY 2: MOBILIZATION				
950	MOBILITY OPERATIONS				
1000	POMCUS	82,303	82,303	82,303	82,303
1050	STRATEGIC MOBILIZATION	287,934	314,934	314,934	314,934
1100	WAR RESERVE ACTIVITIES	150,971	150,971	150,971	150,971
1150	INDUSTRIAL PREPAREDNESS	65,235	65,235	65,235	65,235
1200	TOTAL, BUDGET ACTIVITY 2	586,443	613,443	613,443	613,443
1250	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
1300	ACCESSION TRAINING.				
1350	OFFICER ACQUISITION	61,442	61,442	61,442	61,442
1400	RECRUIT TRAINING	13,131	13,131	13,131	13,131
1450	ONE STATION UNIT TRAINING	16,679	16,679	16,679	16,679
1500	RESERVE OFFICER TRAINING CORPS (ROTC)	120,634	120,634	120,634	120,634
1550	BASE SUPPORT (ACADEMY ONLY)	81,493	81,493	82,893	82,234
1600	MAINTENANCE OF REAL PROPERTY (ACADEMY ONLY)	40,821	40,821	40,821	40,821
1650	BASIC SKILL/ADVANCE TRAINING				
1700	SPECIALIZED SKILL TRAINING	242,298	240,498	242,298	240,498
1750	FLIGHT TRAINING	225,460	214,160	225,460	214,160
1800	PROFESSIONAL DEVELOPMENT EDUCATION	68,478	68,478	68,478	68,478
1850	TRAINING SUPPORT	405,222	403,322	405,222	401,822
1900	BASE SUPPORT (OTHER TRAINING)	898,954	898,954	913,654	906,742
1950	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	274,999	274,999	297,599	274,999
2000	RECRUITING/OTHER TRAINING				
2050	RECRUITING AND ADVERTISING	228,234	228,234	232,234	232,234
2100	EXAMINING	72,125	72,125	72,125	72,125
2150	OFF-DUTY AND VOLUNTARY EDUCATION	101,970	101,970	101,970	101,970
2200	CIVILIAN EDUCATION AND TRAINING	83,296	80,296	83,296	80,296
2250	JUNIOR ROTC	76,640	76,640	76,640	76,640
2300	BASE SUPPORT (RECRUITING LEASES)	158,064	158,064	158,064	158,064
2350	TOTAL, BUDGET ACTIVITY 3	3,169,940	3,151,940	3,212,640	3,158,969
2400	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
2450	SECURITY PROGRAMS				
2500	SECURITY PROGRAMS	364,270	352,770	364,270	352,770
2550	LOGISTICS OPERATIONS				
2600	SERVICEWIDE TRANSPORTATION	515,541	515,541	515,541	515,541
2650	CENTRAL SUPPLY ACTIVITIES	398,003	414,203	398,003	429,203
2700	LOGISTIC SUPPORT ACTIVITIES	308,497	303,697	358,497	302,697
2750	AMMUNITION MANAGEMENT	257,812	307,812	297,812	277,812
2800	SERVICEWIDE SUPPORT				
2850	ADMINISTRATION	309,075	309,075	309,075	309,075
2900	SERVICEWIDE COMMUNICATIONS	689,100	689,100	689,100	689,100
2905	POWER PROJECTION C4I	.....	.....	20,000	15,000
2950	MANPOWER MANAGEMENT	158,424	158,424	158,424	158,424
3000	OTHER PERSONNEL SUPPORT	171,661	171,661	171,661	171,661
3050	OTHER SERVICE SUPPORT	596,539	596,539	600,439	600,439
3100	ARMY CLAIMS ACTIVITIES	175,881	175,881	175,881	175,881
3150	REAL ESTATE MANAGEMENT	79,628	79,628	79,628	79,628
3200	BASE SUPPORT	666,216	666,216	676,716	671,776
3205	PENTAGON RESERVATION FUND TRANSFER	.....	.....	−59,100	−59,100
3250	MAINTENANCD OF REAL PROPERTY	106,065	106,065	114,865	106,065
3300	SUPPORT OF OTHER NATIONS				
3350	INTERNATIONAL MILITARY HEADQUARTERS	273,924	273,924	267,861	267,861
3400	MISC SUPPORT OF OTHER NATIONS	38,903	38,903	38,903	38,903
3450	TOTAL, BUDGET ACTIVITY 4	5,109,539	5,159,439	5,177,576	5,102,736
3550	CLASSIFIED PROGRAMS UNDISTRIBUTED	.....	6,600	.....	7,800
3600	CIVILIAN PERSONNEL UNDERSTRENGTH	.....	−19,000	−133,000	−19,000
3700	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND	−83,334	−50,000	−50,000	−50,000
3710	GENERAL REDUCTION, NATL DEFENSE STOCKPILE FUND/OTHER	.....	.....	.....	−10,000

[In thousands of dollars]

		Budget	House	Senate	Conference
3750	FOREIGN CURRENCY FLUCTUATION				−69,000
3850	PRINTING EFFICIENCIES		−3,000		−3,000
4180	ACQUISITION WORKFORCE REDUCTION		−14,000		−14,000
4190	FUEL TAX CREDIT		−13,800	−13,800	−13,800
4200	USTRANSCOM EFFICIENCIES		−37,000	−33,000	−37,000
4210	OSA FLYING HOUR REDUCTION		−20,000		−5,000
4260	CHEMICAL-BIOLOGICAL EQUIP MAINT SUPPORT		13,200		10,200
4280	REAL PROPERTY MAINTENANCE		155,000		
4290	NON-LETHAL WEAPONS			2,000	
4320	FORSCOM UNDEREXECUTION		2,000	−5,100	−5,100
4322	MWR OVERHEAD			−1,500	−1,500
4325	INFORMATION RESOURCE MANAGEMENT		32,500		−50,000
4330	BASE OPERATIONS SHORTFALL		30,000		
4337	DBOF PASSTHROUGH			−58,900	−29,000
4340	ENVIRONMENTAL COMPLIANCE				−5,000
4350	TOTAL, OPERATION AND MAINTENANCE, ARMY	18,031,145	18,365,679	17,700,859	17,519,340
4400	TRANSFER	(83,334)	(50,000)	(50,000)	(50,000)
4450	TOTAL FUNDING AVAILABLE	(18,114,479)	(18,415,679)	(17,750,859)	(17,569,340)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
255 Contingency Operations Transfer	−382,857
305 Hunter UAV	12,000
400 Soldier Enhancement/Initial Issue	43,000
500 Depot Maintenance RMS Program	20,000
500 Depot Maintenance-Vehicle Backlog	14,700
505 Spares-Spare and Repair Parts	−60,000
515 CH–47 Helicopter Engine Upgrade Support	4,600
600 Base Operations Support	22,992
600 BOS-McGregor Range EIS	7,100
600 BOS–UXO Cleanup Ft. Bliss	1,000
600 JRTC/Ft. Polk	500
600 Rotational Airhead	2,000
Budget Activity 2: Mobilization:	
1050 Strategic Mobility-Movement of Prepositioned Stocks	27,000
Budget Activity 3: Training and Recruiting:	
1550 Base Operations Support	741
1700 Specialized Skill Training	−1,800
1750 Flight Training	−11,300
1850 TNET	3,500
1850 Training Support	−6,900
1900 Base Operations Support	7,788
2050 Recruiting and Advertising	4,000
2200 Civilian Education & Training	−3,000
Budget Activity 4: Administration and Servicewide Activities:	
2500 Security Programs	−11,500
2650 Acquisition Workforce Reduction	−8,800
2650 End Item Management	40,000
2700 Acquisition Workforce Reduction	−8,800
2700 Depot Maintenance Logistics Tail	3,000
2750 Ammunition Management	20,000
2905 Power Projection C4I	15,000
3050 Conservation and Ecosystem Management Program	3,000
3050 Life Science Equipment Lab	550
3050 Waste Water Treatment Planning	350
3200 Base Operations Support	5,560
3205 Pentagon Reservation Fund Transfer	−59,100
3350 NATO Headquarters Reduction	−6,063
Undistributed:	
3550 Classified (Undistributed)	7,800
3600 Civilian Personnel Underexecution	−19,000
3700 DNSC Transfer	33,334
3710 National Defense Stockpile Fund/Other	−10,000
3750 Foreign Currency Fluctuation	−69,000
3850 Printing Efficiencies	−3,000
4180 Acquisition Workforce Reduction	−14,000
4190 Fuel Tax Credit	−13,800
4200 USTRANSCOM Efficiencies	−37,000
4210 OSA Flying Hour Reduction	−5,000
4260 Chem-Bio Equipment Support	10,200
4320 FORSCOM Underexecution	−5,100
4322 MWR Overhead	−1,500
4325 Information Resource Management	−50,000
4337 DBOF Passthrough	−29,000
4340 Environmental Compliance Reduction	−5,000

HUNTER UAV

Until the Tactical Unmanned Aerial Vehicle (TUAV) is fielded in the fiscal year 1998 or 1999 time frame, the Hunter UAV is the only system available for tactical warfighters. The Army has several additional Hunter systems but these are currently in storage. These systems have already been procured and are currently consuming resources without providing any return. These assets could contribute by providing warfighters the opportunity to refine doctrine, gain tactical experience, fulfill contingency requirements, and work on critical issues such as airspace management and command and control. Therefore, the conferees agree to provide $12,000,000 to remove three Hunter systems from storage to provide a capability to further develop UAV concepts of operation. The conferees' action is not to be interpreted as authority to upgrade or further develop the Hunter UAV system.

MEMORIAL EVENTS

The conference agreement includes language suggested by the Department of Defense clarifying the Army's authority to continue its practice of supporting several national patriotic events. The conferees expect that funds will be made available pursuant to this provision, in addition to the budgeted amount, for operational expenses necessary for the successful conduct of national memorial and patriotic events.

PARACHUTE MAINTENANCE AND REPAIR

Of the funds provided under this heading, the conferees direct that $2,000,000 be made available for the purpose of contracting out the workload as necessary to reduce the backlog of maintenance and repair work on cargo and personnel parachutes at Fort Bragg.

CEMENT PRODUCTION

In response to a recommendation by the US Army Crops of Engineers following a preliminary review of burning hazardous waste in cement kilns, the conferees believe that the Waterways Experiment Station of the US Army Corps of Engineers should use $200,000 of existing funds for a study to research the long term durability and quality of cement produced by using hazardous waste materials as fuels.

OPERATION AND MAINTENANCE, NAVY

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
4500	OPERATION AND MAINTENANCE, NAVY				
4550	BUDGET ACTIVITY 1: OPERATING FORCES				
4600	AIR OPERATIONS				
4650	MISSION AND OTHER FLIGHT OPERATIONS	1,867,999	1,867,999	1,867,999	1,867,999
4655	P–3 SQUADRON			10,600	10,600
4700	FLEET AIR TRAINING	606,264	606,264	606,264	606,264
4750	INTERMEDIATE MAINTENACE	64,855	64,855	64,855	64,855
4800	AIR OPERATIONS AND SAFETY SUPPORT	65,742	65,742	65,742	65,742
4850	AIRCRAFT DEPOT MAINTENANCE	602,679	643,979	616,679	604,679
4900	AIRCRAFT DEPOT OPERATIONS SUPPORT	24,613	24,613	24,613	24,613
4950	BASE SUPPORT	807,680	827,680	830,855	814,567
5000	MAINTENANCE OF REAL PROPERTY	346,107	346,107	373,707	346,107
5050	SHIP OPERATIONS				
5100	MISSION AND OTHER SHIP OPERATIONS	1,919,975	1,919,975	1,935,975	1,928,975
5150	SHIP OPERATIONAL SUPPORT AND TRINING	457,005	457,005	457,005	457,005

[In thousands of dollars]

		Budget	House	Senate	Conference
5200	INTREMEDIATE MAINTENANCE	396,844	396,844	422,844	417,844
5250	SHIP DEPOT MAINTENANCE	1,803,854	1,818,854	1,953,854	1,963,854
5300	SHIP DEPOT OPERATIONS SUPPORT	787,330	787,330	787,330	787,330
5350	BASE SUPPORT	828,295	848,295	841,795	835,447
5400	MAINTENANCE OF REAL PROPERTY	289,182	289,182	312,282	289,182
5450	COMBAT OPERATION/SUPPORT				
5500	COMBAT COMMUNICATIONS	206,422	206,422	206,422	206,422
5550	ELECTRONIC WARFARE	7,589	7,589	7,589	7,589
5600	SPACE SYSTEM AND SURVEILLANCE	144,806	144,806	144,806	144,806
5650	WARFARE TACTICS	138,113	138,113	138,113	138,113
5700	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	212,854	212,854	212,854	212,854
5750	COMBAT SUPPORT FORCES	386,011	386,011	386,011	386,011
5800	EQUIPMENT MAINTENANCE	163,038	164,038	163,038	164,038
5850	DEPOT OPERATIONS SUPPORT	1,146	1,146	1,146	1,146
5900	BASE SUPPORT	327,468	337,468	317,809	325,445
5950	MAINTENANCE OF REAL PROPERTY	49,511	49,511	43,411	49,511
6000	WEAPONS SUPPORT				
6050	CRUISE MISSILE	79,828	120,428	120,428	107,528
6100	FLEET BALLISTIC MISSILE	756,722	756,722	756,722	756,722
6150	IN-SERVICE WEAPONS SYSTEMS SUPPORT	50,875	50,875	50,875	50,875
6200	WEAPONS MAINTENANCE	389,406	389,406	389,406	389,406
6250	BASE SUPPORT	63,750	73,750	65,150	64,492
6300	MAINTENANCE OF REAL PROPERTY	31,247	31,247	33,747	31,247
6305	DEPOT MAINTENANCE RMS PROGRAM			20,000	
6310	CONTINGENCY OPERATIONS TRANSFER			−126,300	−126,300
6350	DBOF SUPPORT				
6450	TOTAL, BUDGET ACTIVITY 1	13,877,210	14,035,110	14,113,626	13,994,968
6500	BUDGET ACTIVITY 2: MOBILIZATION				
6550	READY RESERVE AND PREPOSITIONING FORCES				
6600	SHIP PREPOSITIONING AND SURGE	497,905	497,905	497,905	497,905
6650	ACTIVATIONS/INACTIVATIONS				
6700	AIRCRAFT ACTIVATIONS/INACTIVATIONS	2,699	2,699	2,699	2,699
6750	SHIP ACTIVATIONS/INACTIVATIONS	568,307	568,307	568,307	568,307
6800	MOBILIZATION PREPAREDNESS				
6850	FLEET HOSPITAL PROGRAM	19,374	19,374	19,374	19,374
6900	INDUSTRIAL READINESS	722	722	722	722
6950	COAST GUARD SUPPORT	21,929	21,929	21,929	21,929
7000	TOTAL, BUDGET ACTIVITY 2	1,110,936	1,110,936	1,110,936	1,110,936
7050	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
7100	ACCESSION TRAINING				
7150	OFFICER ACQUISITION	66,825	66,825	66,825	66,825
7200	RECRUIT TRAINING	4,887	4,887	4,887	4,887
7250	RESERVE OFFICERS TRAINING CORPS (ROTC)	67,777	67,777	67,777	67,777
7300	BASE SUPPORT	54,338	54,338	54,338	54,868
7350	MAINTENANCE OF REAL PROPERTY	64,553	64,553	69,653	64,553
7400	BASIC SKILLS AND ADVANCED TRAINING				
7450	SPECIALIZED SKILL TRAINING	218,689	207,989	218,689	207,989
7500	FLIGHT TRAINING	295,280	295,280	295,280	295,280
7550	PROFESSIONAL DEVELOPMENT EDUCATION	65,981	59,681	65,981	63,181
7600	TRAINING SUPPORT	119,098	119,098	119,098	120,098
7650	BASE SUPPORT	316,260	316,260	321,560	319,068
7700	MAINTENANCE OF REAL PROPERTY	111,355	111,355	120,255	11,355
7750	RECRUITING, AND OTHER TRAINING AND EDUCATION				
7800	RECRUITING AND ADVERTISING	136,474	136,474	136,474	136,474
7850	OFF-DUTY AND VOLUNTARY EDUCATION	61,643	61,643	61,643	61,643
7900	CIVILIAN EDUCATION AND TRAINING	22,218	22,218	22,218	22,218
7950	JUNIOR ROTC	24,902	24,902	24,902	24,902
8000	BASE SUPPORT	439	439	439	439
8050	MAINTENANCE OF REAL PROPERTY	59	59	59	59
8100	TOTAL, BUDGET ACTIVITY 3	1,630,778	1,613,778	1,651,078	1,621,616
8150	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
8200	SERVICEWIDE SUPPORT				
8250	ADMINISTRATION	570,921	570,921	570,921	570,921
8300	EXTERNAL RELATIONS	21,406	21,406	21,406	21,406
8350	CIVILIAN MANPOWER AND PERSON MANAGEMENT	69,426	69,426	69,426	69,426
8400	MILITARY MANPOWER AND PERSON MANAGEMENT	129,426	129,426	129,426	129,426
8450	OTHER PERSONNEL SUPPORT	237,647	237,647	237,647	237,647
8500	SERVICEWIDE COMMUNICATIONS	230,240	244,240	230,240	237,240
8550	BASE SUPPORT	200,375	200,375	203,475	202,017
8650	MAINTENANCE OF REAL PROPERTY	45,196	45,196	48,796	45,196
8700	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT				
8750	SERVICEWIDE TRANSPORTATION	151,371	151,371	151,371	151,371
8800	PLANNING, ENGINEERING AND DESIGN	284,268	284,268	284,268	284,268
8850	ACQUISITION AND PROGRAM MANAGEMENT	467,318	441,718	470,122	444,522
8900	AIR SYSTEMS SUPPORT	276,446	276,446	276,446	276,446
8950	HULL, MECHANICAL AND ELECTRICAL SUPPORT	48,613	48,613	48,613	48,613
9000	COMBAT/WEAPONS SYSTEMS	39,083	39,083	39,083	39,083
9050	SPACE AND ELECTRONIC WARFARE SYSTEMS	72,540	72,540	72,540	72,540
9100	BASE SUPPORT	145,338	145,338	147,638	146,556
9105	PENTAGON RESERVATION FUND TRANSFER			−38,300	−38,300
9150	MAINTENANCE OF REAL PROPERTY	11,967	11,967	11,967	11,967
9200	SECURITY PROGRAMS				
9250	SECURITY PROGRAMS	555,721	552,721	555,721	552,721
9300	BASE SUPPORT	7,344	7,344	7,344	7,344
9350	MAINTENANCE OF REAL PROPERTY	5,083	5,083	5,083	5,083
9400	SUPPORT OF OTHER NATIONS				
9450	INTERNATIONAL HEADQUARTERS AND AGENCIES	7,544	7,544	7,544	7,544
9500	TOTAL, BUDGET ACTIVITY 4	3,577,273	3,562,673	3,550,777	3,523,037
9550	CLASSIFIED PROGRAMS UNDISTRIBUTED		4,600	−900	5,204
9600	INFORMATION RESOURCE MANAGEMENT		50,000		−50,000
9650	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND	−83,333	−50,000	−50,000	−50,000
9660	GENERAL REDUCTION, NATL DEFENSE STOCKPILE FUND / OTHER				−10,000
9700	FOREIGN CURRENCY FLUCTUATION				−2,100
9800	PRINTING EFFICIENCIES		−4,000		−4,000
10100	CIVILIAN PERSONNEL UNDERSTRENGTH		−44,600	−125,000	−44.600
10110	ACQUISITION WORKFORCE REDUCTION		−14,000		−14,000
10120	USTRANSCOM EFFICIENCIES		−10,000	−9,000	−10,000
10130	OSA FLYING HOUR REDUCTION		−20,000		−5,000
10140	WAKE ISLAND HYDROACOUSTIC SYSTEM		900		900
10260	MAINTENANCE OF REAL PROPERTY		125,000		
10300	BASE OPERATION SHORTFALL		30,000		
10305	ENVIRONMENTAL COMPLIANCE				−5,000
10350	TOTAL, OPERATION AND MAINTENANCE, NAVY	20,112,864	20,390,397	20,241,517	20,061,961
10400	TRANSFER	(83,333)	(50,000)	(50,000)	(50,000)

[In thousands of dollars]

		Budget	House	Senate	Conference
10450	TOTAL FUNDING AVAILABLE	(20,196,197)	(20,440,397)	(20,291,517)	(20,111,961)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
4655 P–3 Squadron	10,600
4850 Depot Maintenance RMS Program	10,000
4850 Depot Maintenance-Aviation Backlog	24,000
4850 Spares-Aviation Spares Reduction	−32,000
4950 Base Operations Support	6,887
5100 Mission Operations	9,000
5200 Intermediate Maintenance	21,000
5250 Depot Maintenance RMS Program	10,000
5250 Depot Maintenance-Ship Overhaul Backlog	150,000
5350 Base Operations Support	7,152
5800 Reverse Osmosis Desalinators	1,000
5900 Base Operations Support	2,861
5900 NAF Adak	10,000
5900 NAS Fallon Aquifer Study	175
5900 NATO Infrastructure Reduction	−15,059
6050 Cruise Missile Recertification	27,700
6250 Basse Operations Support	742
6310 Contingency Operations Transfer	−126,300
Budget Activity 3: Training and Recruiting:	
7300 Base Operations Support	530
7450 Specialized Skill Training	−10,700
7550 Professional Development Education	−2,800
7600 Chief of Naval Education and Training (CNET)	1,000
7650 Base Operations Support	2,808
Budget Activity 4: Administration and Servicewide Activities:	
8500 Servicewide Communications-Challenge Athena	7,000
8550 Base Operations Support	1,642
8850 Acquisition and Program Management	2,804
8850 Acquisition Workforce Reduction	−25,600
9100 Base Operations Support	1,218
9105 Pentagon Reservation Fund Transfer	−38,300
9250 Security Program	−3,000
Undistributed:	
9550 Classifed (Undistributed)	5,204
9600 Information Resource Management	−50,000
9650 DNSC Transfer	33,333
9660 National Defense Stockpile Fund/Other	−10,000
9700 Foreign Currency Fluctuation	−2,100
9800 Printing Efficiencies	−4,000
10100 Civilian Personnel Underexecution	−44,600
10110 Acquisition Workforce Reduction	−14,000
10120 USTRANSCOM Efficiencies	−10,000
10130 OSA Flying Hour Reduction	−5,000
10140 Wake Island Hydroacoustic System	900
10305 Environmental Compliance Reduction	−5,000

CHALLENGE ATHENA

Last year, the Navy requested and the conferees provided $27,000,000 for Challenge Athena and directed the Department to include this requirement in future budget submissions (S. Report 104–124). Despite this direction and the Department's claims that this program is the Navy's number one C4I priority, the Navy once again failed to include Challenge Athena in its budget request. Because of the critical importance of this project to the morale and well-being of deployed fleet sailors, the conferees hereby provide an additional $7,000,000 in servicewide communications.

CHIEF OF NAVAL EDUCATION AND TRAINING

The conferees direct that the Chief of Naval Education and Training (CNET), as the Navy's organization responsible for training technology matters, undertake efforts that will lead to maximizing returns on technology investment in distance learning and computer mediated learning. This would include developing more efficient use of the Internet for training requirements, developing models for appropriate applications of training technologies, and developing models to assess leadership training effectiveness. The conferees agree to add $1,000,000 to initiate this effort.

OCEANOGRAPHIC SHIP OPERATIONS

The conferees direct that up to $7,500,000 be made available for university research fleet oceanographic ship operations out of funds made available in the mission operations line.

INTREPID REFURBISHMENT

The conferees agree that the Department of Defense should review the cost and feasibility of refurbishing the deck of the *USS Intrepid* in time for possible inclusion in the fiscal year 1998 budget submission if deemed appropriate.

OPERATION AND MAINTENANCE, MARINE CORPS

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
10500	OPERATION AND MAINTENANCE, MARINE CORPS				
10550	BUDGET ACTIVITY 1: OPERATING FORCES				
10600	EXPEDITIONARY FORCES				
10650	OPERATIONAL FORCES	331,478	377,478	331,478	365,478
10655	INITIAL ISSUE EQUIPMENT			25,000	
10660	WARFIGHTING LAB			8,000	
10665	CONTINGENCY OPERATION TRANFER			−200	−200
10700	FIELD LOGISTICS	171,056	171,056	171,056	171,056
10750	DEPOT MAINTENANCE	155,168	165,168	155,168	155,168
10800	BASE SUPPORT	593,307	659,307	593,307	608,307
10850	MAINTENANCE OF REAL PROPERTY	252,570	252,570	252,570	252,570
10855	NON-LETHAL WEAPONS			3,000	
10900	USMC PREPOSITIONING				
10950	MARITIME PREPOSITIONING	74,003	74,003	74,003	74,003
11000	NORWAY PREPOSITIONING	3,748	3,748	3,748	3,748
11010	PERSONNEL SUPPORT EQUIPMENT			15,000	
11015	CORROSION CONTROL			10,000	
11050	TOTAL, BUDGET ACTIVITY 1	1,581,330	1,703,330	1,642,130	1,630,130
11100	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
11150	ACCESSION TRAINING				
11200	RECRUIT TRAINING	8,139	8,139	8,139	8,139
11250	OFFICER ACQUISITION	270	270	270	270
11300	BASE SUPPORT	47,092	47,092	47,792	47,463
11350	MAINTENANCE OF REAL PROPERTY	17,590	17,590	18,990	17,590
11400	BASIC SKILLS AND ADVANCED TRAINING				
11450	SPECIALIZED SKILLS TRAINING	26,578	26,578	26,578	26,578
11500	FLIGHT TRAINING	155	155	155	155
11550	PROFESSIONAL DEVELOPMENT EDUCATION	5,929	5,929	5,929	5,929
11600	TRAINING SUPPORT	74,859	74,859	74,859	74,859
11650	BASE SUPPORT	51,086	51,086	51,786	51,457
11700	MAINTENANCE OF REAL PROPERTY	24,402	24,402	26,402	24,402
11750	RECRUITING AND OTHER TRAINING EDUCATION				
11800	RECRUITING AND ADVERTISING	65,382	70,082	70,082	70,082
11850	OFF-DUTY AND VOLUNTARY EDUCATION	10,593	15,093	10,593	15,093
11900	JUNIOR ROTC	8,562	8,562	8,562	8,562
11950	BASE SUPPORT	8,427	8,427	8,427	8,427
12000	MAINTENANCE OF REAL PROPERTY	2,336	2,336	3,436	2,336
12050	TOTAL, BUDGET ACTIVITY 3	351,400	360,600	362,000	361,342
12100	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
12150	SERVICEWIDE SUPPORT				

[In thousands of dollars]

		Budget	House	Senate	Conference
12250	SPECIAL SUPPORT	196,367	196,367	196,367	196,367
12300	SERVICEWIDE TRANSPORTATION	38,479	38,479	38,479	38,479
12350	ADMINISTRATION	25,459	25,459	25,459	25,459
12400	BASE SUPPORT	9,283	9,283	9,283	9,283
12450	MAINTENANCE OF REAL PROPERTY	1,459	1,459	1,459	1,459
12500	TOTAL, BUDGET ACTIVITY 4	271,047	271,047	271,047	271,047
12550	CLASSIFIED PROGRAMS			5,300	2,900
12600	FOREIGN CURRENCY FLUCTUATION				−2,100
12710	MAINTENANCE OF REAL PROPERTY		140,000		
12750	ACQUISITION WORKFORCE REDUCTION		−2,200		−2,200
12755	USTRANSCOM EFFICIENCIES		−5,000	−4,500	−5,000
12760	OSA FLYING HOUR REDUCTION		−4,000		−2,000
12765	EMBASSY SUPPORT		−8,700		
12770	BASE OPERATIONS SHORTFALL		10,000		
12800	TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS	2,203,777	2,465,077	2,275,977	2,254,119

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:

10650 Commandant's Warfighting Lab 8,000

10650 Corrosion Control 7,000

10650 Soldier Enhancement/Initial Issue 19,000

10665 Contingency Operations Transfer ..... −200

10800 Personnel Support Equipment 15,000

Budget Activity 3: Training and Recruiting:

11300 Base Operations Support 371

11650 Base Operations Support 371

11800 Recruiting and Advertising 4,700

11850 Off-Duty & Voluntary Education 4,500

Undistributed:

12550 Classified Programs 2,900

12600 Foreign Currency Fluctuation ..... −2,100

12750 Acquisition Workforce Reduction ..... −2,200

12755 USTRANSCOM Efficiencies ..... −5,000

12760 OSA Flying Hour Reduction ..... −2,000

OPERATION AND MAINTENANCE, AIR FORCE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
12950	OPERATION AND MAINTENANCE, AIR FORCE				
13000	BUDGET ACTIVITY 1: OPERATING FORCE				
13050	AIR OPERATIONS				
13100	PRIMARY COMBAT FORCES	2,314,739	2,308,039	2,403,739	2,391.339
13105	CONTINGENCY OPERATIONS TRANSFER			−414,000	−414,000
13110	SPARES INVENTORY REDUCTION			−40,000	−80,000
13115	AIRCRAFT COMPONENT RECLAMATION			−80,000	
13120	DEPOT MAINTENANCE RMS PROGRAM			20,000	
13125	DEPOT MAINTENANCE			41,200	33,200
13150	PRIMARY COMBAT WEAPONS	394,408	394,408	394,408	394,408
13200	COMBAT ENHANCEMENT FORCES	250,614	250,614	250,614	250,614
13250	AIR OPERATIONS TRAINING	570,948	570,948	570,948	570,948
13300	COMBAT COMMUNICATIONS	893,912	893,912	867,912	880,912
13350	BASE SUPPORT	1,680,275	1,680,275	1,716.275	1.699.347
13400	MAINTENANCE OF REAL PROPERTY	694,867	694,867	749,067	694.867
13445	CAPITAL ASSETS REDUCTION			−3,745	−3,745
13450	COMBAT RELATED OPERATIONS				
13500	GLOBAL C3I AND EARLY WARNING	736,038	736,038	746,038	746,338
13550	NAVIGATION/WEATHER SUPPORT	114,842	114,842	114,842	114,842
13600	OTHER COMBAT OPS SUPPORT PROGRAMS	197.861	200,361	197,861	199,361
13650	JCS EXERCISES	37,973	37,973	37,973	37,973
13700	MANAGEMENT/OPERATIONAL HEADQUARTERS	106,309	106,309	106,309	106,309
13750	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	216,743	210,043	216,743	216,743
13800	SPACE OPERATIONS				
13850	LAUNCH FACILITIES	237,508	237,508	237,508	237,508
13900	LAUNCH VEHICLES	106,266	106,266	106,266	106,266
13950	SPACE CONTROL SYSTEMS	311,304	311,304	311,304	311,304
14000	SATELLITE SYSTEMS	44,301	44,301	44,301	44,301
14050	OTHER SPACE OPERATIONS	101,723	101,723	101,723	101,723
14055	DOD SPACE ARCHITECT			2,399	2,400
14100	BASE SUPPORT	291,242	291,242	291,242	291,421
14150	MAINTENANCE OF REAL PROPERTY	109,736	109,736	118,336	109,736
14200	TOTAL, BUDGET ACTIVITY 1	9,385.609	9,400,709	9,115,563	9,047,115
14250	BUDGET ACTIVITY 2: MOBILIZATION				
14300	MOBILITY OPERATIONS				
14350	AIRLIFT OPERATIONS	1,584,175	1,584,175	1,584,175	1,584,175
14400	AIRLIFT OPERATIONS C3I	13,784	13,784	13,784	13,784
14450	MOBILIZATION PREPAREDNESS	138,167	138,167	138,167	138,167
14500	PAYMENTS TO TRANSPORTATION BUSINESS AREA	422,700	422,700	422,700	422,700
14550	BASE SUPPORT	408,945	408,945	417,945	413,713
14600	MAINTENANCE OF REAL PROPERTY	121,486	121,486	130,986	121,486
14650	TOTAL, BUDGET ACTIVITY 2	2,689,257	2,689,257	2,707,757	2,694,025
14700	BUDGET ACTIVITY 3: TRAINING AND RECRUITING				
14750	ACCESSION TRAINING				
14800	OFFICER ACQUISITION	48,213	48,213	48,213	48,213
14850	RECRUIT TRAINING	4,586	4,586	4,586	4,586
14900	RESERVE OFFICER TRAINING CORPS (ROTC)	42,738	42,738	42,738	42,738
14950	BASE SUPPORT (ACADEMIES ONLY)	56,843	56,843	56,843	56,843
15000	MAINTENANCE OF REAL PROPERTY (ACADEMIES ONLY)	40,050	40,050	40,050	40,050
15050	BASIC SKILLS AND ADVANCED TRAINING				
15100	SPECIALIZED SKILL TRAINING	195,098	185,698	195,098	185,698
15150	FLIGHT TRAINING	331,663	331,663	331,663	331,663
15200	PROFESSIONAL DEVELOPMENT EDUCATION	74,060	66,660	74,060	66,660
15250	TRAINING SUPPORT	59,607	53,707	59,607	53,707
15300	BASE SUPPORT (OTHER TRAINING)	388,965	388,965	397,215	393,336
15350	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	117,335	117,335	126,435	117,335
15400	RECRUITING, AND OTHER TRAINING AND EDUCATION				
15450	RECRUITING AND ADVERTISING	52,218	52,218	54,718	54,718
15500	EXAMINING	1,954	1,954	1,954	1,954
15550	OFF DUTY AND VOLUNTARY EDUCATION	71,210	80,710	80,710	80,710
15600	CIVILIAN EDUCATION AND TRAINING	66,791	66,791	66,791	66,791
15650	JUNIOR ROTC	25,233	25,233	25,233	25,233

[In thousands of dollars]

		Budget	House	Senate	Conference
15700	TOTAL, BUDGET ACTIVITY 3	1,576,564	1,563,364	1,605,914	1,570,235
15750	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
15800	LOGISTICS OPERATIONS				
15850	LOGISTICS OPERATIONS	1,042,759	1,031,159	1,042,759	1,021,159
15900	TECHNICAL SUPPORT ACTIVITIES	371,521	371,521	371,521	371,521
15950	SERVICEWIDE TRANSPORTATION	240,740	240,740	240,740	240,740
16000	BASE SUPPORT	581,182	581,182	593,932	587,937
16050	MAINTENANCE OF REAL PROPERTY	217,991	217,991	234,991	217,991
16100	SERVICEWIDE ACTIVITIES				
16150	ADMINISTRATION	121,337	113,337	121,337	111,337
16200	SERVICEWIDE COMMUNICATIONS	268,687	268,687	268,687	268,687
16250	PERSONNEL PROGRAMS	89,196	89,196	89,196	89,196
16300	RESCUE AND RECOVERY SERVICES	44,413	44,413	44,413	44,413
16400	ARMS CONTROL	28,418	28,418	28,418	28,418
16450	OTHER SERVICEWIDE ACTIVITIES	482,192	482,192	482,192	482,192
16500	OTHER PERSONNEL SUPPORT	30,873	30,873	30,873	30,873
16550	CIVIL AIR PATROL CORPORATION	14,526	15,426	17,926	17,926
16600	BASE SUPPORT	145,053	145,053	148,053	146,642
16605	PENTAGON RESERVATION FUND TRANSFER			−40,300	−27,200
16650	MAINTENANCE OF REAL PROPERTY	20,127	20,127	21,727	20,127
16700	SECURITY PROGRAMS				
16750	SECURITY PROGRAMS	550,240	548,340	550,240	548,340
16800	SUPPORT TO OTHER NATIONS				
16850	INTERNATIONAL SUPPORT	12,374	12,374	12,374	12,374
16900	TOTAL, BUDGET ACTIVITY 4	4,262,025	4,241,425	4,259,475	4,213,069
16950	CLASSIFIED PROGRAMS UNDISTRIBUTED		−24,700	−5,000	−23,476
17050	CIVILIAN PERSONNEL UNDERSTRENGTH		−12,200	−94,600	−12,200
17100	GENERAL REDUCTION, NATIONAL DEFENSE STOCKPILE FUND	−83,333	−50,000	−50,000	−50,000
17110	GENERAL REDUCTION, NATL DEFENSE STOCKPILE FUND / OTHER				−10,000
17150	FOREIGN CURRENCY FLUCTUATION				−26,700
17350	PRINTING EFFICIENCIES		−3,000		−3,000
17560	MAINTENANCE OF REAL PROPERTY		70,500		
17570	REAL PROPERTY MAINTENANCE—FAIRCHILD AFB		9,500		
17580	CHEMICAL/BIOLOGICAL PROTECTIVE EQUIPMENT		3,000		2,000
17595	FUEL TAX CREDIT		−8,500	−8,500	−8,500
17615	ACQUISITION WORKFORCE REDUCTION		−8,600		−8,600
17617	DBOF PASSTHROUGH			−194,500	
17619	AIRCRAFT MAINTENANCE DATA SYSTEM			15,000	15,000
17620	USTRANSCOM EFFICIENCIES		−22,000	−19,800	−22,000
17625	OSA FLYING HOUR REDUCTION		−24,000		−8,000
17630	RELIABILITY TESTING		23,000		300
17635	BASE OPERATIONS SHORTFALLS		30,000		
17640	INFORMATION RESOURCE MANAGEMENT		61,000		−50,000
17646	INVESTMENT ITEM TRANSFER				−51,075
17648	ENVIRONMENTAL COMPLIANCE				−5,000
17650	TOTAL, OPERATION AND MAINTENANCE, AIR FORCE	17,830,122	17,938,755	17,331,309	17,263,193
17770	TRANSFER	(83,333)	(50,000)	(50,000)	(50,000)
17750	TOTAL FUNDING AVAILABLE	(17,913,455)	(17,988,755)	(17,381,309)	(17,313,193)

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
13100 B–52 Attrition Reserve	47,900
13100 C–130 Transfer to ANG	−6,700
13100 Ellsworth AFB B–1 Squadron	5,400
13100 SR–71	30,000
13105 Contingency Operations Transfer	−414,000
13110 Spares-Aviation Spares Reduction	−80,000
13125 Depot Maintenance	33,200
13300 RIVET JOINT Communication Installations	13,000
13350 Base Operations Support	19,072
13445 Capital Asset Reduction	−3,745
13500 AWACS EXTEND SENTRY	7,100
13500 JSAS	3,200
13600 Reverse Osmosis Desalinators	1,500
14055 DoD Space Architect	2,400
14100 Base Operations Support	3,179
Budget Activity 2: Mobilization:	
14550 Base Operations Support	4,768
Budget Activity 3: Training and Recruiting:	
15100 Specialized Skill Training	−9,400
15200 Professional Development Education	−7,400
15250 Training Support	−5,900
15300 Base Operations Support	4,371
15450 Recruiting and Advertising	2,500
15550 Off-Duty & Voluntary Education	9,500
Budget Activity 4: Administration and Servicewide Activities	
15850 Acquisition Workforce Reduction	−41,600
15850 Depot Maintenance RMS Program	20,000
16000 Base Operations Support	6,755
16150 Air Staff Liaison	−12,000
16150 STRATCOM	2,000
16550 Civil Air Patrol, Counternarcotics	2,500
16550 Civil Air Patrol, Other	900
16600 Base Operations Support	1,589
16605 Pentagon Reservation Fund Transfer	−27,200
16750 Security Programs	−1,900
Undistributed:	
16950 Classified (Undistributed)	−23,476
17050 Civilian Personnel Underexecution	−12,200
17100 DNSC Transfer	33,333
17110 National Defense Stockpile Fund/Other	−10,000
17150 Foreign Currency Fluctuation	−26,700
171350 Printing Efficiencies	−3,000
17580 Chem-Bio Protective Equipment	2,000
17595 Fuel Tax Credit	−8,500
17615 Acquisition Workforce Reduction	−8,600
17619 Aircraft Maintenance Data System	15,000
17615 Acquisition Workforce Reduction	−8,600
17619 Aircraft Maintenance Data System	15,000
17620 USTRANSCOM Efficiencies	−22,000
17625 OSA Flying Hour Reduction	−8,000
17630 Reliability Testing	300
17640 Information Resources Management	−50,000
17646 Investment Item Transfer	−51,075
17648 Environmental Compliance Reduction	−5,000

CORROSION CONTROL FACILITY

The conferees urge the Air Force to consider submitting a reprogramming for construction of an aircraft towway between Tinker Air Force Base and a privately built and operated corrosion control and paint facility to be constructed on a site adjacent to the Base. This would be implemented in cooperation with the initiative of the city of Oklahoma City to secure a private company to build and operate the new corrosion control and paint facility.

MISSILE CREW MEMBER EDUCATION PROGRAM

The conferees are aware of a recent decision by the Air Force Space Command to discontinue the Missile Crew Member Education Program that, for over thirty years, has covered 100 percent of the cost of tuition and books for missile crew officers pursuing masters degrees. The conferees recognize that the program has been an effective means of retaining officers and also maintaining the high educational standards of the Air Force, and requests the Space Command consider continuing the program at the level of assistance provided prior to the decision to terminate the program.

INSTRUMENT ROUTES 102 AND 141

The conferees recognize the need for Air Force low altitude training and strongly support this requirement. The conferees urge the Air Force to give every consideration to public comments and community concerns

in the impacted areas when modifying Instrument Routes 102 and 141 for such training. The Air Force should report to the congressional defense committees by March 31, 1997, on possible alternative routes to the currently proposed training routes.

FORMER OLMSTED AIR FORCE BASE

The conferees are pleased that the final restoration by the Air Force of the former Olmsted Air Force Base in Pennsylvania is proceeding smoothly and the the Environmental Protection Agency projects a delisting of the base (Middletown Airfield EPA National Priorities List Site) from the NPL by the end of 1996. The conferees feel that following delisting of the site it will be necessary to maintain near the site a comprehensive database which incorporates data from all current and future environmental investigations to provide a comprehensive look at the environmental status of the site for future development or emergency response situations and to maintain institutional controls. Therefore, the conferees recommend that, commencing in fiscal year 1997, the Air Force expend funds necessary (estimated at $123,000 over five years) for such a comprehensive site database to be located at the Pennsylvania State University at Harrisburg, Pennsylvania.

FAIRCHILD AIR FORCE BASE

The conferees direct that, of the funds provided in this account, and additional $9,500,000 be provided above the budgeted amount for facilities maintenance and repair at Fairchild Air Force Base.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
17800	OPERATION AND MAINTENACE, DEFENSE-WIDE				
17850	BUDGET ACTIVITY 1: OPERATING FORCES				
17900	JOINT CHIEFS OF STAFF	464,199	564,899	469,199	509,199
17950	SPECIAL OPERATIONS COMMAND	962,319	985,119	977,619	978,119
17955	SOCOM RPM			2,000	2,000
18000	TOTAL, BUDGET ACTIVITY 1	1,426,518	1,550,018	1,448,818	1,489,318
18050	BUDGET ACTIVITY 2: MOBILIZATION				
18100	DEFENSE LOGISTICS AGENCY	21,942	21,942	21,942	21,942
18200	BUDGET ACTITIVITY 3: TRAINING AND RECRUITING				
18250	DEFENSE ACQUISITION UNIVERSITY	100,417	100,417	90,417	85,417
18350	SPECIAL OPERATION COMMAND	35,500	35,500	35,500	35,500
18400	TOTAL, BUDGET ACTIVITY 3	135,917	135,917	125,917	120,917
18450	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
18500	AMERICAN FORCES INFORMATION SERVICE	100,558	100,558	100,558	100,558
18550	CORPORATE INFORMATION MANAGEMENT	46,367	46,367	46,367	46,367
18600	CLASSIFIED AND INTELLIGENCE	3,384,576	3,384,093	3,333,876	3,382,376
18650	DEFENSE CIVILIAN PERSONNEL, MANAGEMENT SERVICE	49,302	49,302	49,302	49,302
18700	DEFENSE CONTRACT AUDIT AGENCY	335,486	327,486	335,486	327,486
18750	DEFENSE INVESTIGATIVE SERVICE	193,323	193,232	193,232	193,232
18800	DEFENSE LOGISTICS AGENCY	1,181,738	1,108,338	1,083,938	1,090,738
18850	DEFENSE LEGAL SERVICE AGENCY	7,297	7,297	7,297	7,297
18900	DEFENSE MAPPING AGENCY	741,157	768,257	721,157	758,257
18950	DEFENSE NUCLEAR AGENCY	85,083	85,083	88,083	85,083
19000	DEFENSE POW/MIA OFFICE	12,694	12,694	12,694	12,694
19050	FEDERAL ENERGY MANAGEMENT PROGRAM	116,853	116,853	20,000	15,000
19100	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,322,254	1,342,254	1,322,854	1,342,254
19150	DEFENSE SUPPORT ACTIVITIES	125,269	125,269	125,269	125,269
19200	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	10,504	10,504	10,504	10,504
19250	JOINT CHIEFS OF STAFF	121,295	121,295	121,295	121,295
19300	OFFICE OF ECONOMIC ADJUSTMENT	39,330	39,330	39,330	53,330
19350	OFFICE OF THE SECRETARY OF DEFENSE	339,558	259,858	239,185	319,858
19450	ON SITE INSPECTION AGENCY	109,030	87,030	95,030	87,030
19500	SPECIAL OPERATIONS COMMAND	55,200	55,200	55,200	55,200
19550	WASHINGTON HEADQUARTERS SERVICES	195,308	195,308	181,308	176,293
19600	TOTAL, BUDGET ACTIVITY 4	8,572,091	8,435,608	8,271,965	8,359,423
19675	LEGACY			15,000	12,500
19700	PENTAGON RENOVATION TRANSFER			83,100	70,000
19750	CIVILIAN PERSONNEL UNDERSTRENGTH		−14,200	−51,600	−14,200
19900	FOREIGN CURRENCY FLUCTUATION				−7,400
19950	IMPACT AID		58,000		35,000
19955	REPAIRS TO FEDERALLY-FUNDED SCHOOLS			20,000	20,000
20025	INDIAN LAND REMEDIATION			8,000	8,000
20075	EMERGENCY PREPAREDNESS AND RESPONSE			5,000	4,000
20130	ACQUISITION WORKFORCE REDUCTIONS		−4,300		−4,300
20160	USTRANSCOM EFFICIENCIES		−26,000		−26,000
20170	INFORMATION RESOURCE MANAGEMENT		56,000		16,000
20175	INNOVATION READINESS TRAINING			5,000	5,000
20185	UNDISTRIBUTED REDUCTION (NUNN-LUGAR)			−138,000	
20190	CONTINGENCY OPERATIONS TRANSFER DEFENSE-WIDE				−66,000
20195	DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION			138,000	
20200	TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE	10,156,468	10,212,985	9,953,142	10,044,200

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
17900 Exercise Northern Edge	5,000
17900 Strategic Mobility—Mobility Enhancements	40,000
17950 Emergent Operations	5,000
17950 Intell Support to Naval Special Ops Training	500
17950 SOCOM OPTEMPO/DLRs	10,300
17955 Real Property Maintenance (SOCOM)	2,000
Budget Activity 3: Training and Recruiting:	
18250 Defense Acquisition University	−15,000
Budget Activity 4: Administration and Servicewide Activities:	
18600 Classified and Intell	−2,200
18700 Acquisition Workforce Reduction	−8,000
18800 Acquisition Workforce Reduction	−24,000
18800 Civilian Personnel Under- execution	−13,000
18800 Depot Maintenance RMS Program	−90,000
18800 Procurement Technical Assistance Program	18,000
18800 Security Locks	15,000
18800 Tent Repair and Maintenance	3,000
18900 Defense Mapping Agency	17,100
19050 Federal Energy Management Program	−101,853
19100 Department of Defense Dependents Education	20,000
19300 OEA-San Diego Conversion Center	7,000
19300 OEA-California State University Monterey Bay/Fort Ord	7,000
19350 Civil/Military Programs	−5,000
19350 OSD Administrative Savings	−20,400
19350 Recruiting and Advertising/JRAP/Defense Manpower Data Center	10,300
19350 Seismic System Communication Links	400
19450 Security Programs-On Site Inspection Agency	−22,000
19550 Recruiting and Advertising/Washington Headquarters Service/JRAP Offset	−10,000
19550 Washington Headquarters Service/Other	−9,015
Undistributed:	
19675 Legacy	12,500

19700 Pentagon Reservation Fund Transfer	70,000
19750 Civilian Personnel Under execution	−14,200
19900 Foreign Currency Fluctuation	−7,400
19950 Impact Aid	35,000
19955 Repairs to Federally-Funded Schools	20,000
20025 Indian Land Remediation	8,000
20075 Emergency Preparedness and Response	4,000
20130 Acquisition Workforce Reduction	−4,300
20160 USTRANSCOM Efficiencies	−26,000
20170 Information Resource Management	16,000
20175 Innovative Readiness Training	5,000
20190 Contingency Operations Transfer	−66,000

DEFENSE MAPPING AGENCY

The conferees concur in the House direction that the Defense Mapping Agency's private contracting be conducted in compliance with the normal qualifications based selection process found in 40 U.S.C. 541 and 10 U.S.C. 2855. These provisions in Federal law provide the authority for agencies to use the qualifications based selection process, including selection of surveying and mapping firms, for all services described therein, not just those related to construction. The conferees agree that these provisions regarding private contracting apply only to mapping, charting and geodetic activities.

NATURAL FIBERS

The conferees note the preponderance of synthetic fibers in most uniforms and strongly support efforts to improve the quality of life for our forces. Given the greater comfort of natural fibers, the conferees direct the Department of Defense to report to the congressional defense committees on the potential for increasing the natural fiber content of uniforms by January 31, 1997.

LAW ENFORCEMENT EQUIPMENT

The conferees direct the Department of Defense to forgive the remaining 5,000 ballistic helmets and their monetary value loaned to the Los Angeles County Sheriff's Department (since April 1993).

CIVIL/MILITARY PROGRAMS

The conferees recommend a total of $59,500,000 for civil/military programs for fiscal year 1997 and direct the Department to provide the level of funding as shown below to those programs. The conferees further direct the Department to report to the congressional defense committees, not later than February 15, 1997, on the status of the obligation of these funds.

[In thousands of dollars]

Challenge youth program	$39,000
Starbase youth program	4,500
Innovative Readiness Training	16,000
Total	59,500

DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS (DODDS)

The conferees urge the Department to continue to fund the DoDDS mathematics teachers leadership development project out of the funds provided in this appropriation. In addition, the conferees direct the Department to provide the congressional defense committees with a report, not later than March 1, 1997, on the actual and projected status of execution of funds appropriated for the Department of Defense Dependents Schools for fiscal years 1996 and 1997.

OPERATION AND MAINTENANCE, ARMY RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[in thousands of dollars]

		Budget	House	Senate	Conference
20350	OPERATION AND MAINTENANCE, ARMY RESERVE.				
20400	BUDGET ACTIVITY 1: OPERATING FORCES.				
20450	MISSION OPERATIONS.				
20500	BASE SUPPORT	258,273	258,273	258,273	258,273
20550	MAINTENANCE OF REAL PROPERTY	50,913	50,913	80,913	50,913
20600	DEPOT MAINTENANCE	45,853	45,853	45,853	45,853
20650	RECRUITING AND RETENTION	36,998	41,998	36,998	41,998
20700	TRAINING OPERATIONS	578,482	605,482	578,482	598,482
20750	TOTAL, BUDGET ACTIVITY 1	970,519	1,002,519	1,000,519	995,519
20800	BUDGET ACTIVITY 4: ADMIN. & SERVICEWIDE ACTIVITIES				
20850	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
20900	INFORMATION MANAGEMENT	20,772	20,772	20,772	20,772
20950	PUBLIC AFFAIRS	467	467	467	467
21000	PERSONNEL ADMINISTRATION	63,521	63,521	63,521	63,521
21050	STAFF MANAGEMENT	29,157	29,157	29,157	29,157
21100	TOTAL, BUDGET ACTIVITY 4	113,917	113,917	113,917	113,917
21205	PERSONNEL ADMINISTRATION	.....	.....	15,000	10,000
21300	TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE	1,084,436	1,116,436	1,129,436	1,119,436

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
20650 Recruiting and Retention	5,000
20700 Training Operations/Ground OPTEMPO	20,000
Other Adjustments:	
21205 Personnel Administration/civilian manpower shortfall	10,000
Total adjustments	+35,000

OPERATION AND MAINTENANCE, NAVY RESERVE

The conference agreement on items addressed by either th4e House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
21450	OPERATION AND MAINTENANCE, NAVY RESERVE				
21500	BUDGET ACTIVITY 1: OPERATING FORCES				
21550	RESERVE AIR OPERATIONS				
21600	MISSION AND OTHER FLIGHT OPERATIONS	275,838	275,838	275,838	275,838
21650	P-3 SQUADRON OPERATIONS	.....	.....	.....	5,500
21700	FLEET AIR TRAINING	1,299	1,299	1,299	1,299
21750	INTERMEDIATE MAINTENANCE	17,499	17,499	17,499	17,499
21800	AIR OPERATION AND SAFETY SUPPORT	2,048	2,048	2,048	2,048
21850	AIRCRAFT DEPOT MAINTENANCE	70,560	75,560	75,560	75,560
21900	AIRCRAFT DEPOT OPS SUPPORT	341	341	341	341
21950	BASE SUPPORT	117,353	117,353	117,353	117,353
22000	MAINTENANCE OF REAL PROPERTY	24,920	24,920	36,920	24,920
22050	RESERVE SHIP OPERATORS				
22100	MISSION AND OTHER SHIP OPERATIONS	61,784	61,784	61,784	61,784
22150	SHIP OPERATIONAL SUPPORT AND TRAINING	642	642	642	642
22200	INTERMEDIATE MAINTENANCE	9,961	9,961	9,961	9,961
22250	SHIP DEPOT MAINTENANCE	83,969	83,969	83,969	83,969
22300	SHIP DEPOT OPERATIONS SUPPORT	1,811	1,811	1,811	1,811
22350	RESERVE COMBAT OPERATIONS SUPPORT				
22450	COMBAT SUPPORT FORCES	27,905	27,905	27,905	27,905
22500	BASE SUPPORT	41,769	41,769	41,769	41,769
22550	MAINTENANCE OF REAL PROPERTY	8,960	8,960	11,960	8,960
22600	RESERVE WEAPONS SUPPORT				
22650	WEAPONS MAINTENANCE	6,121	6,121	6,121	6,121

[In thousands of dollars]

		Budget	House	Senate	Conference
22655	CONTINGENCY OPERATIONS TRANSFER	.....	.....	−2,400	−2,400
22700	TOTAL, BUDGET ACTIVITY 1	752,780	757,780	770,380	760,880
22750	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
22800	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
22850	ADMINISTRATION	6,153	6,153	6,153	6,153
22900	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	2,764	2,764	2,764	2,764
22950	MILITARY MANPOWER AND PERSONNEL	28,349	28,349	28,349	28,349
23050	SERVICEWIDE COMMUNICATIONS	19,427	19,427	19,427	19,427
23100	BASE SUPPORT	26,488	26,488	26,488	26,488
23150	MAINTENANCE OF REAL PROPERTY	4,906	4,906	4,906	4,906
23200	COMBAT/WEAPONS SYSTEMS	2,555	2,555	2,555	2,555
23250	GENERAL DEFENSE INTELLIGENCE PROGRAM	505	505	505	505
23260	BASE OPERATING SUPPORT	.....	7,000	.....	7,000
23300	TOTAL, BUDGET ACTIVITY 4	91,147	98,147	91,147	98,147
23350	NSIPS	.....	27,000	.....	27,000
23450	TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE	843,927	882,927	861,527	886,027

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:

21650 P–3 Squadron operations 5,500

21850 Aircraft Depot Maintenance/airframes and engines 5,000

22655 Contingency Operations Transfer ..... −2,400

Budget Activity 4: Administration and Servicewide Activities:

23260 Base Operating Support 7,000

23300 NSIPS 27,000

Total adjustments ..... +42,100

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
23600	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE				
23650	BUDGET ACTIVITY 1: OPERATING FORCES				
23700	MISSION FORCES				
23750	TRAINING	13,611	17,611	13,611	15,611
23800	OPERATING FORCES	27,569	32,369	38,269	35,569
23850	BASE SUPPORT	14,628	14,628	14,628	14,628
23900	MAINTENANCE OF REAL PROPERTY	4,967	4,967	9.967	4,967
23950	DEPOT MAINTENANCE	2,953	2,953	2,953	2,953
24000	TOTAL, BUDGET ACTIVITY 1	63,728	72,528	79,428	73,728
24050	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
24150	ADMINISTRATION AND SERVICEWIDE ACTIVITIES.				
24150	RECRUITING AND ADVERTISING	7,538	7,538	7,538	???
24200	SPECIAL SUPPORT	10477	10477	10,477	10,477
24250	SERVICEWIDE TRANSPORTATION	4,507	4,507	4,507	4,507
24300	ADMINISTRATION	6,151	6,151	6,151	6,151
24350	BASE SUPPORT	7,266	7,266	7,266	27,266
24450	TOTAL, BUDGET ACTIVITY 4	35,939	35,939	35,939	35,939
24550	TOTAL, O&M, MARINE CORPS RESERVE	99,667	108,467	115,367	109,667

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:

23750 Training/M1A1 Tank Training 2,000

23800 Operating Forces/Initial Issue 8,000

Total adjustments ..... +10,000

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
24700	OPERATION AND MAINTENANCE, AIR FORCE RESERVE				
24750	BUDGET ACTIVITY 1: OPERATING FORCES				
24800	AIR OPERATIONS				
24850	AIRCRAFT OPERATIONS	1,102,739	1,105,739	1,109,139	1,110,739
24900	MISSION SUPPORT OPERATIONS	38,645	38,645	38,645	38,645
24950	BASE SUPPORT	222,851	222,851	222,851	222,851
25000	MAINTENANCE OF REAL PROPERTY	48,037	48,037	48,037	48,037
25050	TOTAL, BUDGET ACTIVITY 1	1,412,272	1,415,272	1,418,672	1,420,272
25100	BUDGET ACTIVITY 4: ADMIN & SERVICE WIDE ACTIVITIES				
25150	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
25200	ADMINISTRATION	42,799	42,799	42,799	42,799
25250	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	19,386	19,386	19,386	19,386
25300	RECRUITING AND ADVERTISING	7,714	7,714	7,714	7,714
25350	OTHER PERSONNEL SUPPORT	6,047	6,047	6,047	6,047
25400	AUDIOVISUAL	335	335	335	335
25450	TOTAL, BUDGET ACTIVITY 4	76,281	76,281	76,281	76,281
25600	TOTAL, O&M, AIR FORCE RESERVE	1,488,553	1,491,553	1,494,953	1,496,553

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
24850 Aircraft Operations/WC–130 Training Hours	1,000
24850 Aircraft Operations/AWACS Flying Hours	2,000
24850 Aircraft Operations/AWACS Reserve Program	5,000
Total adjustments	+8,000

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
25750	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD				
25800	BUDGET ACTIVITY 1: OPERATING FORCES				
25850	MISSION OPERATIONS				
25900	TRAINING OPERATIONS	1,736,633	1,786,633	1,736,633	1,766,633
25950	RECRUITING AND RETENTION	20,214	20,214	20,214	20,214
26000	MEDICAL SUPPORT	18,514	18,514	18,514	18,514
26050	DEPOT MAINTENANCE	36,099	46,099	36,099	41,099
26100	BASE SUPPORT	196,070	196,070	196,070	196,070
26150	MAINTENANCE OF REAL PROPERTY	48,041	48,041	123,041	48,041
26200	TOTAL, BUDGET ACTIVITY 1	2,055,571	2,115,571	2,130,571	2,090,571
26250	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
26300	ADMINISTRATION AND SERVICEWIDE ACTIVITIES				
26350	INFORMATION MANAGEMENT	42,461	42,461	53,461	53,461
26400	PUBLIC AFFAIRS	1,463	1,463	1,463	1,463
26450	PERSONNEL ADMINISTRATION	60,730	60,730	60,730	60,730
26500	STAFF MANAGEMENT	48,252	48,252	48,252	48,252
26550	TOTAL, BUDGET ACTIVITY 4	152,906	152,906	163,906	163,906
26700	TOTAL, O&M, ARMY NATIONAL GUARD	2,208,477	2,268,477	2,294,477	2,254,477

ADJUSTMENTS TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
25900 Training Operations/Ground Optempo	30,000
26050 Depot Maintenance	5,000
Budget Activity 4: Administration and Servicewide Activities:	
26350 Information Management/Distance Learning	11,000
Total adjustments	+46,000

NATIONAL GUARD TRAINING SUPPORT

The conferees are aware of the work of the National Guard Training Support Branch in development training procedures, devices and simulations, such as FIST I and II and SIMITAR, which have led to improvement in training and readiness for our National Guard. The conferees are also aware that the results of these efforts were successfully employed in Operation Joint Endeavor. The conferees support these training efforts and recommend that they be continued and expanded. The conferees further recommend that the Training Readiness Operations Directorate develop a comprehensive funding plan to ensure continuation of these valuable programs.

JOINT AVIATION FACILITY

The conferees believe that funds appropriated in Public Law 103–110 for the purpose of a joint armed forces aviation support facility at Johnstown, Pennsylvania should be available for a joint air traffic control tower at Johnstown, Pennsylvania which is necessary for aviation safety.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The conference agreement on items addressed by either the House or the Senate is as follows:

[In thousands of dollars]

		Budget	House	Senate	Conference
26850	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD				
26900	BUDGET ACTIVITY 1: OPERATING FORCES				
26950	AIR OPERATIONS				
27000	AIRCRAFT OPERATIONS	1,935,403	1,952,303	2,002,903	1,998,003
27050	MISSION SUPPORT OPERATIONS	325,996	325,996	325,996	325,996
27100	BASE SUPPORT	285,396	285,396	285,396	285,396
27150	MAINTENANCE OF REAL PROPERTY	80,255	80,255	80,255	80,255
27200	DEPOT MAINTENANCE	19,483	19,483	19,483	19,483
27250	TOTAL, BUDGET ACTIVITY 1	2,646,533	2,633,433	2,714,033	2,709,133
27300	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES				
27350	SERVICEWIDE ACTIVITIES				
27400	ADMINISTRATION	3,076	3,076	3,076	3,076
27450	RECRUITING AND ADVERTISING	4,864	4,864	4,864	4,864
27500	TOTAL, BUDGET ACTIVITY 4	7,940	7,940	7,940	7,940
27570	INVESTMENT ITEM TRANSFER				−694
27650	TOTAL, O&M, AIR NATIONAL GUARD	2,654,473	2,671,373	2,721,973	2,716,379

ADJUSTMENT TO BUDGET ACTIVITIES

Adjustments to the budget activities are as follows:

[In thousands of dollars]

Budget Activity 1: Operating Forces:	
27000 Aircraft Operations/159th Fighter Group	1,500
27000 Aircraft Operations/General Purpose Fighters	44,400
27000 Aircraft Operations/Flying Hour Program	10,000
27000 Aircraft Operations/C–130 PAA	6,700
Other Adjustments:	
27570 Investment Item Transfer	−694
Total adjustments	+61,906

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

The conference agreement provides $6,797,000 for the United States Court of Appeals for the Armed Forces as requested in the budget.

COURT OF MILITARY APPEALS REPROGRAMMING

The conferees direct the Office of the Under Secretary of Defense (Comptroller) to develop a plan that provides the Court of Military Appeals with a mechanism by which the court has the option to reprogram funds into the Operation and Maintenance. Defensewide account when it experiences an underexecution of appropriated funds and to provide the congressional defense committees with a summary of this plan by February 1, 1997.

ENVIRONMENTAL RESTORATION, ARMY

The conferees agree to provide $339,109,000 for Environmental Restoration, Army.

ENVIRONMENTAL RESTORATION, NAVY

The conferees agree to provide $287,788,000 for Environmental Restoration, Navy.

ENVIRONMENTAL RESTORATION, AIR FORCE

The conferees agree to provide $394,010,000 for Environmental Restoration, Air Force.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

The conferees agree to provide $36,722,000, for Environmental Restoration, Defense-Wide.

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

The conferees agree to provide $256,387,000 for Environmental Restoration, Formerly Used Defense Silos.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

The conferees agree to provide $49,000,000 for Overseas Humanitarian, Disaster and Civic Aid.

FORMER SOVIET UNION THREAT REDUCTION

The conferees agree to provide $327,900,000, for the Former Soviet Union Threat Reduction program.

QUALITY OF LIFE ENHANCEMENTS, DEFENSE

The conferees agree to provide $600,000,000 for Quality of Life Enhancements, Defense. The conferees are concerned about the condition of barracks, dining halls and related facilities throughout the Department of Defense. Accordingly, the conferees agree that reducing the backlog of maintenance and repair for such facilities should be the Department's highest priority.

Title III—Procurement

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
SUMMARY				
ARMY:				
AIRCRAFT	970,815	1,308,709	1,283,815	1,348,434
MISSILES	766,329	988,567	982,829	1,041,867
WEAPONS, TRACKED COMBAT VEHICLES	1,102,014	1,500,414	1,449,714	1,470,286
AMMUNITION	853,428	1,150,128	1,118,329	1,127,149
OTHER	2,627,440	2,899,040	3,295,486	3,172,485
TOTAL, ARMY	6,320,026	7,846,858	8,130,173	8,160,221
NAVY:				
AIRCRAFT	5,881,952	6,896,552	7,239,704	7,027,010
WEAPONS	1,400,363	1,384,408	1,500,154	1,389,913
AMMUNITION	.....	341,689	.....	289,695
SHIPS	4,911,930	4,469,930	6,193,330	5,613,665
OTHER	2,714,195	2,889,591	2,944,519	3,067,944
MARINE CORPS	555,507	623,973	660,507	569,073
TOTAL, NAVY	15,463,947	16,606,143	18,538,214	17,957,300
AIR FORCE:				
AIRCRAFT	5,779,228	7,274,628	6,630,370	6,404,980
MISSILES	2,733,877	2,279,500	2,713,944	2,297,145
AMMUNITION	.....	272,177	.....	293,153
OTHER	5,998,819	6,078,539	5,577,787	5,944,680
TOTAL, AIR FORCE	14,511,924	15,904,844	14,922,101	14,939,958
DEFENSE-WIDE	1,841,212	2,247,812	1,773,794	1,978,005
NATIONAL GUARD AND RESERVE EQUIPMENT	.....	908,000	759,800	780,000
TOTAL PROCUREMENT	38,137,109	43,513,657	44,124,082	43,815,484

SPECIAL INTEREST ITEMS

The conferees direct that the direction contained under the heading ''Special Interest Items'' in the House report also shall apply to items identified in the same manner in the Senate report. The conferees direct that items appearing in the project and subproject level tables in the House and Senate reports, and in the conference managers' statement, shall be reflected in the Form DD–1414 ''Base for Reprogramming'' and treated accordingly.

LRIP TEST ARTICLES AND REPROGRAMMING THRESHOLDS

The conferees strongly agree with the concerns expressed by both the House and the Senate with respect to changes contemplated by the Department of Defense (DoD) in the budgeting for low-rate initial production (LRIP) test articles and in reprogramming thresholds. The conferees note that the Department's budgeting policies for LRIP test articles have been applied inconsistently in the past. The conferees reserve judgment as to the desirability of changing the budgeting practice for LRIP test articles, and they intend to evaluate the ramifications of this change during the fiscal year 1998 budget review. Unlike the circumstances associated with creation of the fiscal year 1997 budget request, the conferees expect the Department to consult with the Committees on Appropriations well in advance about the justification and implications of this change.

To ensure such consultation occurs, the conferees direct that DoD may not modify its policies or practices with respect to budgeting for LRIP test articles until 90 days after any proposed modification is reported to the congressional defense committees, along with a detailed justification for that proposed modification. Further, this issue underscores the lack of visibility of test article quantities in current budget exhibits. Given that test articles are significant cost drivers in research and development programs, the conferees direct that RDT&E budget exhibits for fiscal year 1998 and subsequent years must clearly denote the number and type of test articles budgeted, in total, over the life of the R&D program.

The conferees also direct that none of the funds available to DoD during fiscal year 1997 may be obligated or expended to modify established reprogramming procedures, including modifying below threshold reprogramming dollar thresholds, until 90 days after any proposed modification is reported to the congressional defense committees, along with a detailed justification for that proposed modification.

AMMUNITION AND MISSILE QUANTITIES

The conferees agree that if missiles and ammunition quantities are noted in the following tables, they are to be considered estimates of the minimum number of rounds than can be procured in fiscal year 1997 with the funds provided. Continuing a longstanding policy, the conferees do not intend that quantity notations in the tables are to be a limitation on the number of rounds that can be procured and further direct the Department to buy as many rounds as appropriated funds will allow. In no case, however, shall the Department buy less than the quantities requested or noted in the tables unless the congressional defense committees are informed as to why these levels are not achievable.

GPS AND FLIGHT DATA RECORDERS AND PASSENGER SAFETY MODIFICATIONS

The conferees agree with the language included under these headings in their respective House and Senate committee reports. The conferees agree with the Secretary of Defense that military passenger aircraft should be modified with modern safety-related equipment such as global positioning system receivers, flight data recorders, cockpit voice recorders, ground proximity warning systems, and traffic collision and avoidance systems. The conferees direct the Department of Defense to evaluate using commercial equipment to meet these requirements. The conferees direct that House and Senate reporting requirements be combined, and that no fiscal year 1997 funds be obligated until these reports are provided to the congressional defense committees.

INFORMATION SYSTEMS SECURITY

The conferees are concerned about the potential for unauthorized entry into Department of Defense information systems. The intelligence community believes that numerous foreign countries are developing ''information warfare'' capabilities designed to exploit the accessibility of computer and communications systems. Department of Defense personnel must understand how they are impacted by this threat as well as what their roles and responsibilities are as key implementors of the Department's information protection strategy. Consequently, effective information security training is an essential component of countering this threat. The conferees recommend that services and defense agencies which have not yet developed computer security procedures should consider the procurement of commercial-off-the-shelf computer security training

and training management software such as the Air Force's Safeware.

SECURE TERMINAL EQUIPMENT

The Secure Terminal Equipment (STE) program has developed the next generation secure terminal for use by U.S. military forces, the intelligence community, and other government agencies requiring secure voice and data communications. The conferees have provided $11,319,000 within the Other Procurement, Navy appropriation under ''Secure Voice Systems'' and $7,300,000 in Other Procurement, Army under ''Information Systems Security'' for the procurement of tactical STE, consistent with the President's budget request. The conferees support STE as a vital step in ensuring necessary voice and data security enhancements and therefore designate the Army and Navy procurement lines as programs of special congressional interest and expect the Department of Defense Form 1414 to reflect this designation.

Furthermore, the conferees direct that $17,000,000 of the funds appropriated for Procurement, Defense-Wide be made available only for the procurement of the tactical STE. None of these funds are to be used for the development of cellular equipment without prior notification to the congressional defense committees.

AIRCRAFT PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, ARMY					
ARL (TIARA)	24,742	35,242	24,742		29,942
C–XX (MEDIUM RANGE) AIRCRAFT			35,000	8	22,000
GUARDRAIL COMMON SENSOR (TIARA)	1,081	11,081	1,081		5,000
AH–64 ATTACK HELICOPTER (APACHE)			53,000		
UH–60 BLACKHAWK (MYP)	161,279	161,279	290,379	34	225,379
UH–60 BLACKHAWK (MYP) (AP–CY)	75,000	61,000	75,000		68,000
CH–47 CARGO HELICOPTER MODS (MYP)	7,802	59,802	51,502		51,502
LONGBOW	356,957	356,957	356,957		383,457
KIOWA WARRIOR	9,115	242,115	9,115		199,115
EH–60 QUICKFIX MODS	13,912	36,612	13,912		13,912
AIRBORNE AVIONICS	40,819	60,919	40,819		48,319
PASSENGER SAFETY MODIFICATIONS			3,200		3,200
ASE MODS	4,801	4,801	4,801		25,801
SPARES AND REPAIR PARTS	51,106	34,700	51,106		41,106
AIRCRAFT SURVIVABILITY EQUIPMENT	436	20,436	34,436		436
AVIONICS SUPPORT EQUIPMENT	7,449	7,449	12,449		9,949
AVIATION LIFE SUPPORT EQUIPMENT (ALSE)	6,292	6,292	16,292		13,292
AIR TRAFFIC CONTROL	8,401	8,401	8,401		6,401

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
AH–64 Attack Helicopter	0	0	53,000	0
Training Devices		0	53,000	0
(Note: $26,500,000 transferred to Longbow)				
UH Blackhawk (MYP)	161,279	161,279	290,379	225,379
(Note: Additional funds are to procure 6 additional aircraft for the Army National Guard. The conferees also direct that 4 of the 34 aircraft must be configured as UH–60Q platforms for enhanced medical evacuation)				
Longbow	356,957	356,957	356,957	383,457
Training devices		0	0	26,500
(Note: $26,500,000 transferred from AH–64 Attack Helicopter. The conferees agree that of the total amount available $1,000,000 is only for the evaluation of a kit upgrade program to convert T–700–701 engines to T–700–701C engines)				
Airborne Avionics	40,819	60,919	40,819	48,319
GPS-Blackhawk and Chinook		15,000	0	7,500
GPS-passenger carrying aircraft		5,100	0	0
(Note: $3,200,000 in additional funds are provided in Passenger Safety Mods)				
ASE Mods	4,801	4,801	4,801	25,801
Laser detection sets			0	11,000
Advanced threat infrared countermeasures for Longbow Apache			0	5,000
Integration of radar deception jamming devices			0	5,000
(Note: Transferred from Aircraft Survivability Equipment)				
Aircraft Survivability Equipment	436	20,436	34,436	436
Laser detection sets		20,000	11,000	0
Advanced threat infrared countermeasures for Longbow Apache		0	13,000	0
integration of radar deception jamming devices		0	10,000	0
(Note: Transferred to ASE Mods.)				
Air Traffic Control	8,401	8,401	8,401	6,401
(Note: $2,000,000 transferred to Research, Development, Test and Evaluation, Army-Air Traffic Control for ATNAVICS)				

MISSILE PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
MISSILE PROCUREMENT, ARMY					
PATRIOT SYSTEM SUMMARY (MYP)	2,862		2,862		
AVENGER SYSTEM SUMMARY	12,581	71,981	12,581	93	71,981
JAVELIN (AAWS-M) SYSTEM SUMMARY	162,104	201,804	196,104	1,020	162,104
JAVELIN (MYP) (AP-CY)					34,000
MLRS LAUNCHER SYSTEMS	38,039	48,039	105,039		105,039
ARMY TACTICAL MSL SYS (ATACMS)—SYS SUM	92,816	161,816	92,816	97	92,816
ARMY TACTICAL MSL SYS (MYP) (AP-CY)					69,000
PATRIOT MODS	11,464	21,464	23,464		23,464
STINGER MODS	16,903	36,903	39,703		36,903
AVENGER MODS			29,000		
ITAS/TOW MODS	16	16	33,016		16
DRAGON MODS	3,181	3,181	4,881		3,181

JAVELIN ADVANCE PROCUREMENT

The conferees agree to provide an additional $34,000,000 and establish an advance procurement line for economic order quantity purchases associated with multiyear procurement of the Javelin missile. The conferees agree with House direction requiring the Army to negotiate variable quantity options in the third year of the Javelin multiyear contract. Further, the conferees agree with the reporting requirements contained in both the House and Senate reports and further stipulate that the reports be combined and submitted to the congressional defense committees not less than 30 days prior to the contract award.

PATRIOT MODIFICATIONS

The conferees agree to provide $23,464,000 for Patriot modifications. The additional funds are provided for the GEM +/−upgrade and the Integrated Diagnostic Support System and may be distributed between the two programs at the discretion of the Army.

STINGER MODIFICATIONS

The conferees agree to provide $36,903,000 for Stinger Modifications; an increase of $20,000,000. The additional funds are provided to upgrade Stinger missiles to the Block 1 configuration, to modify Stinger platforms to use the Block 1 missile, and to retrofit the missile with a new warhead. The Army may allocate the additional funds as priorities dictate among these efforts.

ARMY TACTICAL MISSILE SYTEM (ATACMS) ADVANCE PROCUREMENT

The conferees agree to provide $69,000,000 to establish an advance procurement line for economic order quantity purchases associated with multiyear procurement of ATACMS.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF W&TCV, ARMY					
BRADLEY BASE SUSTAINMENT	134,428	254,428	191,628		235,000
FIELD ARTILLERY AMMUNITION SUPPORT VEH	34,400	64,200	84,400	24	64,200
COMMAND & CONTROL VEHICLE	48,985	38,985	48,985	5	48,985
CARRIER, MOD	23,028	52,028	43,028		43,028
HOWITZER, MED SP FT 155MM M109A6 (MOD)	75,000	106,200	136,000		106,200
FAASV PIP TO FLEET	4,727	13,827	4,727		13,827
IMPROVED RECOVERY VEHICLE (M88 MOD)	28,641	55,741	78,641		55,741
M1 ABRAMS TANK (MOD)	50,217	40,217	78,217		63,217
ARMORED COMBAT EARTHMOVER		100,700			51,000
GRENADE LAUNCHER, AUTO, 40MM, MK19–3	5,199	18,199	33,199	320	33,199
MACHINE GUN		20,000			20,000
M16 RIFLE MODS	5,531	5,531	20,531		5,531

BRADLEY BASE SUSTAINMENT

The conferees agree to provide $235,000,000 for Bradley base sustainment, an increase of $100,572,000 to the budget request only for A0 remanufacturings. The conferees direct that no less than $55,000,000 be made available only for the remanufacturing of 50 A0 to A2 vehicles. The remaining remanufacturing funds shall be available only for A0 to A3 remanufacturing. The conferees expect the remaining funds to support approximately 45 A0 to A3 remanufacturings. The conferees direct that the Bradley A0 conversion program continue until such time as the Army declares the remaining A0 vehicles excess and processes them for surplus.

PROCUREMENT OF AMMUNITION, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, ARMY					
CTG, 5.56MM, ALL TYPES	29,752	29,752	30,752	--	30,752
CTG, 7.62MM, ALL TYPES	3,871	5,971	5,871	--	5,971
CTG, 9MM, ALL TYPES	--	1,400	--	--	1,000
CTG, .50 CAL, ALL TYPES	3,971	10,971	3,971	--	7,000
CTG, 25MM, ALL TYPES	47,176	87,176	87,176	--	80,000
CTG, 30MM, ALL TYPES	--	15,000	15,000	--	10,000
CTG, 40MM, ALL TYPES	34,428	31,828	34,428	--	33,000
SPECIAL PURPOSE AMMUNITION	--	6,000	--	--	4,000
CTG MORTAR 60MM 1/10 PRAC M766	5,019	5,219	5,019	7	5,219
60MM HE M720	--	12,500	10,000	--	10,000
CTG MORTAR 120MM FULL RANGE PRACTICE XM931	49,539	51,439	49,539	--	51,000
CTG MORTAR 120MM ILLUM XM930 W/MTSQ FZ	19,360	34,360	19,360	--	26,000
CTG MORTAR 120MM SMOKE XM929 W/MO FUZE	30,106	39,006	30,106	--	35,000
CTG 120MM APFSDS–T M829A2	79,703	103,703	89,703	23	103,703
CTG 120MM HEAT–MP–T M830A1	--	45,000	45,000	--	31,000
PROJ ARTY 155MM HE M795	--	55,000	45,000	--	40,000
PROJ ARTY 155MM SADARM M898	60,259	78,759	93,759	322	93,759
MINE AT/AP M87 (VOLCANO)	---	35,000	--	--	15,000
WIDE AREA MUNITIONS	19,299	19,299	--	261	10,000
BUNKER DEFEATING MUNITION (BDM)	--	10,000	--	--	10,000
GRENADES, ALL TYPES	7,654	4,154	7,654	--	4,154
SIGNALS, ALL TYPES	10,196	1,296	10,196	--	1,296
PROVISION OF INDUSTRIAL FACILITIES	38,508	40,008	38,508	--	40,008
ARMAMENT RETOOLING & MANUFACTURING SUPPORT (ARMS)	--	--	58,000	--	45,000
CONVENTIONAL AMMO DEMILITARIZATION	88,603	88,603	100,603	--	95,603

CTG 120MM M829A2

The conferees do not agree to the House language directing the Army to procure CTG 120MM M829A2 tank ammunition for the Marine Corps.

CTG 105MM ARTY M913/M927 HERA

The conferees agree that of the funds appropriated in any fiscal year for Procurement of Ammunition, Army, $27,000,000 shall be made available only for the procurement of M913/M927 HERA ammunition.

OTHER PROCUREMENT, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, ARMY					
FAMILY OF MEDIUM TACTICAL VEH (MYP)	233,094	233,094	238,094	1,603	233,094
FAMILY OF HEAVY TACTICAL VEHICLES (MYP)	163,343	196,343	286,343		244,000
ARMORED SECURITY VEHICLES (COMBAT SPT) TACTIC	9,240	18,240	18,540	24	18,240
MEDIUM TRUCK EXTENDED SVC PGM(ESP) (PREV SLEP)		20,000	47,000		40,000
FMTV PRODUCIBILITY EVAL TASK (PET)					6,000
SMART-T (SPACE)	45,427	34,727	45,427		34,727
SCAMP (SPACE)	23,555	14,455	23,555		14,455
ARMY DATA DISTRIBUTION SYSTEM (ADDS)	47,987	72,987	67,987		67,987
SINCGARS FAMILY	297,496	297,496	340,796		320,000
EAC COMMUNICATIONS	4,089	4,089	44,089		44,089
TSEC—INFORMATION SYSTEM SECURITY	10,678	30,078	10,678		20,000
INFORMATION SYSTEMS	24,668	24,668	53,668		48,668
FT CARSON COMMUNICATIONS		200			200
GENERAL DEFENSE INTELL PROG (GDIP)	12,649	16,649	26,349		22,849
ITEMS LESS THAN $2.0M (INTEL SPT)—TIARA	2,151	9,051	2,151		9,051
ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	12,297	12,297	23,997		12,297
JTT/CIBS-M (TIARA)	14,010	19.010	14,010	58	19,010
TROJAN (TIARA)	2,603	4,203	2,603		4,203
COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	1,642	1,642	8,142		1,642

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
FAAD GBS	51,226	68,826	80,426	16	69,000
NIGHT VISION DEVICES	111,872	126,872	200,000		165,000
SHORTSTOP ELECTRONIC PROTECTION SYSTEM					5,000
INTEGRATED MET SYS SENSORS (IMETS)—TIARA	3,144	5,144	3,144	6	3,144
FORWARD ENTRY DEVICE (FED)	2,134	12,034	2,134		12,034
LOGTECH	4,395	4,395	10,395		8,000
STAMIS TACTICAL COMPUTERS (STACOMP)	27,211	27,211	52,211		40,000
STANDARD INTEGRATED CMD POST SYSTEM	26,304	26,304	36,604		30,000
AUTOMATED DATA PROCESSING EQUIP	136,386	114,886	136,386		136,386
INTEGRATED FAMILY OF TEST EQUIP (IFTE)	1,506	30,506	1,506		21,506
FORCE PROVIDER	11,661	39,661	11,661	2	25,000
ITEMS LESS THAN $2.0M (CSS-EQ)	2,688	4,688	2,688		4,688
INLAND PETROLEUM DISTRIBUTION SYSTEM	1,064	3,064	1,064		3,064
ITEMS LESS THAN $2.0M (POL)	5,331	5,331	5,331		7,331
COMBAT SUPPORT MEDICAL	15,851	6,651	15,851		15,851
ITEMS LESS THAN $2.0M (CONST EQUIP)	382	382	52,200		47,200
PUSHER TUG, SMALL	6,877	6,877	6,877	2	7,377
GENERATORS AND ASSOCIATED EQUIP	13,187	38,187	38,187		30,000
TRAINING DEVICES, NONSYSTEM	82,724	84,224	100,824		96,824

FAMILY OF MEDIUM TACTICAL VEHICLES-PRODUCABILITY EVALUATION TASK

The conferees are pleased with the Army's recent decision to begin a Producability Evaluation Task (PET) for the Family of Medium Tactical Vehicles (FMTV) follow-on buy. The PET approach to the FMTV follow-on program will assure that competing contractors demonstrate the ability to manufacture the FMTV while not having to wait for a production validated Level III Technical Data Package from the current contractor. A successful PET will ensure an early contract award and if won by the incumbent will mitigate the effect of a potential production break.

To demonstrate its strong support and to expedite the PET effort, the conferees agree to provide $6,000,000 for fiscal year 1997.

ITEMS LESS THAN $2,000,000 (PETROLEUM)

The conferees agree to provide an additional $2,000,000 for the Supplemntal Fuel Carrying Capability program which provides an external fuel bladder to increase the operational range of the Abrams tank.

NIGHT VISION DEVICES

The conferees agree to provide $165,000,000 for Night Vision Devices, an increase of $53,128,000 to budget request. The conferees agree that $10,000,000 of the additional funds shall be used only for the procurement of Mini Eyesaft Laser Infrared Observation Sets, to meet active duty and reserve component requirements.

TRAINING DEVICES, NONSYSTEM

The conferees agree to provide $96,824,000 for the Army's nonsystem training devices program, an increase of $14,100,000 to the budget request. Of the additional funds provided, $1,500,000 is only for the procurement of the electronic rifle targeting system, used at the Olympics, to upgrade the markmanship training range at Fort Benning, Georgia, and the remaining increase of $12,600,000 is only for the continued procurement and installation of the Joint Readiness Training Center's (JRTC) military operations urban terrain (MOUT) training devices.

SHORTSTOP ELECTRONIC PROTECTION SYSTEM (SEPS)

The conferees strongly support the immediate deployment of the Shortstop countermeasure system to U.S. forces in Korea and therefore have provided $5,000,000 for the procurement of approximately 20 systems in fiscal year 1997.

ITEMS LESS THAN $2.0M (CONSTRUCTION EQUIPMENT)

The conferees recommend providing $47,200,000 for the procurement of construction equipment in fiscal year 1997, an increase of $46,818,000 to the budget request. The conferees provide these additional funds only for the procurement of bituminous material distribution trucks and 20-ton dump trucks.

AIRCRAFT PROCUREMENT, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, NAVY:					
AV–8B (V/STOL) HARRIER	282,014	350,014	344,757	12	344,757
F/A–18C/D (FIGHTER) HORNET			489,000	6	279,000
F/A–18E/F (FIGHTER) HORNET	1,859,856	1,859,856	1,844,756	12	1,844,756
V–22 (MEDIUM LIFT)	500,904	732,904	730,904	5	620,904
KC–130J		209,200		4	210,800
EA–6 SERIES	100,620	221,620	263,620		228,620
F–14 SERIES	231,974	241,974	231,974		236,974
F–18 SERIES	156,486	154,486	154,327		154,327
AH–1W SERIES	23,950	43,350	23,950		23,950
H–53 SERIES	44,567	44,567	58,567		54,567
H–1 SERIES	9,339	9,339	22,839		22,839
EP–3 SERIES	35,429	45,429	36,429		36,429
P–3 SERIES	128,560	201,960	200,760		180,760
S–3 SERIES	36,413	36,413	18,207		31,413
E–2 SERIES	23,143	27,943	23,143		27,943
COMMON ECM EQUIPMENT	20,069	58,069	68,043		68,043
REEF POINT			55,000		
COMMON AVIONICS CHANGES	87,841	111,141	87,841		87,841
PASSENGER SAFETY MODIFICAITONS			14,800		14,800
SPARES AND REPAIR PARTS	839,987	832,487	844,987		837,487
COMMON GROUND EQUIPMENT	313,070	303,070	313,070		308,070

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
F/A–18C/D.				
[Note: The conferees agree to provide $279.0 million for procurement of 6 F/A–18D aircraft.]				
EA–6B Series	100,620	221,620	263,620	228,620
Center Wing Sections		+50,000	+50,000	+50,000
Band 9/10 Transmitters		+40,000	+40,000	+40,000
USQ–113 Communications Jammer		+11,000	+11,000	+11,000
Turbine Blade Containment		+20,000	+40,000	+5,000
Connectivity			+22,000	+22,000
[Note: The House funded the connectivity upgrades in R&D.]				
EP–3 Series	35,429	45,429	36,429	36,429
Sensor upgrade		+10,000		
LESPA			+1000	+1,000
P–3 Series	128,560	201,960	200,760	180,760
Additional AIP kits		+87,000	+87,000	+61,000
Additional SRP kits		+4,000		+4,000
LESPA			+2,800	+2,800
Digital USH–42				+2,000
roll on/off intell		−17,600	−17,600	−17,600
Common ECM	20,069	58,069	68,043	68,043
ASPJ		+50,000	+50,000	+50,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
ALR–67(V)3 Delay		−12,000	−12,026	−12,026
APR–39A(V)2			+10,000	+10,000
Spares and Repair Parts	839,987	832,487	844,987	837,487
Contract savings		−7,500		−7,500
Magic Lantern			+5,000	+5,000

F/A–18E/F REPORT AND ANALYSIS

The conferees direct the Secretary of Defense to submit to the congressional defense committees, not later than April 15, 1997, a report on the F/A–18E/F aircraft program which contains the following:

(1) a review of the F/A–18E/F aircraft program;

(2) an analysis and estimate of the production costs of the program for the total number of aircraft expected to be procured at each of four annual production rates (18, 24, 36, 48 aircraft);

(3) a comparison of the costs and benefits of the F/A–18E/F aircraft with the costs and benefits of the F/A–18C/D aircraft, and the operational combat effectiveness of the aircraft.

KC–130J

The conferees agree to provide $210,000,000 for the acquisition of four KC–130J aircraft. The conferees also agree that one of those aircraft shall be transferred to the Air National Guard for crew training during the period that a new product EC–130J, found elsewhere in this agreement is being modified for Special/Psychological Operations. The conferees further agree that the KC–130J shall be returned to the Marine Corps upon the completion of the EC–130J modification.

COMMON HELICOPTER CRASHWORTHY SEATS

The conferees believe that there may be significant benefits in terms of time, safety, and cost through development of a crashworthy seat common to the UH–1, H–3, and H–46 helicopters. The conferees direct the Navy to evaluate whether there is a requirement for such a seat and whether these benefits can be achieved. A report on the results of this evaluation must be submitted to the congressional defense committees no later than April 15, 1997.

WEAPONS PROCUREMENT, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
WEAPONS PROCUREMENT, NAVY					
TOMAHAWK	88.513	120.513	88.513	134	100,000
AMRAAM	36,091	71,091	36,091	100	58,000
HARPOON			40,000		
JSOW	64,426	101,426	64,426	150	80,000
STANDARD MISSILE	197,463	197,463	237,463	127	220,000
DRONES AND DECOYS			20,000		17,500
PENGUIN		15,000			7,000
HARPOON MODS	22,893	22,893	22,893		43,000
ORDNANCE SUPPORT EQUIPMENT	19,126	19,126	4,517		14,517
VERTICAL LAUNCHED ASROC (VLA)					13,000
GENERAL PURPOSE BOMBS	27,150		27,150		
2.75 INCH ROCKETS	9,433		9,433		
MACHINE GUN AMMUNITION	5,341		5,341		
PRACTICE BOMBS	11,131		11,131		
CARTRIDGES & CART ACTUATED DEVICES	21,939		21,939		
AIRCRAFT ESCAPE ROCKETS	8,172		8,172		
AIR EXPENDABLE COUNTERMEASURES	21,980		21,980		
MARINE LOCATION MARKERS	580		580		
JATOS	4,166		4,166		
5 INCH/54 GUN AMMUNITION	13,495		13,495		
76MM GUN AMMUNITION	2,738		2,738		
OTHER SHIP GUN AMMUNITION	4,133		4,133		
SMALL ARMS & LANDING PARTY AMMO	3,126		3,126		
PYROTECHNIC AND DEMOLITION	10,131		10,131		
MINE NEUTRALIZATION DEVICES	5,840		5,840		

HARPOON MODIFICATIONS

The conferees agree to provide $48,000,000 for Harpoon and SLAM modifications, of which $25,107,000 is only to retrofit additional SLAM–ER missiles.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, NAVY & MARINE CORP					
GENERAL PURPOSE BOMBS		27,150			27,150
2.75 INCH ROCKETS		9,433			9,433
MACHINE GUN AMMUNITION		5,341			5,341
PRACTICE BOMBS		17,131			14,000
CARTRIDGES & CART ACTUATED DEVICES		21,939			21,939
AIRCRAFT ESCAPE ROCKETS		8,172			8,172
AIR EXPENDABLE COUNTERMEASURES		21,980			21,980
MARINE LOCATION MARKERS		580			580
JATOS		4,166			4,166
5 INCH/54 GUN AMMUNITION		22,945			16,000
76MM GUN AMMUNITION		2,738			2,738
OTHER SHIP GUN AMMUNITION		4,133			4,133
SMALL ARMS & LANDING PARTY AMMO		3,126			3,126
PYROTECHNIC AND DEMOLITION		10,131			10,131
MINE NEUTRALIZATION DEVICES		5,840			5,840
5.56 MM, ALL TYPES		20,425			25,000
7.62 MM, ALL TYPES		6,493			11,000
.50 CALIBER		6,052			6,052
40 MM, ALL TYPES		3,210			3,210
60 MM HE M888		5,127			5,127
81 MM HE		1,731			1,731
81 MM SMOKE SCREEN		2,573			2,573
120MM TPCSDS–T M865		2,545			2,545
120 MM TP–T M831		1,723			1,723
120MM HEAT–MP (M830A1)		10,000			7,000
CTG 25 MM, ALL TYPES		4,807			4,807
9 MM ALL TYPES		2,793			2,793
GRENADES, ALL TYPES		686			686
LINEAR CHG, ALL TYPES		45,000			30,000
AMMO MODERNIZATION		9,118			9,118
ITEMS LESS THAN $2 MIL		1,601			1,601
M757 CHARGE ASSEMBLY		53,000			20,000

SMALL ARMS AMMUNITION

The Marine Corps has identified $28,000,000 of fiscal year 1996 ammunition funds as excess to their current program requirements. The conferees direct the Marine Corps to procure small caliber ammunition with these excess funds. The sources and increases are as follows:

Sources:

155MM CHG PROP Red bag	−$15,600,000
FUZE, ET, XM762	−9,210,000
ITEMS LESS THAN $2,000,000 (DET, PERC, 175MS)	−990,000
40MM PRACTICE	−2,200,000

Increases:

5.56 MM, ALL TYPES	+$20,000,000
7.62 MM, ALL TYPES	+8,000,000

SHIPBUILDING AND CONVERSION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
SHIPBUILDING & CONVERSION, NAVY					
SSN–21	699,071	599,071	699,071		649,071
NEW SSN (AP–CY)	296,186	700,186	997,186		797,186
DDG–51	3,374,693	2,624,593	3,374,693		3,374,693
DDG–51	9,379	9,379	534,379		234,379
SHIP SELF DEFENSE		54,000			
AE(C)	59,665	59,665	59,665	1	40,000
OCEANOGRAPHIC SHIPS		4,000	54,400	1	54,400
OCEANOGRAPHIC SHIPS—SWATH			45,000	1	45,000
LCAC SLEP(AP–CY)			3,000		3,000
OUTFITTING	91,990	47,990	44,990		44,990
POST DELIVERY	141,855	131,855	141,855		131,855

DDG–51

The conferees agree to provide $3,374,693,000 for procurement of 4 ships, $234,379,000 in advance procurement, and authority in Section 8009 to enter into a multiyear contract using fiscal year 1996 and 1997 funds.

AMMUNITION SHIP CONVERSIONS

The conferees have received pricing revisions for the conversion of ammunition ships. The fiscal year 1997 budget will no longer fund two ammunition ship conversions. The conferees agree to provide $40,000,000 for one conversion.

OCEANOGRAPHIC SHIP—SWATH

The conferees agree to the Senate language regarding the SWATH oceanographic ship.

SHIP COST ADJUSTMENT

The conferees agree to the ship cost adjustment recommendations in the Senate bill, and have included additional adjustments recently requested by the Navy.

OTHER PROCUREMENT, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, NAVY					
SUBMARINE PROPELLERS	39,182	37,182	39,182		37,182
POLLUTION CONTROL EQUIPMENT	135,216	130,216	135,216		130,216
HM&E ITEMS UNDER $2 MILLION	35,545	28,845	35,545		28,845
REACTOR COMPONENTS	185,551	183,051	185,551		183,051
RADAR SUPPORT		16,000	16,900		16,000
AN/SQQ–89 SURF ASW COMBAT SYSTEM	24,674	21,618	24,674		24,674
SSN ACOUSTICS	44,134	37,986	44,134		44,134
SUBMARINE ACOUSTIC WARFARE SYSTEM	7,840	7,840	15,840		7,840
SSTD	5,701	5,701	18,201		11,000
CARRIER ASW MODULE	144	144	9,144		144
C–3 COUNTERMEASURES	556	16,556	556		556
NAVY TACTICAL DATA SYSTEM	18,220	30,220	28,220		30,220
TACTICAL FLAG COMMAND CENTER	23,941	22,741	27,441		26,220
MINESWEEPING SYSTEM REPLACEMENT	22,853	22,853	48,698		40,698
STRATEGIC PLATFORM SUPPORT EQUIP	4,054	36,054	4,054		28,000
ID SYSTEMS	4,702	4,702	4,702		18,702
TADIX–B	4,243	15,243	4,243		15,243
NCCS ASHORE	6,264	56,364	6,264		51,364
SHIPBOARD TACTICAL COMMUNICATIONS	8,779	13,279	8,779		11,004
SUBMARINE COMMUNICATIONS EQUIPMENT	29,430	26,030	29,430		26,030
SATCOM SHIP TERMINALS (SPACE)	115,837	115,837	145,837		140,837
SATCOM SHORE TERMINALS (SPACE)	24,653	24,653	29,653		29,653
AN/SSQ–62 (DICASS)	22,704	34,904	29,704		31,904
SSQ–53E		31,800	18,000		16,000
RAM GMLS	50,765	45,465	50,765		45,465
SHIP SELF DEFENSE SYSTEM	21,049	19,649	21,049		19,649
AEGIS SUPPORT EQUIPMENT	30,398	33,398	30,398		33,398
ANTI-SHIP MISSILE DECOY SYSTEM	15,109	15,109	24,109		24,109
PREDATOR UAV (DARP)			65,791		115,791
PIONEER UAV (DARP)					25,567
TACTICAL UAV			12,588		
FLEET MINE SUPPORT EQUIPMENT	5,430	5,430	7,630		5,430
AMPHIBIOUS EQUIPMENT	3,183	11,683	8,183		10,000
COMMAND SUPPORT EQUIPMENT		25,000			25,000

ID SYSTEMS

The conferees agree to provide $14,000,000 for the Shipboard Advanced Radar Target Identification System (SARTIS) program which assists ships in the identification of unknown aircraft.

NAVY TACTICAL DATA SYSTEM

The conferees agree to provide an increase of $12,000,000 to the budget request. These funds shall be used only to procure low-cost emulator systems for land-based sites such as the fleet test and training ranges and the AEGIS training center.

STRATEGIC PLATFORM SUPPORT EQUIPMENT

The conferees have provided $28,000,000 for procurement and installation of off-the-shelf integrated ship control systems for surface combatants. The conferees direct the Department of the Navy to fully compete any procurement.

SHIPBOARD TACTICAL COMMUNICATIONS

The conferees agree to provide $11,004,000 for shipboard tactical communications. The additional funds are for the procurement and installation of communication systems on aircraft carriers. The conferees agree that the procurement of the communication system is to be a full and open competition. Furthermore, the conferees direct the Navy to execute fiscal year 1996 funds appropriated for shipboard tactical communications as specified in the Statement of the Managers for that year.

PREDATOR UNMANNED AERIAL VEHICLE SYSTEM

The conferees agree with the House recommendation to provide an additional $50,000,000 only for the procurement of additional Predator UAV systems. The conferees fully support the Joint Chiefs of Staff requirement for sixteen systems. The UAV Joint Program Office has a contract in place that was developed for interim production which will be used as the basis for full production.

The Predator system concept of operations was developed by the Combatant Commander, CINCUSACOM, using a Forward Control Element (FCE) concept. The conferees have no objection to the Services operating and maintaining the Predator System for joint use as long as the FCE concept is maintained.

PROCUREMENT, MARINE CORPS

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conferences
PROCUREMENT, MARINE CORPS					
5.56 MM, ALL TYPES	20,425		25,425		
7.62 MM, ALL TYPES	6,493		11,493		
.50 CALIBER	6,052		6,052		
40 MM, ALL TYPES	3,210		3,210		
60 MM HE M888	5,127		5,127		
81 MM HE	1,731		1,731		
81 MM SMOKE SCREEN	2,573		2,573		
120MM TPCSDS–T M865	2,545		2,545		
120 MM TP–T M831	1,723		1,723		
155MM CHG. PROP. RED BAG			20,000		
FUZE, ET, XM 762			25,000		
CTG 25MM, ALL TYPES	4,807		4,807		
9 MM ALL TYPES	2,793		2,793		
GRENADES, ALL TYPES	686		686		
AMMO MODERNIZATION	9,118		9,118		
ITEMS LESS THAN $2 MIL	1,601		1,601		
AAWS-MEDIUM	28,214	48,214	38,214		38,214
AN/TPQ–36 FIRE FINDER RADAR UPGRADE	30,380	34,180	30,380		34,180
INTELLIGENCE SUPPORT EQUIPMENT	26,372	40,572	26,372		32,172
MOD KITS (INTEL)	11,955	13,080	11,955		13,080
ITEMS LESS THAN $2M (INTELL)		425			425
MANEUVER C2 SYSTEMS	7,592	9,292	7,592		7,592
TELE/COMM INFRASTRUCTURE TECH SUPP	53,616	72,416	53,616		63,616
TRAILERS	2,426	30,726	2,426		16,726
TRAINING DEVICES	10,846	59,846	10,846		47,846

AIRCRAFT PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AIRCRAFT PROCUREMENT, AIR FORCE					
B–1B (MYP)	16,597	16,597	13,497		13,497
B–2A (MYP)	105,089	105,089	91,389		91,389
F–15A	185,442	504,842	149,042	6	275,442
F–16 C/D (MYP)	105,500	105,500	212,900	6	154,900
F–22 PREPRODUCTION AIRCRAFT			81,338		81,338
C–17 (MYP)	1,919,305	2,194,305	1,902,605	8	1,902,605
C–17 (MYP) (AP–CY)	223,500	263,500	212,000		212,000
C/WC–130J	62,890	62,890	267,390	1	62,890
WC–130		209,200		3	165,900
EC–130J		104,900		1	70,500
JPATS	67,135	82,235	67,135	12	67,135
C–20A	113,805	99,305	100,105	2	99,305
E–8B	417,784	417,784	627,784	2	417,784
E–8B (AP–CY)	111,116	111,116	111,116		141,116
B–2A	6,106	59,106	6,106		6,106
B–1B	84,408	166,408	156,408		136,408
B–52	8,782	8,782	8,782		20,282
F–15	179,318	156,318	179,318		159,018
F–16	135,906	129,906	140,906		133,906
C–5	54,921	54,921	53,163		54,921
C–130	96,353	97,853	96,353		105,453
C–135	137,082	137,082	137,082		185,082
E–3	287,920	26,,4§	287,920		266,4§
OTHER AIRCRAFT	14,871	36,071	35,192		35,192
GPS/FDR		139,200			
PASSENGER SAFETY MODIFICATIONS			82,000		82,000
AIRBORNE RECONNAISSANCE (MANNED)			268,066		279,786
DARP	66,186	409,186			
SPARES AND REPAIR PARTS	314,745	308,745	329,845		170,807
COMMON AGE	176,422	176,422	160,243		160,243
F–15 POST PRODUCTION SUPPORT	11,080	3,980	11,080		7,500
F–16 POST PRODUCTION SUPPORT	81,562	51,562	70,908		66,652
MISC PRODUCTION CHARGES	210,654	210,654	185,948		194,654
DARP	150,742	150,742			
AIRBORNE RECONNAISSANCE SUPPORT (DARP)			150,742		150,742

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
F–15A	185,442	504,842	149,042	275,442
Additional aircraft		+319,400		+120,000
Excess Lantirn funds			−36,400	−30,000
EC–130J		104,900		70,500
Aircraft				+47,400
Support				+5,000
EC modifications				+18,100
E–8B (AP–CY)	111,116	111,116	111,116	141,116
[Note: Conferees have added $30,000,000 for advance procurement for the JSTARS aircraft to permit the Air Force to buy three such platforms in fiscal year 1998.]				
B–1B	84,408	166,408	156,408	136,408
Bomb modules		+57,000	+57,000	+32,000
BVUD–GAM/JDAM		+25,000		+20,000
BVUD			+15,000	
[Note: Conferees agree with House direction and reporting requirements with regard to BVUD–GAM/JDAM.]				
B–52	8,782	8,782	8,782	20,282
Attrition aircraft mods				+11,500
F–15	179,318	156,318	179,318	159,018
APG–63/MIDS		−70,000		
Engine upgrade		+47,000		+23,500
APG–63				−18,000
MIDS				−25,800
F–16	135,906	129,906	140,906	133,906
Excess prior year funds		−6,000		−6,000
600 gallon fuel tank			+5,000	+4,000
C–130	96,353	97,853	96,353	105,453
TIBS		+4,100		+4,100
PACER COIN spares		−2,600		
National Guard ski-equipped C–130				+5,000
[Note: Funds provided for APN 241 Low Power Color Radar, Electronic Flight Instrumentation, and satellite communications as addressed on page 141 of House report.]				

EC–130J

The conferees agree to provide $70,500,000 for one EC–130J for the Air National Guard to be used for Special/Psychological operations.

B–52 MODIFICATIONS

The conferees agree to provide $11,500,000 for modifications to the B–52 bomber attrition reserve aircraft. These funds are made available to enable the Air Force to procure standard modifications and upgrades to permit these aircraft to operate in combat.

B–52 REENGINING

The conferees understand that the potential exists to save funds and increase the operational effectiveness of the B–52 fleet by installing new engines on the aircraft.

The conferees direct the Office of the Secretary of Defense (OSD) and the Air Force to examine the costs (annual, total, and life-cycle), technical risks, schedule, cost savings, and procurement policy implications of leasing new engines for the B–52 fleet compared with: 1) the current plan to maintain the current engines, and 2) an alternative that would purchase new engines. The detailed results of this examination shall be submitted to the congressional defense committees no later than March 15, 1997.

The conferees direct the Air Force to consult with the Committees on Appropriations well in advance of selecting an acquisition strategy involving the leasing of engines. Should OSD and the Air Force conclude that the benefits of the leasing strategy are significant, the conferees encourage them to initiate action as soon as possible to accomplish that strategy.

F–16 ADVANCED IDENTIFICATION FRIEND/FOE

The conferees direct the Secretary of the Air Force to submit a report not later than April 15, 1997, which compares the costs, advantages, and disadvantages of acquiring Advanced Identification Friend/Foe (AIFF) capability for aircraft. The report should also contain a procurement strategy for such an acquisition.

EF–111A AIRCRAFT

The conferees agree with the Senate's position with respect to maintaining EF–111A electronic warfare aircraft force structure.

RC–135 RIVET JOINT

The conferees recognize the importance of a robust Rivet Joint program and have increased funds to obtain two aircraft, re-engine four aircraft and perform sensor upgrades on the fleet.

MISSILE PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
MISSILE PROCUREMENT, AIR FORCE					
MISSILE REPLACEMENT EQ–BALLISTIC	8,300	8,800	8,300		8,800
HAVE NAP		20,000	39,900		34,900
AMRAAM	116,299	116,899	116,299	133	116,299
AGM–130 POWERED GBU–15		40,000	40,000		35,000
CONVENTIONAL ALCM		15,000			15,000
MM III MODIFICATIONS	72,752	78,052	72,752		78,052
GLOBAL POSITIONING (MYP) SPACE	171,135	181,235	171,135	3	171,135
SPACE BOOSTERS SPACE	489,606	405,806	388,306		432,606
MEDIUM LAUNCH VEHICLE SPACE	135,361	131,361	135,361	3	135,361
MEDIUM LAUNCH VEHICLE SPACE (AP–CY)	40,238	30,538	40,238		40,238
DEFENSE SUPPORT PROGRAM (MYP) SPACE	70,967	45,967	70,967		70,967
DEFENSE SATELLITE COMM SYSTEM SPACE	22,729	25,529	22,729		25,529
SPECIAL UPDATE PROGRAMS	301,368	301,368	251,535		259,535
SPECIAL PROGRAMS	774,800	604,000	803,900		618,500
2.75 INCH ROCKET MOTOR	10,126		10,126		
2.75″ ROCKET HEAD SIGNATURE	1,795		1,795		
ITEMS LESS THAN $2,000,000	50		50		
5.56 MM	7,653		7,653		
20MM TRAINING	2,404		2,404		
30 MM TRAINING	3,160		3,160		
CARTRIDGE CHAFF RR–188	1,191		1,191		
ITEMS LESS THAN $2,000,000	4,524		4,524		
MK–82 INERT/BDU–50	6,430		6,430		
GBU–28 HARD TARGET PENETRATOR	18,417		18,417		
BOMB PRACTICE 25 POUND	2,978		2,978		
MK–84 BOMB-EMPTY	3,594		3,594		
SENSOR FUZED WEAPON	131,146		156,146		
TTU–373A DIGITAL TEST SET	5,050		5,050		
ITEMS LESS THAN $2,000,000	50		50		
ITEMS LESS THAN $2,000,000	50		50		
FLARE, IR MJU–7B	20,018		20,018		
MJU–10B	12,730		12,730		
M–206 CARTRIDGE FLARE	12,791		12,791		
INITIAL SPARES	25		25		
REPLENISHMENT SPARES	2,201		2,201		
MODIFICATIONS	650		650		
ITEMS LESS THAN $2,000,000	3,544		3,544		
JOINT PROGRAMMABLE FUSE (JPF)	4,125	4,125	4,125		
HARD TARGET SMART FUZES			2,000		
M–16 A2 RIFLE	15,524	15,524	15,524		
9MM COMPACT PISTOL	73	73	73		

PROCUREMENT OF AMMUNITION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT OF AMMUNITION, AIR FORCE					
2.75 INCH ROCKET MOTOR		10,126		25,392	10,126
2.75'' ROCKET HEAD SIGNATURE		1,795		25,360	1,795
ITEMS LESS THAN $2,000,000		50			50
5.56 MM		7,653		18,951	7,653
20MM TRAINING		2,404		435	2,404
30 MM TRAINING		3,160		399	3,160
CARTRIDGE CHAFF RR–188		1,191		507	1,191
ITEMS LESS THAN $2,000,000		4,524			4,524
MK–82 INERT/BDU–50		6,430		12,750	6,430
GBU–28 HARD TARGET PENETRATOR		18,417		161	18,417
BOMB PRACTICE 25 POUND		2,978		200,000	2,978
MK–84 BOMB–EMPTY		3,594		1,500	3,594
SENSOR FUZED WEAPON		152,746			152,000
TTU–373A DIGITAL TEST SET		5,050		13	5,050
ITEMS LESS THAN $2,000,000		50			50
ITEMS LESS THAN $2,000,000		50			50
FLARE, IR MJU–7B		20,018		878,340	20,018
MJU–10B		12,730		209,472	12,730
M–206 CARTRIDGE FLARE		12,791			12,791
INITIAL SPARES		25			25
REPLENISHMENT SPARES		2,201			2,201
MODIFICATIONS		650			650
ITEMS LESS THAN $2,000,000		3,544			3,544
JOINT PROGRAMMABLE FUSE (JFF)				324	4,125
HARD TARGET SMART FUSES					2,000
M–16 A2 RIFLE					15,524
9MM COMPACT PISTOL				131	73

OTHER PROCUREMENT, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
OTHER PROCUREMENT, AIR FORCE					
VEHICLE REPLACEMENT			25,000		10,000
60K A/C LOADER	40,296	63,396	63,396		
INTELLIGENCE DATA HANDLING SYS	14,009	14,009	20,309		14,009
WEATHER OBSERV/FORCAST	13,944	17,944	13,944		17,944
AUTOMATIC DATA PROCESSING EQUIP	17,791	17,791	17,791		28,732
MOBILITY COMMAND AND CONTROL	4,605	4,605	4,605		5,964
BASE LEVEL DATA AUTO PROGRAM	22,385	38,185	22,385		22,385
INFORMATION TRANSMISSION SYSTEMS					13,195
BASE INFORMATION INFRASTRUCTURE	125,741	115,741	125,741		115,741
USCENTCOM	2,298	2,298	2,298		3,482
SPACE BASED IR SENSOR PROG SPACE	25,939	25,939			
TACTICAL C–E EQUIPMENT	24,075	24,075	74,075		64,075
RADIO EQUIPMENT	9,174	9,174	9,174		10,779
BASE PROCURED EQUIPMENT					5,994
PALLET AIR CARGO	3,562	3,562	8,562	4,000	8,562
PRODUCTIVITY INVESTMENTS					17,490
INTELLIGENCE PRODUCTION ACTIVITY	64,977	76,997	64,377		64,377
DARP	77,074	77,074			
AIRBORNE RECONNAISSANCE PROJECTS (DARP)			77,074		77,074
COMMON IMAGERY GROUND SURFACE SYSTEM (CIGSS)			90,988		
SELECTED ACTIVITIES	4,661,580	4,758,580	4,066,752		4,573,561
SPECIAL UPDATE PROGRAM	176,455	113,255	175,402		175,402

INVESTMENT THRESHOLD TRANSFER

At the request of the Air Force, the conferees have transferred $51,768,000 of Operation and Maintenance funds to the Other Procurement lines identified in the following table. The Air Force erroneously requested these funds in Operation and Maintenance because of an incorrect assumption that the $100,000 procurement threshold limitation would not be included in the President's fiscal year 1997 budget request. Since the budget request did include the threshold limitation and Congress still supports the $100,000 threshold, the Air Force needs a zero sum transfer between these two accounts.

[Dollars in thousands]

P–1 line	Title	
49	Automatic Data Processing Equipment	$10,941
51	Mobility Command and Control	1,359
57	Information Transmission Systems	13,195
59	USCENTCOM	1,184
74	Radio Equipment (Air Force)	620
74	Radio Equipment (Air National Guard)	694
74	Radio Equipment (Civil Air Patrol)	291
96	Base Procured Equipment	5,994
107	Productivity Investment	17,490
	Total Transfer	51,768

69K A/C LOADERS

The conferees have recently learned of the failure of the 60K A/C Loader program to pass Initial Operational Test and Evaluation testing. While remaining very supportive of the program, the conferees have denied the funding request for fiscal year 1997 in light of this test failure. The conferees note that unobligated funds from previous years remain available to execute this program upon successful completion of operational testing.

TACTICAL C–E EQUIPMENT

The conferees agree to provide $64,075,000 for the procurement of tactical communication and electronic equipment, an increase of $40,000,000 above the budget request. The conferees direct that of the additional funds provided, $25,000,000 shall be expended only for the procurement of theater deployable communication packages for Air National Guard units.

PROCUREMENT, DEFENSE-WIDE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
PROCUREMENT, DEFENSE-WIDE					
MAJOR EQUIPMENT, OSD	136,218	219,718	136,218		186,218
HIGH SECURITY LOCKS			20,000		
COMMON DISSEM & GROUND STATION SYSTEMS (DARP)	168,867	248,867			93,011
CORPORATE INFORMATION MANAGEMENT			5,000		
INFORMATION RESOURCES MANAGEMENT		35,000			20,000
CLASSIFIED EQUIPMENT			23,746		
DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	13,746	13,746			13,746
INFORMATION SYSTEMS SECURITY	17,136	43,136	17,136		30,136
AUTOMATIC DOCUMENT CONVERSION SYSTEM		38,800			10,000
C–130 MODIFICATIONS	86,677	104,777	110,477		104,577
PC, CYCLONE CLASS					6,000
AMMUNITION PROGRAMS					
SELECTABLE LIGHTWEIGHT ATTACK MUNITION (SLAM)		1,500	5,000		3,000
TIMES RELAY FIRING DEVICES			8,000		4,000
OTHER PROCUREMENT PROGRAMS					
MARITIME EQUIPMENT MODIFICATIONS	4,,833	4,833	4,833		10,833
COMM EQUIPMENT & ELECTRONICS	26,617	26,617	39,617		36.017
SOF INTELLIGENCE SYSTEMS	19,833	19,833	24,333		20,833
SPECIAL WARFARE EQUIPMENT	5,030	5,030	579		579
MISCELLANEOUS EQUIPMENT	3,030	3,030	15,230		15,230
ADVANCED SEAL DELIVERY SYSTEM (ASDS)		2,800	4,400		4,400
CHEMICAL/BIOLOGICAL DEFENSE					
CBDP—INDIVIDUAL PROTECTION	53,785	140,085	53,785		93,785
JOINT BIO DEFENSE PROGRAM	60,619	60,619	60,619		53,219
CLASSIFIED PROGRAMS	399,638	434,239	399,638		427,238

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands]

	Budget	House	Senate	Conference
Major Equipment, OSD	136,218	219,718	136,218	186,218
Enhanced strategic mobility		25,000		10,000
Natural gas vehicles		10,000		10,000
Mentor protege program		10,000		10,000
Army high performance computing research ctr. (AHPCRC)		38,500		20,000
Special Operations Command Aviation programs				
C–130 Modifications	86,777	104,777	110,477	104,577
Modification of 2 EC–130J for Air National Guard		18,100		
Special operations mode			23,800	17,900
Shipbuilding				
PC Cyclone Class GFE				6,000
Ammunition programs				
Selectable Lightweight Attack Munition (SLAM)		1,500	5,000	3,000
Times Relay Firing Devices			8,000	4,000

[In thousands]

	Budget	House	Senate	Conference
Other Procurement				
Maritime Equipment Mode	4,833	4,833	4,833	10,833
PC-Cyclone self defense weapons upgrades [Note: The Conferees direct that $6,000,000 is available only for PC-Cyclone self defense weapons upgrades.]	.....	.....	.....	6,000
Miscellaneous Equipment	3,030	3,030	15,230	15,230
Wireless intercom systems	.....	.....	4,100	4,100
Active noise reduction for fixed wing assets	.....	.....	6,600	6,600
Body armor	.....	.....	1,500	1,500

CHEMICAL AND BIOLOGICAL DEFENSE PROGRAMS

INDIVIDUAL PROTECTION

The conferees reiterate the concerns raised in the House report about long-standing and continuing shortages of chemical and biological defense equipment, including such basic items as protective suits. The conferees note that the GAO has criticized the Assistant Secretary of Defense (Atomic Energy) (Chemical and Biological Matters) for failure to deliver timely work products that prioritize chemical and biological defense research efforts and modernization plans. The conferees urge the Secretary to take appropriate steps to expedite necessary actions. The conference agreement provides an increase of $40,000,000 only for the purchase of improved protective suits to meet identified shortfalls. These funds shall be used to purchase additional Joint Service Lightweight Integrated Suits (JSLIST) beyond the number of units budgeted in fiscal year 1997. The conferees stress that the JSLIST program should not be structured as a static program in which further improvements in fabric or garment technologies cannot be incorporated into near term follow-on procurements. The conferees fully support actions to expedite the evaluation of recently developed fabric and garment technologies and expected that the JSLIST program will be able to swiftly accommodate such improvements.

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM

The conferees agree that airborne reconnaissance programs should be coordinated with the Defense Airborne Reconnaissance Office, but remain concerned that inconsistencies exist in the way procurement funds are aligned between service and defense-wide accounts. Therefore, the conferees concur with the Senate position to transfer the funding for procurement programs to the Service accounts, while maintaining their identities under the DARP. Program management shall remain within the Services; however, consultation with the Defense Airborne Reconnaissance Office is required prior to making significant changes to existing programs.

NATIONAL GUARD AND RESERVE EQUIPMENT

The conferees agree to provide $780,000,000 for National Guard and Reserve Equipment and Aircraft.

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
NATIONAL GUARD & RESERVE EQUIPMENT					
RESERVE EQUIPMENT					
ARMY RESERVE					
MISCELLANEOUS EQUIPMENT	---	10,000	110,000	--	115,000
NEW PROCUREMENT 2.5/5 TON TRUCKS	---	15,000	---	--	---
TACTICAL TRUCK SLEP 2.5 TON	---	15,000	---	--	---
HEMTT BRIDGE TRANS	---	9,000	---	--	---
DUMP TRUCKS 20 TON	---	10,000	---	--	---
WATER PURIFICATION UNITS	---	4,000	---	--	---
PORTABLE LIGHTING SYS W/TRAILERS	---	4,000	---	--	---
AUTOMATIC BUILDING MACHINES	---	3,000	---	--	---
HMMVW CONTACT MAINT TRUCK	---	6,000	---	--	---
ALL-TERRAIN FORKLIFT 10 TON	---	4,000	---	--	---
ALL-TERRAIN CRANE 20 TON	---	4,000	---	--	---
HYDRAULIC EXCAVATOR	---	3,000	---	--	---
HEMTT WRECKER	---	7,000	---	--	---
MK–19 40MM GRENADE LAUNCHERS	---	3,000	---	--	---
STEAM CLEANER	---	2,000	---	--	---
SMALL ARMS SIMULATORS	---	1,000	---	--	---
UNIT LEVEL LOGISTICS SYSTEM	---	2,000	---	--	---
PALLETIZED TRAILERS	---	2,000	---	--	---
HEMTT CARGO CHASSIS	---	4,000	---	--	---
ANGRS–231	---	2,000	---	--	---
LASER LEVELING SYSTEMS	---	3,000	---	--	---
NAVY RESERVE					
MISCELLANEOUS EQUIPMENT	---	5,000	30,000	--	10,000
C–9 REPLACEMENT AIRCRAFT	---	160,000	---	3	120,000
MAGIC LANTERN SPARES	---	5,000	---	--	---
P–3 MODERNIZATION	---	72,000	---	--	72,000
MARINE CORPS RESERVE					
MISCELLANEOUS EQUIPMENT	---	10,000	40,000	--	40,000
LAV IMPROVEMENTS	---	2,000	---	--	---
CH–53 HELICOPTERS	---	4,000	---	2	4,000
AAV7A1 MODIFICATIONS	---	2,000	---	--	---
NIGHT VISION EQUIPMENT	---	1,000	---	--	---
COMMON END USER COMPUTERS	---	4,000	---	--	---
FORK LIFTS	---	1,000	---	--	---
M1A1 TANK MOD KITS	---	5,000	---	--	---
AN/TPS–59	---	11,000	---	--	---
AIR FORCE RESERVE					
MISCELLANEOUS EQUIPMENT	---	10,000	50,000	--	40,000
F–16 AVIONICS UPGRADES	---	5,000	---	--	---
NIGHT VISION DEVICES	---	3,000	---	--	---
A–10 AVIONICS UPGRADES	---	7,000	---	--	---
C–130 AVIONICS UPGRADES	---	7,000	---	--	---
HC–130P TANKER CONVERSION	---	3,000	---	--	---
C–130 MODULAR AIRBORNE FIREFIGHTING SYS	---	1,000	---	--	---
F–16 WEAPONS PYLON UPGRADES	---	1,000	---	--	---
KC–135R ENGINE KITS	---	96,000	---	--	---
KC–135 RADAR REPLACEMENT	---	5,000	---	--	---
B–52 AVIONICS UPGRADE	---	1,000	---	--	---
NON-AIRCREW TRAINING SYSTEMS	---	1,000	---	--	---
EPLRS/SADL	---	8,000	---	--	---
NATIONAL GUARD EQUIPMENT					
ARMY NATIONAL GUARD					
MISCELLANEOUS EQUIPMENT	---	10,000	125,400	--	100,000
NEW PROCUREMENT TACTICAL TRUCK 5 TON	---	4,000	---	--	---
SLEP 2.5 TON	---	15,000	---	--	---
SLEP 5 TON	---	4,000	---	--	---
CRASHWORTHY INTERNAL FUEL CELLS	---	5,000	---	--	---
AH–1 BORE SIGHTING DEVICE	---	3,000	---	--	---
COOLANT PURIFICATION SYSTEM	---	3,000	---	--	---
AVENGER I–COFT SIMULATOR	---	4,000	---	--	---
WATER PURIFICATION UNITS	---	1,000	---	--	---
NIGHT VISION EQUIPMENT	---	10,000	---	--	---
FADEC	---	10,000	---	--	---
DIGITAL SYSTEM TEST AND TRAINING SIMULATOR	---	3,000	---	--	---

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
AUTOMATIC BUILDING MACHINES	---	1,000	---	--	---
AH–1 C–NITE	---	2,000	---	--	---
DUMP TRUCK 20 TONS	---	3,000	---	--	---
HELICOPTER SIMULATORS (ARMS)	---	15,000	---	--	---
DRAGON MODIFICATIONS	---	2,000	---	--	---
VIBRATION MANAGEMENT ENHANCEMENT PROGRAM	---	3,000	---	--	---
DISTANCE LEARNING EQUIPMENT	---	29,000	---	--	---
LASER LEVELING EQUIPMENT	---	5,000	---	--	---
AUTOMATIC IDENTIFICATION TECHNOLOGY	---	7,000	---	--	---
AIR NATIONAL GUARD					
MISCELLANEOUS EQUIPMENT	---	5,000	40,000	--	10,000
C–130J	---	105,000	---	4	209,000
AUTOMATIC BUILDING MACHINES	---	2,000	---	--	---
F–16 IMPROVED AVIONICS INTERMEDIATE SHOP	---	15,000	---	--	---
F–16 HTS	---	10,000	---	--	---
AN/TLQ–32 RADAR DECOYS	---	3,000	---	--	---
C–130 UPGRADES	---	5,000	---	--	---
EPLRS/SADL	---	17,000	---	--	---
MODULAR MEDICAL TRAUMA UNIT	---	4,000	---	--	---
DOD					
MISC EQUIPMENT (GUARD & RESERVE AIRCRAFT)					
C–130J	---	---	284,000	--	---
C–9B REPLACEMENT	---	---	80,000	--	---

MISCELLANEOUS EQUIPMENT

The conferees agree that each of the Chiefs of the Reserve and National Guard components should exercise control of funds provided in this account. The conferees further agree that separate submissions of a detailed assessment of its modernization priorities by each of the Guard and Reserve component commanders is required to be submitted to the defense committees. The conferees expect the component commanders to give special consideration to the following items: Pacer Coin modifications, automatic identification technologies (AIT), FFG–7 command and control upgrade, UH–1/UH–60 medical evac helicopters rescue hoist, automatic building machines, M–915/916 heavy dump trucks, 5-ton flatbed trailers, M–913/927 extended range 105 mm projectiles. SQQ–T1 trainer aircraft, F–16 improved avionics intermediate shop (IAIS); small arms simulators, UH–60Q helicopter upgrades, night vision devices and driver's night viewers, CH–47 FADEC, UH–1 FADEC, AH–1 FADEC, Army National Guard external auxiliary fuel tanks, modular airborne firefighting systems, high mobility multipurpose wheeled vehicles, heavy equipment transport system, M–9 armored combat earthmovers, filed artillery ammunition support vehicles, AH–1F multiplatform boresight equipment for the Army National Guard, AH–64 mission simulator for the Army National Guard, SINCGARS, Medium Truck Extended Service Program, M–109A6 Paladin, C–23 Sherpa enhancement program for the Army National Guard, F–16 air combat maneuver instrumentation global positioning system, untethered training pods for the Air National Guard, C–26 aircraft for the Air National Guard, Air Force Reserve C–20 aircraft, F–16 HARM targeting pods, launchers, test and support equipment, HARM upgrades for the Air National Guard, E–kit engine upgrades for Air National Guard F–15 aircraft, high capacity air ambulance modular systems for Air National Guard C–130 aircraft, F–16 litening night strike targeting pod system, M–109A5 howitzer upgrade, heavy equipment transport system (HETS), M–1A2 tanks, total assets visibility hardware and software, fuzz suppression chip detector system mods, laser leveling systems, crashworthy internal fuel cells, coolant purification systems, digital system test and training simulators, AH–1 C–NITE, Reconfigurable Aviation Simulators, Vibration Management Enhancement Program, Distance Learning equipment, SEAD Mission Upgrades, AN/TLQ–32 radar decoys, EPLRS/SADL, Mini Eyesafe Laser Infrared Observation Sets, and Modular Medical Trauma Units.

NATIONAL GUARD AND RESERVE AIRCRAFT

The conferees agree to provide $465,000,000 for the acquisition and modernization of aircraft to support Reserve and National Guard missions and agree that the following aircraft shall be purchased and modified:

C–130J for the Air National Guard (4)	$209,000,000
CH–53E for the Marine Corps Reserve (2)	64,000,000
C–9B replacement for the Navy Reserve (3)	120,000,000
P–3 modernization for the Navy Reserve	72,000,000

C–26

The conferees direct the Department of Defense to reprogram the $11,000,000 appropriated in fiscal year 1996 for procurement of C–26 aircraft to the procurement of pods for additional C–26 aircraft participating in National Guard counter-drug activities.

RESERVE COMPONENT FUTURE YEARS DEFENSE PROGRAM

The conferees direct the Secretary of Defense to submit directly to the congressional defense committees the future years defense plan for the National Guard and Reserve Components. This submission should be provided at the same time the President submits the annual budget to the Congress. This requirement becomes effective with the fiscal year 1999 budget.

INFORMATION RESOURCES MANAGEMENT

The conference agreement on items in conference follows:

[In thousands of dollars]

	House	Senate	Conference
OPERATION AND MAINTENANCE			
Operation and Maintenance, Army			
Corporate information management	50,000	0	0
SBIS	−17,500	0	0
acquisition efficiencies/management reform	0	0	−50,000
TNET	5,000	0	3,500
Operation and Maintenance, Navy			
Corporate information management	50,000	0	0
acquisition efficiencies/management reform	0	0	−50,000
CNET	0	0	1,000
Operation and Maintenance, Air Force			
Corporate information management	50,000	0	.....
REMIS	5,500	8,500	8,500
TICARRS	5,500	5,500	5,500
CAMS	0	1,000	1,000
acquisition efficiencies/management reform	0	0	−50,000
Operation and Maintenance, Defensewide			
Corporate information management	50,000	0	0
Software managers network	6,000	0	6,000
Year 2000 (transfer from procurement)	0	0	5,000
Automated document conversion	0	0	10,000
Operation and Maintenance, Army National Guard			
Distance learning	0	11,000	11,000
Operation and Maintenance, Navy Reserve			
NSIPS	27,000	0	27,000

[In thousands of dollars]

	House	Senate	Conference
Subtotal, O&M	231,500	26,000	−71,500
PROCUREMENT			
Other Procurement, Army			
SBIS	−21,500	0	0
Distance learning	0	29,000	24,000
Other Procurement, Navy			
NSIPS	25,000	0	25,000
Other Procurement, Air Force			
Fuel automated management system	15,800	0	0
Procurement, Defensewide			
Automated document conversion	38,800	0	10,000
JSLC	35,000	0	20,000
Year 2000	.....	5,000	0
Subtotal procurement	93,100	34,000	79,000
Grand total	324,600	60,000	7,500

OVERVIEW

The Department of Defense requested $9,679,113,000 for information resources management. The conferees agree to provide $9,686,613,000, an increase of $7,500,000. The conferees further agree to include a reduction of $150,000,000 in the service appropriations, to offset increases for high paypack information system investments which in large part can meet joint service requirements.

YEAR 2000

The conferees note the potential difficulty facing the Department of Defense in modifying computer hardware and software to accommodate the year 2000 date problem. The conferees believe that the Department needs to develop and/or validate off-the-shelf software tools to facilitate the conversion of affected computer code. The conferees agree to provide, $5,000,000 in budget activity 4 of the Operation and Maintenance, appropriation in the Office of the Secretary of Defense line, only for purposes of validating existing tools and methodologies and making them available to system operators to address the year 2000 problem. The conferees direct that the Assistant Secretary of Defense for Command, Control, Communications and Intelligence provide a report to the congressional defense committees not later than May 1, 1997 on the Department's progress in addressing the year 2000 problem. The conferees encourage the Department to use this opportunity to discontinue old application systems if they are determined to be too costly to repair, and to replace them with validated compliant code utilizing modular software development techniques.

SUSTAINING BASE INFORMATION SYSTEM

The conferees agree to provide the budget request for the Army's Sustaining Base Information System (SBIS), instead of the reductions proposed by the House. This agreement is based on assurances from the Army that in spite of the recent decision to cancel further development of the system a number of applications are ready for use by Army field activities and the government would receive at least some benefit from its $209,800,000 SBIS investment to date. The conferees agree to provide these funds with the understanding that the completion of the five applications currently under development, and the fielding of applications, equipment, and all necessary training will be the highest priority for fiscal years 1996 and 1997 appropriated funds. SBIS funds are not available for any other purpose. Not later than May 1, 1997, the Department of the Army shall provide the congressional defense committees a report identifying all funding necessary for the sustainment of these applications and equipment, and the identification (by appropriation and line item) of funding in the fiscal year 1998 President's budget request for these requirements.

A decade ago, the Army had no master plan for automating the administrative functions of its bases even though many of these functions are similar, if not identical. At the time, many audits showed Army commands each used their O&M funds to build unique information systems which were redundant with each other and/or Army-wide systems. No organization in the Army knew the totality of what was being developed, how it interfaced with other systems, not how much was being spent. The Army attempted to rectify this situation through development of a standard system—SBIS—whose cost is estimated to be $1,770,000,000. The Army deserves credit for facing head-on the many challenges inherent in developing a comprehensive national automated information system. Unfortunately, these challenges apparently have overwhelmed the Army and led to the recent decision to cancel the program. The conferees are concerned that in abandoning SBIS, the Army once again has no master plan for base level automation. The conferees note that the Office of the Secretary of Defense shares some blame for this, due to the decision years ago to exempt the services' base level automation programs from the Corporate Information Management initiative. The conferees direct the Secretary of the Army to submit a base level automation master plan to the congressional defense committees by May 1, 1997 and that no operation and maintenance funds may be used by Army commands for base level automation of functions that were included in the SBIS program unless approved in advance in writing by the Vice Chief of Staff of the Army.

AIR FORCE AUTOMATED MAINTENANCE SYSTEMS

The Air Force recently awarded a contract to initiate the Integrated Maintenance Data System (IMDS) which will become its objective maintenance data collection system. The conferees support the language contained in the National Defense Authorization Act for Fiscal Year 1997 to fund CAMS/REMIS and TICARRS legacy systems through fiscal year 1997 should schedule or technical uncertainties delay IMDS implementation.

AUTOMATED DOCUMENT CONVERSION

The conferees agree to provide a total of $20,000,000, of which $10,000,000 is in operation and maintenance for outsourcing bulk conversion services and $10,000,000 is in procurement for procurement of document conversion systems.

NAVY STANDARD INTEGRATED PERSONNEL SYSTEM

The conferees generally support the recent Defense Science Board (DSB) task force on military personnel information management and its recommendations to develop and implement a single all service, fully integrated objective personnel and pay system. The conferees support the DSB recommendation that DoD immediately address any funding shortfalls in fiscal year 1997 and beyond for developing and implementing the objective system. The objective system development effort will be led by the office of the Under Secretary of Defense for Personnel and Readiness USD(P&R). The DSB recommendations validate the Navy Standard Integrated Personnel System (NSIPS) and its accelerated development and deployment using DoD and service standards and functional requirements. However, the conferees direct that the NSIPS development schedule not be delayed if DoD standards and requirements are not provided in a timely fashion. As DoD and service standards and requirements are provided, NSIPS can be expanded through a phased modular approach to meet service requirements. Since the Navy is currently the executive agent and project manager for the prototype of what is now the objective military personnel and pay system, the conferees direct the Department of Defense to designate the Navy as the executive agent and project manager for the field level and database components of the objective system working in cooperation with the services, USD(P&R), and the Air Force, which will continue to develop the database component. The conferees direct the Department of the Navy to maintain project management and executive agent responsibilities for the field level and database components of the objective system under the operational control and command of the Commander, Naval Reserve Forces. The conferees have provided $52,000,000 only for NSIPS and for the establishment of a prototype commercial off-the-shelf (COTS) software integration office within the Naval Reserve, except that this office shall be a COTS application software integration and requirements repository for activities within DoD. The conferees strongly concur with all of the House direction regarding NSIPS, the source data system, the diary message reporting system, the Naval Computer and Telecommunications Station (NCTS), and specific central design activity (CDA) functions, except that the transfer of program management functions and operational control of all of these functions shall also include the Navy Manpower and Personnel Data Base and that all of these program management and operational control transfers are directed to be accomplished within forty-five days after the enactment of this Act.

The uniform microcomputer disbursing system (UMIDS) shall remain an interim system within the Defense Finance and Accounting Service (DFAS). The conferees expect that further development and deployment by DoD shall not be conducted beyond deploying UMIDS as an interim system for Navy personnel support detachments. The conferees direct DoD to ensure that personnel and pay functions performed by UMIDS are included in and replaced by NSIPS. The conferees concur with the House direction that the NCTS communications operations and message functions shall not be transferred, but the conferees do not agree to the House proposal to consolidate other regional communications centers and message traffic. The conferees support further expanding the mission of the Naval Reserve to implement and manage the remaining Department of the Navy manpower and central design activities. The conferees direct the Department of the Navy to submit a plan to the Committees on Appropriations by March 1, 1997 for consolidating and transferring the operational control of the program management, operations, functions, and automated data processing support, including design, development, procurement, maintenance, and all related support functions of the Navy's remaining manpower and personnel CDAs.

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RECAPITULATION				
RDTE, ARMY	4,320,640	4,874,537	5,107,283	5,062,763
RDTE, NAVY	7,334,734	8,399,357	8,067,543	8,208,946
RDTE, AIR FORCE	14,417,456	14,869,573	14,778,540	14,499,606
RDTE, DEFENSE-WIDE	8,398,836	9,068,558	9,190,092	9,362,800
DEVELOPMENTAL TEST AND EVALUATION	252,038	272,038	269,038	282,038
OPERATIONAL TEST AND EVALUATION	21,968	26,968	21,968	24,968
GRAND TOTAL, RDTE	34,745,672	37,511,031	37,434,464	37,441,121

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL ARMY				
DEFENSE RESEARCH SCIENCES	141,682	141,682	127,332	122,332
UNIVERSITY AND INDUSTRY RESEARCH CENTERS	47,288	48,888	44,288	45,888
TRACTOR ROSE	2,131	3,131	2,131	3,131
MATERIALS TECHNOLOGY	10,841	14,841	22,841	14,841
SENSORS AND ELECTRONIC SURVIVABILITY	23,608	24,608	19,792	19,792

[In thousands of dollars]

	Budget	House	Senate	Conference
TRACTOR HIP	8,152	9,152	8,152	8,152
AVIATION TECHNOLOGY	24,683	19,683	24,683	22,383
MISSILE TECHNOLOGY	20,295	20,295	32,795	29,795
COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	34,834	36,934	35,100	35,100
BALLISTICS TECHNOLOGY	31,166	42,266	24,114	40,766
WEAPONS AND MUNITIONS TECHNOLOGY	25,611	25,611	25,611	22,737
ELECTRONICS AND ELECTRONIC DEVICES	20,922	21,922	25,122	24,872
COUNTERMINE SYSTEMS	6,029	9,029	6,029	7,529
HUMAN FACTORS ENGINEERING TECHNOLOGY	14,072	18,222	18,372	16,322
ENVIRONMENTAL QUALITY TECHNOLOGY	19,457	29,457	47,857	56,357
MILITARY ENGINEERING TECHNOLOGY	37,898	37,898	38,898	38,898
LOGISTICS TECHNOLOGY	17,808	17,808	20,808	20,808
MEDICAL TECHNOLOGY	55,490	130,490	55,490	126,990
MEDICAL ADVANCED TECHNOLOGY	11,601	111,601	187,083	205,501
AVIATION ADVANCED TECHNOLOGY	41,478	56,978	41,478	56,478
WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	19,759	35,359	22,759	29,759
COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	31,552	35,052	27,552	29,552
COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	23,120	23,120	35,620	30,120
NAUTILUS/THEL			55,000	45,000
TRACTOR HIKE	17,176	22,176	17,176	17,176
TRACTOR RED	5,125	8,625	5,125	8,625
TRACTOR ROSE	5,078	6,778	5,078	5,078
MILITARY HIV RESEARCH	2,919	17,919	14,919	17,919
GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHN	40,258	40,258	25,258	22,658
MISSILE AND ROCKET ADVANCED TECHNOLOGY	90,037	90,037	110,037	102,037
LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	15,196	31,296	19,196	28,296
JOINT SERVICE SMALL ARMS PROGRAM	5,243	8,243	12,243	9,243
LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	18,173		18,173	10,000
NIGHT VISION ADVANCED TECHNOLOGY	32,597	32,597	27,890	30,397
ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	2,884	2,884	29,884	22,884
LANDMINE WARFARE AND BARRIER—ADV DEV	16,464	16,464	28,564	28,464
ARMAMENT ENHANCEMENT INITIATIVE	48,221	64,721	48,221	64,721
ARTILLERY PROPELLANT DEVELOPMENT	18,450		18,450	8,500
ARMORED SYSTEM MODERNIZATION—ADV DEV			12,000	8,000
ADVANCED TANK ARMAMENT SYSTEM (ATAS)	9,639	9,639	12,639	11,639
TACTICAL ELECTRONIC SUPPORT SYSTEMS—ADV DEV	2,025	9,825	2,025	4,025
NATO RESEARCH AND DEVELOPMENT	9,963		9,963	9,963
AVIATION—ADV DEV	8,385	15,385	8,385	13,385
WEAPONS AND MUNITIONS—ADV DEV			1,750	
ARTILLERY SYSTEMS—DEM/VAL	258,771	258,771	218,771	243,771
COMANCHE	288,644	288,644	388,644	338,644
EW DEVELOPMENT	69,474	69,474	84,974	75,474
ALL SOURCE ANALYSIS SYSTEM	36,200	36,200	38,200	40,200
MEDIUM TACTICAL VEHICLES		6,000		6,000
JAVELIN	1,643	9,143	6,143	6,143
LANDMINE WARFARE	17,609	17,609	35,609	26,909
FAMILY OF HEAVY TACTICAL VEHICLES		3,000		2,000
AIR TRAFFIC CONTROL	5,549	5,549	5,549	7,549
ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)	6,649	6,649	7,899	7,899
ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	35,410	47,710	50,710	47,710
NIGHT VISION SYSTEMS—ENG DEV	33,637	33,637	35,637	35,637
NON-SYSTEM TRAINING DEVICES—ENG DEV	42,865	42,865	52,865	49,865
AUTOMATIC TEST EQUIPMENT DEVELOPMENT	2,793	12,793	7,793	9,793
BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	180,407	189,707	172,907	165,407
WEAPONS AND MUNITIONS—ENG DEV	20,468	24,168	22,068	24,168
LANDMINE WARFARE/BARRIER—ENG DEV	19,731	19,731	7,731	7,731
LONGBOW—ENG DEV	5,872	5,872	10,872	10,872
FIREFINDER	551	2,551	551	2,551
ARMY KWAJALEIN ATOLL	136,864	136,864	146,864	146,864
DOD HIGH ENERGY LASER TEST FACILITY	2,967	91,700	24,667	30,667
MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	2,282	3,282	2,282	3,282
ENVIRONMENTAL COMPLIANCE	53,911	53,911	55,911	55,411
MINOR CONSTRUCTION (RPM)—RDT&E	4,319	4,319	7,319	4,319
MAINTENANCE AND REPAIR (RPM)—RDT&E	66,047	66,047	74,047	70.047
BASE OPERATIONS—RDT&E	216,649	216,649	232,649	224,649
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	4,801	4,801	18,801	18,801
MLRS PRODUCT IMPROVEMENT PROGRAM	64,271	74,271	64,271	64,271
AEROSTAT JOINT PROJECT OFFICE	38,940	38,940	31,940	26,940
COMBAT VEHICLE IMPROVEMENT PROGRAMS	197,796	215,696	211,146	211,296
AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	194	22,894	27,864	22,864
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	2,947	3,947	2,947	3,947
DIGITIZATION	110,180	100,180	131,980	90,180
MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	30,959	50,959	85,959	65,959
SPECIAL ARMY PROGRAM	10,185	13,485	10,185	11,185
END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	16,842	27,842	31,842	48,842
FORCE XXI INITIATIVE		50,000	100,000	50,000
LT WT 155		4,000		3,000
CLASSIFIED PROGRAM				2,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences	141,682	141,682	127,332	122,332
Program reduction		0	−15,000	−20,000
Marine derived biocatalysts for defense and industrial applications		0	650	650
(Note: The marine derived biocatalyst research should be completed by an organization with a tropical marine microorganism collection from two major distinct geographical regions, one of which is the Pacific Ocean.)				
University and Industry Research Centers	47,288	48,888	44,288	45,888
Electric Gun		1,600	0	1,600
Federated Labs		0	−5,000	−5,000
National Automotive Center		0	2,000	2,000
Materials Technology	10,841	14,841	22,841	14,841
Hardened materials		4,000	4,000	4,000
High modulus Pan-based graphite fibers		0	8,000	0
(Note: Project is funded in End Item Industrial Preparedness.)				
Sensors and Electronic Survivability	23,608	24,608	19,792	19,792
PDCUE		1,000	1,000	1,000
Nuclear effects survivability technology		0	−4,816	−4,816
Aviation Technology	24,683	19,683	24,683	22,383
NRTC		−5,000	0	−2,300
Missile Technology	20,295	20,295	32,795	29,795
Advance solid state dye lasers		0	7,000	4,000
Kinetic energy missile technology		0	5,500	5,500
Combat vehicle and automotive technology	34,834	36,934	35,100	35,100
Voice Instructional Device		2,100	2,100	2,100
Carry forward		0	−1,834	−1,834
Ballistics technology	31,166	42,266	24,114	40,766
Vulnerability/lethality for TMD		0	−4,178	−500

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Liquid propellant		7,500	0	7,500
Electric Gun		3,600	0	2,600
Future main battle tank ammo cartridge		0	−350	0
Nonlethal technology		0	−2,524	0
(Note: Future main battle tank ammo cartridge and non-lethal technology funded in Weapons and Munitions Technology).				
Weapons and Munitions Technology	25,611	25,611	25,611	22,737
Future main battle tank ammo cartridge		0	0	−350
Nonlethal technology		0	0	−2,524
Electronics and Electronic Devices	20,922	21,922	25,122	24,872
Fuel cell technology development		1,000	0	750
''AA'' zinc air battery		0	1,400	1,100
Low cost reusable alkaline battery for Sincgars		0	1,000	750
No lead added alkaline cell		0	800	600
Advanced nonmetallic rechargeable battery system		0	1,000	750
Human Factors Engineering Technology	14,072	18,222	18,372	16,322
Medical teams		3,900	4,300	2,000
Trauma care		250	0	250
Environmental Quality Technology	19,457	29,457	47,857	56,357
Unexploded ordnance remediation—Jefferson Proving Ground		5,000	0	4,000
Test bed—Bremerton shipyard		5,000	0	4,000
Environmental compliance projects using personnel and technologies at the WETO facility		0	5,000	5,000
Plasma energy pyrolysis system		0	10,000	7,500
Hawaii Small Business Development Center		0	5,400	5,400
Facility environmental management and monitoring system		0	4,000	2,000
Base facility environmental quality (Project A896)—Agriculture based bioremediation		0	4,000	4,000
National Defense Center for Environmental Excellence (Gallo Center)		0		5,000
Military Engineering Technology	37,898	37,898	38,898	38,898
Cold Regions Research and Engineering Lab		0	1,000	1,000
Logistics Technology	17,808	17,808	20,808	20,808
Cold preservation of food and ration quality enhancement		0	3,000	3,000
Real time, automatic cargo tracking and control system		0	(4,000)	(3,000)
Medical Technology	55,490	130,490	55,490	126,990
Ear, Nose, and Throat Minimally Invasive Simulation		2,000	0	1,000
Hepatitis A vaccine		25,000	0	20,000
Walter Reed Institute of Research		5,200	0	5,200
Technology Road maps		3,500	0	3,500
Tissue replacement		2,000	0	2,000
Computer assisted minimally invasive surgery		5,000	0	2,500
Calcium signaling cancer cell proliferation		2,300	0	2,300
Neurotoxin exposure therapies		25,000	0	25,000
Bone disease research program		5,000	0	10,000
Medical Advanced Technology	11,601	111,601	187,083	205,501
Army-managed peer-reviewed breast cancer research program		100,000	150,000	100,000
Adv Cancer Detection Center for Military		0	0	3,500
Computer aided diagnostic research		0	0	3,000
Computer-based decision support system		0	0	6,000
Tissue replacement		0	15,000	12,000
Nutrition research		0	3,482	2,400
Prostate cancer research (Walter Reed)		0	7,000	7,000
Prostate cancer peer reviewed research program		0	0	38,000
National Medical Testbed		0	0	6,000
Ovarian cancer		0	0	7,500
Neurofibromatosis		0	0	8,000
Trichloromelaine testing (Note: Transferred from Aviation Adv Tech)		0	0	500
Aviation Advanced Technology	41,478	56,978	41,478	56,478
Starstreak evaluation		15,000	0	15,000
Trichloromelaine testing		500	0	0
(Note: Trichloromelaine testing funded in Medical Advanced Technology.)				
Weapons and Munitions Advanced Tech	19,759	35,359	22,759	29,759
DAMOCLES development		5,000	0	2,000
Electro-rheological fluid recoil system		3,000	3,000	3,000
DPICM development		7,600	0	5,000
Combat Vehicle and Automotive Adv Tech	31,552	35,052	27,552	29,552
GEISEL engine		3,500	0	2,000
intra-vehicle electronic suite		0	−4,000	−4,000
Command, Control, Communications Advanced Technology	23,120	23,120	35,620	30,120
Wavenet technology			4,000	2,000
Space Applications Technology Program			3,500	0
Field Laser Radar Demo Data Analysis Center			5,000	5,000
Military HIV Research	2,919	17,919	14,919	17,919
HIV research, vaccine development and clinical studies		15,000	12,000	15,000
Global Surveillance/Air Defense/Precision Strike Demonstration	40,258	40,258	25,258	22,658
Survivable armed reconnaissance on the digital battlefield		0	−15,000	−17,600
Missile and Rocket Advanced Technology	90,037	90,037	110,037	102,037
MLRS guided rocket		0	12,000	8,000
Future missile technology integration		0	8,000	4,000
Competitive Hydra-70 PIP		0	(9,000)	(9,000)
Landmine Warfare and Barrier Adv. Tech.	15,196	31,296	19,196	28,296
Microwave stand-off ground penetrating radar		4,000	4,000	5,000
Vehicular mounted mine detection system		12,100	0	8,100
Joint Service Small Arms Program	5,243	8,243	12,243	9,243
OICW		3,000	5,000	3,000
Adv. light antiarmor weapons system		0	2,000	1,000
Night Vision Advanced Technology	32,597	32,597	27,890	30,397
Advanced targeting for SARDB		0	−1,297	0
Aerial scout sensors integration		0	−3,410	−2,200
Army Missile Defense Systems Integration	2,884	2,884	29,884	22,884
Battlefield Integration Center		0	27,000	20,000
Landmine Warfare and Barrier—Adv Dev	16,464	16,464	28,564	28,464
Ground standoff mine detection system		0	12,000	0
ASTAMIDS		0	0	12,000
(Note: Transferred from Landmine Warfare/Barrier-Eng Dev.)				
Artillery Propellant Development	18,450	0	18,450	8,500
(Note: Funds are provided only for type classification of MACS.)				
Armored Systems Modernization—Adv Dev	0	0	12,000	8,000
M1A2 next generation tank upgrade		0	12,000	8,000
(Note: The conferees have provided $8,000,000 to pursue planning and advance development efforts for the Army's next generation tank. The conferees understand that the Army's tank modernization strategy is still being defined based on recent recommendations of the Army Science Board. The conferees direct that the appropriated funds shall be competitively awarded.)				
Tactical Electronic Support Sys-Adv Dev	2,025	9,825	2,025	4,025
ASIS-IFAD		7,800	0	0
(Note: Transferred to All Source Analysis Systems.)				
Integrated battlespace intell server		0	0	2,000
(Note: Transferred from All Source Analysis Systems)				
EW Development	69,474	9,474	84,974	75,474
ATIRCM/ATRJ integration		0	15,500	6,000
All Source Analysis System	36,200	36,200	38,200	40,200
Integrated battlespace intell server		0	2,000	0
(Note: Transferred to Tactical Electronic Support Systems-Adv Dev)				
ASAS-IFAD		0	0	4,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
(Note: Transferred from Tactical Electronic Support System)				
Javelin	1,643	9,143	6,143	6,143
Warhead improvements		4,500	4,500	4,500
Insensitive munitions enhancements		3,000	0	0
Landmine Warfare	17,609	17,609	35,609	26,909
Wide Area Munition		0	18,000	9,300
(Note: The conferees approve a transfer of $9,300,000 from the WAM low rate initial procurement program into the WAM product improvement Program (PIP). The conferees endorse the revised Army strategy to accelerate the WAM PIP effort and to procure the basic WAM design at the minimum production rate.				
Air Traffic Control	5,549	5,549	5,549	7,549
(Note: Transferred $2,000,000 from Aircraft Procurement, Army-Air Traffic Control for EMD of the ATNAVICS prototype)				
Engineer Mobility Equipment Development	35,410	47,710	50,710	47,710
Heavy Assault Bridge (HAB)		12,300	12,300	9,300
HAB test program sets		0	1,500	1,500
Breacher test program sets		0	1,500	1,500
Night Vision Systems-Eng Dev	33,637	33,637	35,637	35,637
Target acquisition system TLOS		0	−3,000	−3,000
Apache second generation FLIR		0	5,000	5,000
Brilliant Anti-armor submunition	180,407	189,707	172,907	165,407
BAT producibility enhancements		9,300	0	0
Program cost increases		0	12,500	0
BAT P31		0	−20,000	−15,000
Weapons and Munitions-Eng Dev	20,468	24,168	22,068	24,168
MK–19 modifications		1,600	0	1,600
XM 915/916 development		2,100	0	2,100
Program Increase		0	1,600	0
Landmine Warfare/Barrier-Eng Dev	19,731	19,731	7,731	7,731
ASTAMIDS		0	−12,000	−12,000
(Note: Funded in Landmine Warfare/Barrier-Adv Dev)				
DoD High Energy Laser Test Facility	2,967	91,700	24,667	30,667
HELSTF		21,733	21,700	21,700
THEL/NAUTILUS		55,000	0	0
high energy solid state laser development		12,000	0	6,000
Management Headquarters	4,801	4,801	18,801	18,801
Akamai		0	14,000	14,000
(Note: The conferees support Akamai efforts at Tripler Army Medical Center which include the use of local high performance computing capabilities to more efficiently create high resolution, three-dimensional images for medical diagnostics. Furthermore, the conferees direct that $2,700,000 of the increase is available only to continue development of dual mode hyperspectral/fluorescence imaging technologies)				
Aerostat Joint Project Office	38,940	38,940	31,940	26,940
Risk reduction program		0	−3,000	−3,000
Management office and support		0	−4,000	−4,000
Program reduction		0	0	−5,000
Combat Vehicle Improvement Programs	197,796	215,696	211,146	211,296
M1 flat panel displays		10,000	10,000	7,000
combat vehicle laser warning system		4,900	0	4,900
M1A2 SEP test program sets		0	1,200	1,200
Bradley BFIST ODS test sets		0	900	900
Bradley A3 BFIST test sets		0	450	0
Bradley A3 test sets		0	3,300	2,000
Bradley Stinger test program sets		0	500	500
BFIST A3 phase II design engineering		0	−3,000	−3,000
M1A2 compact autoloader		3,000	0	0
(Note: $2,000,000 appropriated in Advanced Tank Armament System.)				
Aircraft modifications/Product improvement	194	22,894	27,864	22,864
Improved cargo helicopter		22,700	22,720	17,720
CH–47 engine upgrades		0	4,700	4,700
UH–60 door gun evaluation		0	250	250
Digitization	110,180	100,180	131,980	90,180
Program reduction		−10,000	0	−20,000
Task Force XXI efforts and common operating environment migration		0	21,800	0
Missile/Air Defense Product Improvement	30,959	50,959	85,959	65,959
Patriot anti-cruise missile upgrade		20,000	40,000	35,000
Starstreak evaluation		0	15,000	0
End Item Industrial Preparedness	16,842	27,842	31,842	48,842
Program increase		11,000	0	0
INFAC		0	4,000	4,000
Advanced nonmetallic rechargeable battery system		0	1,000	0
Total integration munitions engineering		0	10,000	20,000
ductile iron		(2,000)	0	(2,000)
High modulus Pan-based graphite Fibers		0	0	8,000
(Note: Transferred from Materials Technology.)				

AVIATION ADVANCED TECHNOLOGY

The conferees agree to provide $56,478,000 for Aviation Advanced Technology, an increase of $15,000,000 only for continuation of the air-to-air Starstreak evaluation. The conferees agree that side-by-side testing with other missile candidates should not occur until after completion of Phase II testing of Starstreak. None of the funds provided shall be diverted for any other purpose without prior consultation with the Committees on Appropriations.

ENVIRONMENTAL QUALITY TECHNOLOGY

The conferees have provided an additional $5,000,000 for the National Defense Center for Environmental Excellence for support of life-cycle environmental and manufacturing technologies research related to weapon systems and munitions technology assessment and analysis. Research to be conducted includes technology insertion, life-cycle assessments, technology transfer and demonstrations, environmental and manufacturing research and engineering and environmental awareness training.

Of the additional funds appropriated, the conferees direct that $5,400,000 shall be available only to continue ongoing efforts with an established small business development center to be administered as in previous years. The conferees are supportive of pursuing products which have industrial and medicinal uses under this program.

The conferees further direct that $4,000,000 shall be available only for the U.S. Army Environmental Center, as program director for overall technical and fiscal management, and the U.S. Army Construction Engineering Research Laboratory (USCERL), as technical advisor for research and development, to demonstrate agriculturally based remediation technologies to restore contaminated military and civilian sites, especially those located in fragile Pacific island ecosystems.

MEDICAL ADVANCED TECHNOLOGY

NEUROFIBROMATOSIS

The conference agreement includes $8,000,000 only to continue the Army's ongoing successful neurofibromatosis research program. The conferees commend the Army for structuring this program in a highly professional manner. The conferees direct that these funds be made available under the same timeline for solicitation, peer review, and grant award as has been announced for the obligation of fiscal year 1996 funds.

NATIONAL MEDICAL TESTBED

The conferees are impressed with the efforts of the Testbed to provide deliverable technologies which display measurable improvements in cost and effectiveness in many areas of healthcare delivery. Therefore, the conferees provide an additional $6,000,000 in the Medical Advanced Technology, Army line only for the National Medical Testbed to develop new health care delivery systems along with the enhancing existing programs.

OVARIAN CANCER RESEARCH

The conference agreement provides an additional $7,500,000 only for a comprehensive preventive program in ovarian cancer that expands into endometrial, cervical and other cancer research and that would include prevention planning, implementation and development planning. The conferees direct that this program shall be implemented under the same guidance for this activity as contained in House Report 103–562.

MILITARY HIV RESEARCH

HIV/AIDS

The conferees request that the DoD facilitate and support continued participation of

HIV-infected military personnel, retirees, and their dependents in clinical trials, including the AIDS Clinical Trials Group (ACTG) or the Community Programs for Clinical Research on AIDS (CPCRA).

The conference agreement includes $17,919,000 the military's HIV/AIDS research programs. The conferees intend that the HIV clinical research program be continued at the current level with remaining funds available to design, evaluate, and produce candidate vaccines through collaborations with industry and international partners.

JOINT SERVICES SMALL ARMS PROGRAM

The conferees understand that the Department of the Army is monitoring the development of Plastic Cased Ammunition as an economical and weight saving alternative to brass cased ammunition. The conferees recommend that the Department of the Army, within existing resources, conduct a feasibility study on the adoption of Plastic Cased Ammunition and report back to the congressional defense committees by March 15, 1997.

LANDMINE WARFARE AND BARRIER—ADV DEV

The conferees agree to provide an additional $12,000,000 only for the continuation of the Airborne Stand-off Minefield Detection System (ASTAMIDS). The conferees direct that the Secretary of the Army complete a technology evaluation of other systems capable of performing the battlefield mine detection mission. The conferees further direct that this competition be completed as expeditiously as possible. The conferees direct that the ASTAMIDS program not proceed into engineering and manufacturing development prior to the Army completing this competition and informing the congressional defense committees on the results of this evaluation.

SUPER DRAGON

The conferees direct the Army to study the merits and costs of further upgrades to the Dragon missile. The conferees direct the Secretary of the Army to submit a report to the congressional defense committees detailing the requirement, cost, and schedule for the various Dragon upgrade options no later than April 1, 1997.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL NAVY				
DEFENSE RESEARCH SCIENCES	371,904	371,904	361,904	351,904
SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY	26,312	41,112	35,312	33,312
SURFACE SHIP TECHNOLOGY	35,591	43,591	56,591	53,591
AIRCRAFT TECHNOLOGY	20,578	24,778	20,578	24,778
COMMAND, CONTROL, AND COMMUNICATION TECHNOLOGY	56,159	58,159	56,159	57,159
READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNOLOGY	40,828	49,728	40,828	49,728
UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY	49,580	49,580	50,080	50,080
MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	40,534	40,534	48,534	46,534
OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	44,559	54,559	66,559	76,559
UNDERSEA WARFARE WEAPONRY TECHNOLOGY	33,891	33,891	42,391	38,391
AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	29,315	41,315	29,315	38,315
PRECISION STRIKE AND AIR DEFENSE	55,560	60,560	46,311	60,560
SHIP PROPULSION SYSTEM	28,557	36,557	36,557	33,557
MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	24,212	66,012	65,712	62,012
MEDICAL DEVELOPMENT	37,342	57,442	43,842	61,442
ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	19,970	21,470	44,970	40,970
UNDERSEA WARFARE ADVANCED TECHNOLOGY	43,583	43,583	34,583	46,083
SHALLOW WATER MCM DEMOS	42,753	50,753	42,753	42,753
ADVANCED TECHNOLOGY TRANSITION	104,424	70,000	91,424	72,000
AIR/OCEAN TACTICAL APPLICATIONS	16,519	16,519	19,719	18,519
AVIATION SURVIVABILITY	6,313	15,513	6,313	15,513
ASW SYSTEMS DEVELOPMENT	19,473	19,473	21,973	21,973
SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	86,995	98,995	94,751	88,751
ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	19,149	58,149	19,149	39,149
CARRIER SYSTEMS DEVELOPMENT	12,745	12,745	35,745	12,745
SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	9,948	9,948	9,948	18,748
ADVANCED SUBMARINE SYSTEM DEVELOPMENT	26,400	85,400	46,400	66,400
ARSENAL SHIP–DEM/VAL	.....	.....	.....	25,000
SHIP CONCEPT ADVANCED DESIGN	13,807	38,807	13,807	13,807
ADVANCED SURFACE MACHINERY SYSTEMS	59,773	87,673	59,773	68,873
MARINE CORPS MINE/COUNTERMEASURES SYSTEMS—ADV DEV	592	2,592	592	1,592
RETRACT MAPLE	83,809	114,009	83,809	83,809
LINK PLUMERIA	26,433	28,933	41,433	35,933
RETRACT ELM	24,993	30,793	30,143	24,993
SHIP SELF DEFENSE	216,486	290,486	216,486	290,486
NATO RESEARCH AND DEVELOPMENT	9,933	.....	9,933	9,933
GUN WEAPON SYSTEM TECHNOLOGY	42,204	55,204	60,204	52,204
JOINT ADVANCED STRIKE TECHNOLOGY—DEM/VAL	246,833	259,833	246,833	256,833
OTHER HELO DEVELOPMENT	40,132	52,132	66,932	65,432
STANDARDS DEVELOPMENT	24,698	27,098	24,698	26,698
S–3 WEAPON SYSTEM IMPROVEMENT	4,979	19,979	4,979	9,979
P–3 MODERNIZATION PROGRAM	2,074	14,074	2,074	8,074
TACTICAL COMMAND SYSTEM	26,989	29,989	26,989	29,989
ACOUSTIC SEARCH SENSORS	12,141	12,141	14,641	14,641
V–22A	576,792	613,792	596,792	576,792
AIR CREW SYSTEMS DEVELOPMENT	11,089	24,489	16,089	27,489
EW DEVELOPMENT	78,748	141,248	136,158	127,248
AEGIS COMBAT SYSTEM ENGINEERING	89,279	93,279	103,279	92,279
ARSENAL SHIP	25,000	.....	100,000	.....
STANDARD MISSILE IMPROVEMENTS	1,637	9,637	1,637	9,637
AIRBORNE MCM	14,522	20,522	33,522	32,522
SSN–688 AND TRIDENT MODERNIZATION	61,395	72,395	61,395	61,395
ENHANCED MODULAR SIGNAL PROCESSOR	3,718	15,718	3,718	22,718
NEW DESIGN SSN	394,000	382,300	409,200	389,300
NAVY TACTICAL COMPUTER RESOURCES	5,237	30,237	5,237	30,237
UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	22,322	32,322	22,322	32,322
BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	3,704	4,704	3,704	4,704
SHIP SELF DEFENSE	134,677	171,677	134,677	152,677
JSTARS NAVY	.....	10,000	.....	.....
DISTRIBUTED SURVEILLANCE SYSTEM	35,194	70,194	35,194	38,194
TECHNICAL INFORMATION SERVICES	1,725	1,725	1,725	4,725
TEST AND EVALUATION SUPPORT	242,891	244,891	242,891	243,891
SSBN SECURITY TECHNOLOGY PROGRAM	21,340	26,840	21,340	24,340
F/A–18 SQUADRONS	425,333	447,033	425,333	441,133
TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	136,364	124,364	156,364	146,364
CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	34,906	37,906	53,406	49,406
HARM IMPROVEMENT	3,348	55,848	13,348	38,348
SURFACE ASW COMBAT SYSTEM INTEGRATION	4,901	8,901	4,901	6,901
AVIATION IMPROVEMENTS	53,512	55,112	53,512	55,112
NAVY SCIENCE ASSISTANCE PROGRAM	5,067	5,067	23,067	13,067
MARINE CORPS COMMUNICATIONS SYSTEMS	56,687	61,242	56,687	61,242
TACTICAL AIM MISSILES	58,415	58,415	53,925	54,915
DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	1,195	1,195	16,195	13,695
TACTICAL UNMANNED AERIAL VEHICLE	.....	.....	66,808	.....
PREDATOR	.....	.....	6,099	.....
ACQUISITION CENTER OF EXCELLENCE	.....	.....	8,000	500
JOINT SERVICE NON-LETHAL WEAPONS TECHNOLOGIES PROGRAM	.....	.....	15,000	10,000
CLASSIFIED PROGRAMS	501,598	669,598	501,598	575,298

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences	371,094	371,094	361,904	351,904
General reduction		0	−10,000	−20,000
National Center for Physical Acoustics		0	(900)	(900)
Surface/Aerospace Surveillance/Weapons Technology	26,312	41,112	35,312	33,312
CW superconducting RF free electron laser		9,000	9,000	6,000
IRPTET		3,000	0	1,000
NSFS: GPS/INS guidance		2,800	0	0
Surface Ship Technology	35,591	43,591	56,591	53,591
Power electronic building blocks		6,000	0	6,000
Vision technology		1,000	0	1,000
Natural language processing		1,000	0	1,000
Surface ship composite materials technology		0	10,000	5,000
Power node control centers		0	1,000	1,000
Ship technology automated systems monitoring		0	2,000	0
Landing ship/quay causeway		0	8,000	4,000
Materials, Electronics, and Computer Technology	75,886	88,386	88,386	88,386
Wide bandwidth semiconductors		10,000	0	0
Carbon reinforced, recycled thermoplastic engineered lumber		2,500	2,500	2,500
New processes for Navy aircraft skins			5,000	3,000
Virtual company framework for advanced software development			0	4,000
Advanced Materials Intelligent Processing Center			5,000	3,000
Titanium processing technology			(2,000)	(2,000)
(Note: From within available funds, $2.0 million is available only to support development of the plasma quench process at the Idaho National Engineering Laboratory for use in the production of ultra-fine titanium powder and in the injection molding process. The conferees believe the plasma quench process could offer the defense and aerospace industries a cost-effective and environmentally sound means of meeting our growing titanium requirements while ensuring that domestic sources of titanium metal remain viable into the future.)				
Oceanographic and Atmospheric Technology	44,559	54,559	66,559	76,559
Sensing systems/UUVs		10,000	0	10,000
National oceanographic partnerships		0	13,000	13,000
Polar ozone atmospheric monitor		0	4,000	4,000
Ocean climate research		0	5,000	5,000
PM–10		0	(750)	(750)
University fleet survey		0	(4,000)	0
Undersea Warfare Weaponry Technology	33,891	33,891	42,391	38,391
Anti-submarine/torpedo weapon		0	6,000	2,000
SUV for intervention missions		0	2,500	2,500
(Note: Concerning the semiautonomous underwater vehicle for intervention missions, the performing institution should have an existing omni-directional SUV and focus this effort on developing a vehicle with accurate omni-directional, optical sensor-based motion control for station-keeping combined with an integrated manipulator, allowing coordinated motion control for performing intervention missions.)				
Air Systems and Weapons Advanced Technology	29,315	41,315	29,315	38,315
MAST electronics		10,000	0	8,000
IRPTET		2,000	0	1,000
Ship Propulsion System	28,557	36,557	36,557	33,557
Advanced submarine technology		8,000	0	0
Active control of machinery rafts		0	8,000	5,000
(Note: Half of the funds for active control of machinery rafts (Project M) are for submarine applications and half are for surface ship applications.)				
Marine Corps ATD	24,212	66,012	65,712	62,012
Warfighting lab/SEA DRAGON		40,000	40,000	35,000
SMAW product improvement		1,800	0	1,800
Air defense alerting device		0	1,500	1,000
Medical Development	37,342	57,442	43,842	61,442
Rural health		3,500	0	3,500
Bone marrow research		14,000	0	14,000
Casualty stabilization		2,600	0	2,600
Freeze dried blood		(2,500)	2,500	(2,500)
Mobile medical monitor		0	4,000	4,000
Environmental Quality/Logistics Advanced Technology	19,970	21,470	44,970	40,970
Nickel-zinc battery development		1,500	0	1,000
Smart base		0	25,000	20,000
Undersea Warfare Advanced Technology	43,583	43,583	34,583	46,083
Shipboard/airborne periscope detection		0	−14,000	0
Environmentally compliant torpedo fuel		0	5,000	2,500
Shallow Water MCM Demos	42,753	50,753	42,753	42,753
RAMICS		8,000	0	0
(Note: The conferees direct that $900,000 shall be available only to test the Power Blade mine clearance system, hardened against mine detonations, at a planned March, 1997 U.S. Atlantic Command joint countermine warfare exercise.)				
Advanced Technology Transition	104,424	70,000	91,424	72,000
General reduction/program growth		−34,424	−15,000	−34,424
SLICE			2,000	2,000
Air/Ocean Tactical Applications	16,519	16,519	19,719	18,519
Mapping, charting, and geodesy		0	3,200	2,000
Surface and Shallow Water Mine Countermeasures	86,995	98,995	94,751	88,751
Obstacle breaching system		0	−4,244	−4,244
Integrated combat weapon system		12,000	12,000	6,000
Advanced Submarine Combat Systems Development	19,149	58,149	19,149	39,149
Advanced submarine technology		39,000	0	20,000
(Note: Includes $10.8 million for the fiber optic acoustic sensor.)				
Shipboard System Component Development	9,948	9,948	9,948	18,748
Carbonate fuel cells		0	0	1,900
Standard monitoring and control system		0	0	6,900
(Note: Funds for the standard monitoring and control system and for carbonate fuel cells, as recommended by the House, that were agreed to in conference were transferred from the Advanced Surface Machinery Systems line.)				
Advanced Submarine System Development	26,400	85,400	46,400	66,400
Advanced submarine technology		59,000	20,000	40,000
Doppler sonar velocity log		0	(1,000)	(1,000)
Advanced Surface Machinery Systems	59,773	87,673	59,773	68,873
Standard monitoring and control system		13,500	0	−900
ICR land based test site		12,500	(12,500)	10,000
Carbonate fuel cells		1,900	0	0
(Note: Funds for the standard monitoring and control system and for carbonate fuel cells, as recommended by the House, that were agreed to in conference were transferred to the Shipboard System Component Development program.)				
Gun Weapon System Technology	42,204	55,204	60,204	52,204
Micro-mechanical systems ERGM		5,000	0	3,000
Risk reduction		10,000	18,000	7,000
Contract savings		−2,000	0	0
Joint Advanced Strike Technology	246,833	259,833	246,833	256,833
Engine competition		13,000	0	10,000
Other Helo Development	40,132	52,132	66,932	65,432
Advanced low frequency sonar		12,000	0	6.000
SH-60R		0	6,800	6,800
Parametric airborne dipping sonar (PADS)		0	10,000	5,000
CH–60 vertical replenishment demo		0	10,000	7,500
Air Crew Systems Development	11,089	24,489	16,089	27,489
Modular helmet mounted display		5,000	0	5,000
Five-line visor lens		1,900	0	1,900
Small occupant escape systems		1,500	0	1,500
NACES II ejection seats		5,000	0	5,000
Ejection seats, troop seats, helmet develop		0	5,000	3,000
EW Development	78,748	141,248	136,158	127,248
Anti-jam GPS		3,500	0	3,500
EA–6B reactive jamming		32,000	32,000	32,000
Jamming techniques optimization		5,000	10,000	5,000
EA–6B connectivity upgrade		22,000		0
ALR–67(V)3		0	15,410	8,000
(Note: EA–6B connectivity upgrade funded in the Aircraft Procurement account.)				

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS—Continued

[In thousands of dollars]

	Budget	House	Senate	Conference
Aegis Combat System Engineering	89,279	93,279	103,279	92,279
Aegis test integration facility		4,000	4,000	3,000
Smart ship initiative		0	10,000	0
Airborne Mine Countermeasures	14,522	20,522	33,522	32,522
AN/AQS–20		6,000	6,000	6,000
Underwater mine detection technology evaluation		0	13,000	12,000
Enhanced Modular Signal Processor	3,718	15,718	3,718	22,718
COTS Variant		12,000	0	19,000
(Note: Includes an additional $10.0 million not in the House bill, which is offset by a rescission of fiscal year 1995 Other Procurement, Navy funds appropriated for the EMSP program.)				
New Design SSN	394,000	382,300	409,200	389,300
COTS MPP		0	15,200	7,000
C3I contract savings		−7,000	0	−7,000
Prior year contract savings		−4,700	0	−4,700
Laser articulating robotic system		0	0	(2,000)
Glass reinforced plastic sonar dome		(2,000)	0	(2,000)
(Note: $2.0 million is only to evaluate application to the New Attack Submarine of glass reinforced plastic technology currently being developed for surface ship sonar domes.)				
Ship Self Defense	134,677	171,677	134,677	152,677
Enhanced Sea-sparrow		8,000	0	0
Infrared search and track		8,000	0	4,000
Quick combat reaction capability		9,000	0	0
SPQ–9B radar development		8,000	0	4,000
NULKA decoy		4,000	0	2,000
AN/SPS–48E		0	(12,000)	8,000
Technical Information Systems	1,725	1,725	1,725	4,725
Advanced technical information system		0	0	3,000
F/A–18 Squadrons	425,333	447,033	425,333	441,133
Advanced FLIR		19,400	0	0
BOL chaff for F/A–18C/D		4,500	0	18,000
General reduction		−2,200	0	−2,200
Tomahawk and Tomahawk Mission Planning Center	136,364	124,364	156,364	146,364
Joint targeting support center		8,000	0	0
Block IV upgrades		−20,000	0	10,000
General increase		0	20,000	0
Consolidated Training Systems Development	34,906	37,906	53,406	49,406
Surface tactical team trainer		3,000	0	2,000
JTCTS		0	9,000	3,000
Optical sensors at PMRF		0	5,000	5,000
PMRF LATR system upgrade		0	4,500	4,500
HARM Improvement	3,348	55,848	13,348	38,348
Advanced anti-radiation guided missile		50,000	10,000	35,000
HARM block IV upgrade		2,500	0	0
Navy Science Assistance Program	5,067	5,067	23,067	13,067
CINCs technology initiative		0	10,000	0
Littoral Airborne Sensor/Hyperspectral (LASH)		0	8,000	8,000
System using the Advanced Airborne				
Hyperspectral Imaging System (AAHIS)				
Industrial Preparedness	35,526	88,000	88,000	88,000
General increase		52,474	31,474	46,474
LAST center		0	15,000	0
Manufacturing Technology Transfer Center		0	6,000	6,000

V–22

After the Presidents budget was submitted, the Special Operations Command and the Department of the Navy entered into an agreement concerning the SOF variant of the V–22 aircraft. The agreement may require additional funds to maintain the variant aircraft's schedule in fiscal years 1997 and beyond. In formulating the fiscal year 1998 budget, the conferees direct the Undersecretary of Defense (Comptroller) to submit a reprogramming request to the congressional defense committees should additional fiscal year 1997 funds become necessary to implement the agreement, in order to keep the SOF variant's projected initial operating capability date on schedule.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL AF				
DEFENSE RESEARCH SCIENCES	234,475	234,475	226,475	219,475
MATERIALS	72,360	79,360	72,360	80,860
AEROSPACE FLIGHT DYNAMICS	65,080	72,280	65,080	65,080
ARMSTRONG LAB EXPLORATORY DEVELOPMENT	87,103	91,103	87,103	89,103
AEROSPACE PROPULSION	74,906	83,406	74,906	74,906
AEROSPACE AVIONICS	71,261	68,061	71,261	68,061
PHILLIPS LAB EXPLORATORY DEVELOPMENT	121,107	148,007	135,607	153,507
ADVANCED MATERIALS FOR WEAPON SYSTEMS	23,803	26,303	23,803	26,303
FLIGHT VEHICLE TECHNOLOGY	8,433	9,183	8,433	8,433
AEROSPACE PROPULSION AND POWER TECHNOLOGY	38,264	39,264	38,264	38,264
CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	17,969	24,969	17,969	22,969
ELECTRONIC COMBAT TECHNOLOGY	25,202	30,102	25,202	27,602
SPACE AND MISSILE ROCKET PROPULSION	15,740	25,740	15,740	23,240
ADVANCED SPACECRAFT TECHNOLOGY	39,367	70,637	89,637	76,637
ADVANCED WEAPONS TECHNOLOGY	41,895	66,895	61,895	56,895
ADVANCED MILSATCOM (SPACE)	31,643	31,643	16,543	31,643
POLAR ADJUNCT (SPACE)	62,387	22,387	62,387	62,387
NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATE	34,024	19,024	29,000	29,000
SPACE BASED INFRARED ARCHITECTURE (SPACE)—DEM/VAL	120,151	249,151	254,151	249,151
NATO RESEARCH AND DEVELOPMENT (H)	10,233		10,233	10,233
INTERCONTINENTAL BALLISTIC MISSILE—DEM/VAL	30,644	48,344	30,644	48,344
EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)—DEM	44,457	44,457	74,457	44,457
SPACE ARCHITECT OFFICE	15,000	15,000	10,601	11,601
NUCLEAR WEAPONS SUPPORT	4,788	4,788	5,788	5,788
B–1B	220,932	220,932	229,232	217,732
SPECIALIZED UNDERGRADUATE PILOT TRAINING	84,291	87,691	79,260	79,260
F–22—EMD	2,002,959	1,982,459	1,921,621	1,906,021
B–2 ADVANCED TECHNOLOGY BOMBER	528,454	740,454	528,454	624,454
EW DEVELOPMENT	104,423	99,423	104,423	101,923
COMBAT INTELLIGENCE SYSTEM—EMD	1,943	2,943	1,943	2,943
SPACE BASE INFRARED ARCHITECTURE (SPACE)—EMD	173,290	173,290	199,190	199,190
LIFE SUPPORT SYSTEMS	4,363	5,863	9,363	10,863
COMBAT TRAINING RANGES	23,018	23,018	23,018	23,018
JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	11,075	30,875	11,075	30,875
JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	207,284	203,784	207,284	203,784
JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	198,632	148,632	198,632	168,632
CONVENTIONAL AIR LAUNCHED CRUISE MISSILE				3,000
THREAT SIMULATOR DEVELOPMENT	43,635	43,635	47,435	55,435
INITIAL OPERATIONAL TEST & EVALUATION	26,921	26,921	21,921	21,921
ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	8,152	8,152	33,252	33,252

[In thousands of dollars]

	Budget	House	Senate	Conference
F–15E SQUADRONS	143,095	158,095	143,095	158,095
TACTICAL AIM MISSILES	36,382	36,382	31,892	32,882
ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	25,883	30,883	25,883	25,883
SPECIAL EVALUATION PROGRAM	53,495	53,495	37,195	37,195
AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	99,050	96,850	99,050	96,850
AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	57,559	57,559	92,459	82,559
ADVANCED PROGRAM TECHNOLOGY	72,501	72,501	69,501	69,501
THEATER BATTLE MANAGEMENT (TBM) C4I	30,915	30,915	35,915	34,415
ADVANCED PROGRAM EVALUATION	198,327	198,327	190,327	190,327
USAF WARGAMING AND SIMULATION	19,361	26,861	26,361	26,361
THEATER MISSILE DEFENSES	22,285	22,285	34,285	31,285
TECHNICAL EVALUATION SYSTEM	114,603	114,603	102,603	114,603
SPECIAL EVALUATION SYSTEM	41,776	53,476	41,776	41,776
DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	24,528	28,127	24,527	28,127
MILSTAR SATELLITE COMMUNICATIONS SYSTEM (SPACE)	26,962	26,962	20,348	20,348
SELECTED ACTIVITIES	3,000	.....	3,000	.....
SATELLITE CONTROL NETWORK (SPACE)	89,960	86,960	89,960	86,960
AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATC)	3,870	3,870	8,870	3,870
TITAN SPACE LAUNCH VEHICLES (SPACE)	105,472	102,472	105,472	102,472
ARMS CONTROL IMPLEMENTATION	26,786	31,386	26,786	29,086
DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	17,964	17,964	15.664	15,664
NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SP)	32,450	24,950	37,450	31,250
SPACETRACK (SPACE)	18,867	18,867	33,867	33,867
DEFENSE SUPPORT PROGRAM (SPACE)	29,397	26,397	29,397	26,397
C–17 AIRCRAFT	87,486	87,486	87,486	77,486
INDUSTRIAL PREPAREDNESS	49,969	51,969	69,969	52,969
PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN, PRO	13,564	16,564	18,064	16,564
SUPPORT SYSTEMS DEVELOPMENT	5,405	5,405	5,405	8,405
AIRBORNE RECONNAISSANCE GROUND STATION	.....	.....	2,419	.....
DISTRIBUTED COMMON GROUND STATION	.....	.....	5,116	.....
ADVANCED SENSOR DEVELOPMENT	.....	.....	66,367	.....
ADVANCED TECHNOLOGY AND SENSORS	.....	.....	17,523	.....
COMMON DATA LINK	.....	.....	22,931	.....
U–2	.....	.....	28,918	.....
COMMON IMAGERY GROUND SURFACE SYSTEM	.....	.....	55,280	.....
CLASSIFIED PROGRAMS	4,844,501	4,862,501	4,702,927	4,576,857
COBRA BALL (FLD)	.....	.....	5,000	5,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands of dollars]

	Budget	House	Senate	Conference
Defense Research Sciences	234,475	234,475	226,475	219,475
Program Reduction	.....	.....	−8,000	−15,000
National Solar Observatory	.....	(650)	(650)	(650)
Materials	72,360	79,360	72,360	80,860
Composite Material Research	.....	5,000	.....	7,500
Advanced Paint Systems	.....	2,000	.....	1,000
Reentry Materials Development	.....	(3,500)	(3,500)	(3,500)
[Note: The conferees direct that $1,500,000 of these funds shall be used for the manufacture of carbon/carbon nosetips]				
Aerospace Flight Dynamics	65,080	72,280	65,080	65,080
Precision Airdrop Technology	.....	1,800	.....	.....
Firefighting Equipment	.....	3,500	.....	.....
Landing Gear Technology	.....	900	.....	.....
Injection Molding Tehnology	.....	1,000	.....	.....
Armstrong Lab Development	87,103	91,103	87,103	89,103
Helmet Mounted Display	.....	4,000	.....	2,000
Aerospace Propulsion	74,906	83,406	74,906	74,906
Fuel Filter Research	.....	4,000	.....	.....
High Temperature Lubricants	.....	1,500	.....	.....
Vacuum Tub Transmit Amplifiers	.....	3,000	.....	.....
Thermally Stable Coal Derived Jet Fuels	.....	.....	(3,000)	(3,000)
Phillips Lab Exploratory Development	121,107	148,007	135,607	153,507
IHRPT	.....	7,000	7,000	5,000
RSLP	.....	9,800	.....	9,800
Mightsat	.....	10,100	.....	10,100
High Frequency Active Auroral Research Program	.....	.....	7,500	7,500
Advanced Materials for Weapons Systems	23,803	26,303	23,803	26,303
Metal Fatigue Monitoring Technology	.....	2,500	.....	2,500
Infared Suppression Materials	.....	.....	(3,000)	(3,000)
Crew Systems and Personnel Protection Technology	17,969	24,969	17,969	22,969
Ejection Seat Technology	.....	5,000	.....	5,000
Life Support Technology	.....	2,000	.....	.....
Electronic Combat Technology	25,202	30,102	25,202	27,602
Laser IR Countermeasures	.....	5,000	.....	2,400
Space and Missile Rocket Propulsion	15,740	25,740	15,740	23,240
IHRPT	.....	5,000	.....	2,500
Pentaborane is Disposal	.....	2,000	.....	2,000
Low Cost EELV	.....	3,000	.....	3,000
Advanced Spacecraft Technology	39,637	70,637	89,637	76,637
Reusable Launch Vehicles	.....	25,000	.....	10,000
MSTI	.....	3,000	.....	2,000
Power Storage Technology	.....	2,000	.....	.....
Clementine II	.....	.....	50,000	25,000
Advanced Weapons Technology	41,895	66,895	61,895	56,895
Space Laser Imaging Technology	.....	15,000	10,000	10,000
Laser Induced Microwave Emissions	.....	10,000	10,000	5,000
Space Based Infrared Architecture	120,151	249,151	254,151	249,151
SMTS	.....	134,000	134,000	134,000
Program Support	.....	−5,000	.....	−5,000
Space Architect Office	15,000	15,000	10,601	11,601
O&M Transfer/Studies	.....	.....	−3,399	−2,399
Studies	.....	.....	−1,000	−1,000
B1–B	220,932	207,932	229,232	217,732
DSUP	.....	.....	10,000	6,000
Data Links	.....	.....	13,000	5,550
ECM Source Selection	.....	−6,500	.....	.....
Mission Support Costs	.....	−6,500	.....	.....
Excess Funds	.....	.....	−14,700	−14,700
Specialized Undergraduate Pilot Training	84.291	87,691	79,260	79,260
JPATs Ground Based Training	.....	3,400	.....	.....
Excess Funds	.....	.....	−9,231	−9,231
T–38 Avionics Upgrade	2,002,959	1,982,459	',921,621	1.906,021
F–22 EMD	2,002,959	1,982,459	1,921,621	1,906,021
Award Fee	.....	−20,500	.....	−15,600
Procurement Transfer	.....	.....	−81,338	−81,338
F–22 Two-seat Trainer Study	.....	.....	(1,000)	(1,000)
B–2 Advanced Technology Bomber	528,454	740,454	528.454	624,454
Post Block-30 Improvements	.....	232,000	.....	116,000
Curtailment Tooling	.....	−20,000	.....	−20,000

[In thousands of dollars]

	Budget	House	Senate	Conference
Life Support Systems	4,363	5,863	9,363	10,863
Ejection Seat Demo		1,500		1,500
Laser Eye Protection			5,000	5,000
Dielectric Technology		(2,500)	(2,500)	
Threat Simulator Development	46,635	43,635	47,435	55,435
Emitter Modifications			9,000	5,000
Redcap Operations			1,600	1,600
Redcap Option C			2,200	2,200
Redcap Option E			6,00	6,00
ECIT			−15,000	
Theater Battle Management (TBM) C41	30,915	30,915	35,915	34,415
TBM Core Systems			5,000	3,500
USAF Wargaming and Simulation	19,361	26,361	26,861	26,361
WPAFB Simulation Facility		7,000	7,500	7,000
Theater Missile Defense	22,285	22,285	34,285	31,285
UH–1N Simulator for TACCSF			9,000	7,000
TACCSF Adv distributed simulation connection			3,000	2,000
Arms Control Implementation	26,786	31,386	26,786	29,086
Seismic Research		4,600		2,300
Navstar GPS (User Equipment)	32,450	24,950	37,450	31,250
Program Reduction		−7,500		−3,700
GPS Protection			5,000	2,500
Spce Track	18,867	18,867	33,867	33,867
AEOS			8,500	8,500
AMOS			6,500	6,500
[Note: The conferees direct that $1,700,000 of the AEOS increase shall be available to continue development of the AEOS spectrograph]				
Industrial Preparedness	49,969	51,969	69,969	52,969
General Increase		2,000	11,400	3,000
SPARES			5,400	
Hazmat Pats			3,200	
Productivity, Reliability, Availability, Maintain, Program	13,564	16,564	18,064	16,564
Blade Repair Program Modeling		3,000	4,500	3,000
Support Systems Development	5,405	5,405	5,405	8.405
SPARES				3,000
[Note: SPARES program transferred from Industrial Preparedness program element]				
Cobra Ball			+5,000	+5,000
FLD advanced airborne sensor			+5,000	+5,000

INTERCONTINENTAL BALLISTIC MISSILE—DEMONSTRATION/VALIDATION

The conferees agree to add $17,700,000 to this program element and direct that these funds may be used to develop both Global Positioning System (GPS) range safety modifications and improved accuracy capabilities for conventional ICBM precision strike.

EVOLVED EXPENDABLE LAUNCH VEHICLE (EELV) PROGRAM

The conferees do not agree to the Senate provision which directed that the use of the Centaur Processing Facility at Cape Canaveral Air Force Station be included in the baseline specifications and requirements of the EELV family of space boosters.

F–22B TWO-SEAT TRAINER AIRCRAFT

The conferees recognize the serious safety, operational, training, cost, budgetary, and technical issues associated with the Air Force's decision to terminate development of the two-seat trainer variant of the F–22 advanced tactical fighter. The conferees agree to include the Senate's statutory provision requiring the Secretary of the Air Force to submit a detailed assessment of these issues not later than February 15, 1997.

B–2 BOMBER UPGRADES

The conferees express serious concern with the pace of the Air Force's plans to incorporate precision conventional bombing capability on the B–2 bomber. The B–2 will represent the most modern deep-strike platform the United States will possess for the foreseeable future. The Air Force has identified enhancements which it believes could be accommodated on the B–2. The conferees believe the schedule for the upgrades must be accelerated. Accordingly, the conferees have approved $116,000,000 for this package and direct the Air Force to prioritize enhancements within that amount. The conferees also encourage the Air Force to include funds for B–2 enhancements in its fiscal year 1998 budget submission.

THREAT SIMULATOR DEVELOPMENT

The conferees agree to provide an increase of $5,000,000 only to provide additional electronic combat threat simulator capabilities at the Eglin Air Force Base electronic combat test and training range. The Commander, Air Force Special Operations Command, and the Director, Air Force Test and Evaluation, shall mutually define the requirements for additional electronic combat test and training resources at Eglin and shall use the available funds to acquire the necessary capability. The conferees understand that the requirements may include a need for full Emitter Receiver Processor (ERP) instrumented threat simulators to ensure realistic training.

AWACS

The conferees agree to provide $82,559,000 for AWACS, an increase of $25,000,000 only for an AWACS reengining program. The conferees direct the Air Force to provide a detailed report to the Committee on Appropriations on the schedule, technical risks, annual and total program costs, and acquisition strategy not later than April 1, 1997. The Air Force is further directed to consult with the Committees on Appropriations well in advance of selecting an acquisition strategy involving the leasing of engines.

ARMS CONTROL IMPLEMENTATION

The Air Force requested $26,786,000 for arms control implementation. The conferees recommend $29,086,000, an increase of $2,300,000. This increase provides a total of $8,800,000 for CTBT monitoring research. Of this amount $7,100,000 shall be available only for peer-reviewed basic research in the field of explosion seismology, and $1,700,000 shall be available for research efforts in complementary disciplines, such as hydroacoustics, infrasound and radionuclide analyses. The conferees direct the Department to maintain its successful collaboration with the external research community and to continue to award these funds through a competitive peer panel review process, which includes non-governmental reviewers from the external research community as panel members.

The conferees direct that the $8,800,000 for nuclear test monitoring research can be used only to support documented Air Force operational monitoring requirements. Further, the conferees direct the Department to provide sufficient funding in future year budget requests to provide for a stable and robust seismic research program.

The conferees also commend the nuclear test monitoring work of the Air Force Phillips Laboratory and are concerned that a reorganization of these activities may adversely impact vital nuclear test monitoring efforts. The conferees direct that the Department report to Congress 60 days before implementing any reorganization impacting Phillips Laboratory seismic research activities and personnel.

PODDED RECONNAISSANCE SYSTEM

The conferees direct the Office of the Secretary of Defense to strongly consider conducting a competitive fly-off of industry provided equipment for the second sensor to be provided under the Tactical Airborne reconnaissance System pre-planned product improvement effort. A report on the results of these considerations as to the advantages and disadvantages of such an acquisition strategy, including the impact of such a strategy on inter-service interoperability and commonality of systems and imagery products and cost effectiveness of current and leading-edge technologies, shall be submitted to the Committees on Appropriations not later than April 15, 1997.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE				
IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,154	3,454	2,154	3,154
DEFENSE RESEARCH SCIENCES	74,923	74,923	95,223	89.223

[In thousands of dollars]

	Budget	House	Senate	Conference
UNIVERSITY RESEARCH INITIATIVES	209,235	229,235	223,235	220.235
FOCUSED RESEARCH INITIATIVES	15,580	15,580	2,988	---
CEMICAL AND BIOLOGICAL DEFENSE PROGRAM	28,739	30,939	28,739	29,939
ASAT PROGRAM	---	---	75,000	50,000
SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES EXPLORATOR	94,023	94,023	104,23	104,23
MEDICAL FREE ELECTRON LASER	23,457	20,457	23,457	20,457
LINCOLN LABORATORY RESEARCH PROGRAM	20,068	10,568	20,068	20,068
COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	346,957	346,957	338,057	325,057
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	65,273	65,273	73,173	69,273
TACTICAL TECHNOLOGY	117,944	128,944	112,744	123,244
INTEGRATED COMMAND AND CONTROL TECHNOLOGY	45,000	47,000	65,000	61,000
MATERIALS AND ELECTRONICS TECHNOLOGY	218,539	225,539	222,339	222,839
DEFENSE NUCLEAR AGENCY	195,131	218,131	195,593	195,593
EXPLOSIVES DEMILITARIZATION TECHNOLOGY	---	15,000	22,000	12,000
DEMINING	7,746	7,746	18,046	14,746
COUNTERTERROR TECHNICAL SUPPORT	16,521	16,521	22,521	21,521
COUNTERPROLIFERATION SUPPORT—ADV DEV	54,142	54,142	61,610	58,610
SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES—ADVANCE	132,319	172,319	272,319	262,319
JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	16.158	16,158	21,158	18,158
EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES	635,553	678,953	---	---
ROCKET LAUNCH FACILITY UPGRADES	---	---	10,000	10,000
COMMAND, CONTROL AND COMMUNICATION SYSTEMS	---	---	105,679	105.679
COMMUNICATIONS AND SIMULATION TECHNOLOGY	---	---	133,118	130,118
SENSORS AND GUIDANCE TECHNOLOGY	---	---	94,477	110,977
MARINE TECHNOLOGY	---	---	44,726	41,226
LAND WARFARE TECHNOLOGY	---	---	61,966	62,066
CHEMICAL AND BIOLOGICAL DEFENSE POGRAM—ADVANCED DEV	41,685	43,485	41,685	43,485
GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	18,162	18,162	20,162	21,162
STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	54,880	57,880	59,880	54,880
JOINT TECHNOLOGY INSERTION PROGRAM	14,523	---	2,523	---
COOPERATIVE DOD/VA MEDICAL RESEARCH	---	25,000	25,000	21,500
ADVANCED ELECTRONICS TECHNOLOGIES	332,100	352,100	333,100	368,100
MARITIME TECHNOLOGY	37,408	37,408	50,000	50,000
ELECTRIC VEHICLES	---	15,000	20,000	15,000
ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	98,471	38,609	78,471	58,471
COMMERCIAL TECHNOLOGY INSERTION PROGRAM	48,411	---	20,000	10,000
HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	99,880	61,380	124,880	124,880
DUAL USE APPLICATIONS PROGRAM	250,000	---	100,000	85,000
DARPA CLASSIFIED PROGRAMS	---	---	220,638	180,638
JOINT ROBOTICS PROGRAM	23,744	28,744	31,744	28,744
ADVANCED SENSOR APPLICATIONS PROGRAM	24,001	26,501	28,001	25,501
CALS INITIATIVE	1,936	1,936	15,936	15,936
NATO RESEARCH AND DEVELOPMENT	22,776	---	22,776	10,000
ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	14,155	14,155	22,155	22,155
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD—DEM/	269,000	409,000	304,000	344,000
CORPS SURFACE-TO-AIR MISSILE—TMD—DEM/VAL	56,232	---	56,200	30,000
BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISITION	---	---	24,300	24,300
NATIONAL MISSLE DEFENSE—DEM/VAL	508,437	858,437	808,437	833,437
OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD ACTIVITIES	520,111	520,111	515,743	525,511
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—DEM/VAL	54,511	54,511	47,511	49,511
ENDURANCE UNMANNED AERIAL VEHICLES	---	---	175,247	---
GENERAL REDUCTION—BMD	---	−15,000	---	---
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—EMD	89,915	97,115	89,915	99,515
THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM—TMD—EMD	212,798	212,798	317,798	277,798
TECHNICAL STUDIES, SUPPORT ANALYSIS	35,101	---	31,248	31,248
TECHNICAL ASSISTANCE	4,785	---	4,785	---
CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	16,708	22,708	16,708	16,708
DEFENSE SUPPORT ACTIVITIES	13,796	13,796	16,796	16,796
MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	36,369	32,643	36,369	34,469
DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTION	100,997	90,997	100,997	90,997
DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	438,559	562,059	---	487,059
DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	55,911	55,911	92,511	87,511
SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	4,083	6,083	4,083	6,083
SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	83,923	89,323	98,074	97,874
SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,315	2,315	1,315	2,315
SOF OPERATIONAL ENHANCEMENTS	23,216	28,716	23,216	30,216
CLASSIFIED PROGRAMS	1,202,794	1,323,132	1,231,794	1,238,794
DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION	---	---	12,000	---
AGILE FORT DEMO	---	---	---	5,000
AIRFIELD SURFACE TRAFFIC MONITOR				2,000

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands]

	Budget	House	Senate	Conference
Defense Research Sciences	74,923	74,923	95,223	89,223
Optoelectronic consortia			+25,000	+15,000
Gallium nitride			−2,700	−2,700
Ultraphotonics			−2,300	−2,300
Wavelength converting devices applied to WDM lightpath channels [Note: The performing institution should build on existing research, model, design and evaluate wavelength division multiplex (WDM) networks which integrate limited wavelength converting devices to efficiently support lightpaths.]			+300	+300
Discovery center of science & technology				4,000
Defense technology transfer pilot program			(3,000)	(2,000)
University Research Initiatives	209,235	229,235	223,235	220,235
DEPSCOR		+20,000	+20,000	+17,000
Cold climate energy generating/conserving tech dev			+1,000	+1,000
Southern observatory for astronomical research			+3,000	+3,000
Senate authorization reduction			−10,000	−10,000
Computing Systems and Communications Technology	346,957	346,957	338,057	325,057
Text, video, speech			−4,900	−1,900
Evolutionary design of complex software			−4,000	
Multithread architecture experimental computer			(7,000)	(4,000)
General reduction				−20,000
Chemical and Biological Defense Program	65,273	65,273	73,173	69,273
Safeguard			+7,900	+4,000
Tactical Technology	117,944	125,944	112,744	123,244
Ship system automation		+5,000		+2,500
Virtual reality and simulation based design		+3,000	+5,000	+3,000
Collaborative crisis understanding and mitigation			−7,700	−4,700
Fast computational algorithms			−5,000	−5,000
Small low-cost interceptor device (SLID)			+3,000	+1,500
Holographic storage technology			+2,000	+1,000
Center of excellence for research in ocean sciences			+7,000	+7,000
Ship system automation (transfer)			−9,500	
Integrated Command and Control Technology	45,000	47,000	65,000	61,000
Optoelectronic digital camera		+2,000		+1,000
Flat panel display program increase			+20,000	+15,000
Materials and electronics technology	218,539	225,539	222,339	222,839
Seamless high off-chip connectivity		+7,000	+5,000	(5,000)
High temperature superconducting/cryogenic electronics		+10,000	+8,000	+7,000

[In thousands]

	Budget	House	Senate	Conference
Thermal management diamond			+4,000	+3,000
Hard carbon-based coatings			+3,000	+2,000
Advanced materials partnerships			−5,000	−2,500
Healthcare information infrastructure			−7,500	−7,500
Nonvolatile memory			−3,700	−3,700
New materials research [Note: The conferees direct that $6,000,000 is available only for new materials research.]				+6,000
Defense Nuclear Agency	195,131	218,131	195,593	195,593
Bioenvironmental hazards research		+5,000	+5,000	+5,000
Counter-terrorist explosive research		+8,000		+4,000
Thermionics		+10,000		+3,000
Deep digger			+3,000	+2,000
TOPAZ international program			−15,538	−15,538
Johnston Island remediation			+8,000	+2,000
[Note: The conferees direct that up to $4,800,000 shall be made available only to terminate the Topaz space nuclear reactor program.]				
Explosives Demilitarization Technology		15,000	22,000	12,000
Explosives demilitarization technology [Note: The conferees direct that $6,000,000 is available only for Navy Control Burn and $2,000,000 is available only for Air Force Cryogenic Washout.]		+15,000		+12,000
Tri-service demilitarization program			+19,000	
Energetic material resource recovery and reuse			+3,000	(2,000)
Counterproliferation Support	54,142	54,142	61,610	58,610
High frequency active auroral research program			+7,500	+7,500
Alternative agent defeat concept			−3,032	−3,032
Surgical strike vehicle			+3,000	
Support Technologies/Follow-on Technologies	132,319	172,319	272,319	262,319
RAMOS			20,000	+10,000
Advanced Interceptor Technology		40,000	40,000	+40,000
Advanced technology development (seekers, interceptors, photon laser spacecraft, scorpius, directed energy etc.)			80,000	+10,000
Space-based laser				+70,000
Command, control, and communications systems	115,679		105,679	105,679
Command and control information systems			47,765	47,765
Information integration systems			67,914	67,914
Dynamic multi-user information fusion			−5,000	−5,000
Joint forward air combat controller			−5,000	−5,000
Communications and simulation technology	130,118		133,118	130,118
Advanced simulation			48,419	48,419
Global grid communications			42,024	42,024
Defense simulation internet			39,675	39,675
Disaster relief and emergency medical services		+8,000	+8,000	+8,000
Operational simulation technology			−5,000	−8,000
Sensors and guidance technology	101,477		94,477	110,977
Guidance technology program			10,499	10,499
Air defense initiative			21,777	21,777
Sensor and exploitation systems			69,201	69,201
Large millimeter wave telescope			+3,000	+1,500
Semiautomated IMINT processing			−10,000	−5,000
Geosar		+10,000		+13,000
Marine technology	35,226		44,726	41,226
Advanced ship-sensor systems			18,844	18,844
Fast ship/future ship			16,382	16,382
Ship systems automation (transfer)			+9,500	
Shallow water anti-submarine warfare		+10,000		+6,000
Land warfare technology	67,666		61,966	62,066
Combat hybrid power systems			15,000	15,000
Small unit operations			52,666	52,666
Joint DARPA/NASA thermophotovoltaics			+10,000	+5,000
2 megawatt carbonate-based fuel cell			+4,300	+2,400
Combat hybrid power systems			−5,000	−5,000
Small unit operations			−15,000	−10,000
Helicopter active structural control		+3,000		+2,000
Generic Logistics R&D Technology	18,162	18,162	20,162	21,162
Lead time and cost reduction program increase			+2,000	+2,000
Military cargo methods				+1,000
Strategic Environmental Research Program	54,880	57,880	59,880	54,880
Health & safety demonstration		+3,000		(3,000)
Insensitive munitions			+5,000	(4,000)
Cooperative DoD/VA Medical Research		+25,000	+25,000	+21,500
Collaborative brain research		+6,500		+6,500
DoD/VA cooperative research		+18,500	+25,000	+15,000
Advanced Electronics Technologies	332,100	352,100	333,100	368,100
Plasma process equipment for microelectromechanical		+5,000		+5,000
Electronic commerce resource centers		+15,000		+15,000
Integrated point source system			+11,000	+11,000
X-ray lithography and mask tech transfer			−12,000	
Piezoelectric microelectromechanical systems			+2,000	+2,000
U.S.-Japan Training			(10,000)	(7,000)
Laser plasma x-ray source technology				3,000
LAST Center				(15,000)
Electric Vehicles		15,000	20,000	15,000
Electric vehicle technology		+15,000		
Electric and hybrid electric vehicle consortia program			+20,000	+15,000
Advanced Concept Technology Demonstrations	98,471	38,609	78,471	58,471
Program growth		−59,862	−20,000	−40,000
Near shore tactical reconnaissance ACTD [Note: The conferees direct that from within available funds, $3,000,000 is available only for Near Shore Tactical Reconnaissance.]				(3,000)
Commercial Technology Insertion Program	48,411		20,000	10,000
HNSC reduction		−48,411	−28,411	−38,411
Weapons team engagement trainer			(1,000)	(1,000)
High Performance Computing Modernization Program	99,880	61,380	124,880	124,880
(Transfer to procurement account)		−38,500		
Sustainment and operations (non-military sites)			+25,000	+25,000
DARPA classified programs	170,638	170,638	220,638	180,638
Classified programs			170,638	+170,638
Classified DARPA initiative			50,000	+10,000
Joint Robotics Program	23,744	28,744	31,744	28,744
Joint robotics		+5,000		+1,000
Mobile detection and assessment response system			+8,000	+4,000
Advanced Sensor Applications Program	24,001	26,501	28,001	25,501
Ocean remote sensing		+2,500		2,500
Submarine detection system competition			+10,000	5,000
LGA physics			−6,000	−6,000
Ocean remote sensing		(5,000)		(4,000)
CALS Initiative	1,936	1,936	15,936	15,936
Rapid acquisition of manufactured parts (RAMP)			+10,000	+10,000
Integrated weapon systems data base (IWSDB)			+4,000	+4,000
Other Theater Missile Defense/Follow-on TMD	520,111	520,111	515,743	525,511
ARROW deployability project	31,300		+3,700	+3,700
TMD existing systems modifications—EAGLE			−19,766	−19,766
U.S./Israel boost phase intercept			−9,300	−9,300
Advanced Research Center			+7,000	+7,000
Cooperative engagement capability integration			+5,000	+4,000
Airborne sensors for ballistic missile tracking			+19,766	+19,766
Kauai test facility at PMRF			(5,000)	(5,000)
General program reduction			−10,768	

[In thousands]

	Budget	House	Senate	Conference
Endurance Unmanned Aerial Vehicles			175,247	
Endurance UAV—common			71,642	
Low observable-high altitude UAV			17,428	
HAE-conventional UAV			71,428	
Tier III Minus UAV			14,749	
General Reduction		−15,000		
HNSC general reduction		−15,000		
Chemical and Biological Defense Program—EMD	89,915	97,115	89,915	99,515
Biological warfare countermeasures		+7,200		+4,200
Bio medical (transferred from procurement, defense-wide)				+5,400
Defense Airborne Reconnaissance Program	438,559	562,059		487,059
		+123,500	−438,559	
Darkstar				+28,500
Global Hawk				−10,000
CIGSS				+7,500
EO Framing				+10,000
VTOL				+15,000
MSAG				+4,000
CDL				−6,500
Defense Reconnaissance Support Activities (Space)	55,911	55,911	92,511	87,511
Application of DoD satellites to national needs Pacific Disaster Center [Note: The conferees direct that the disaster-related modeling and simulation efforts utilize the existing high performance computing capabilities available in the Pacific, including parallel processing and advanced storage technology, to decrease the time needed to render and display these models.]			+28,600	+23,600
			+8,000	+8,000
Special Operations Tactical Systems Development	83,923	89,323	98,074	97,874
Advanced seal delivery system		+4,400		+2,800
Full authority digital control		+1,000		+1,000
Rigid hull inflatable boat			+4,451	+4,451
Special operations command integration center			+4,000	
Penetration augmented munitions			+3,800	+3,800
Integrated night/day observation/fire control device (INOD)			+1,900	+1,900
SOF Operational Enhancements	23,216	28,716	23,216	30,216
Counterproliferation/wmd		+5,500		+4,000
Advanced special warfare craft [Note: The conferees direct that $3,000,000 is only for the advanced special warfare craft.]				+3,000
Classified Programs	1,202,794	1,323,132	1,231,794	1,238,794
Increases to classified programs		+120,338	+29,000	+36,000

OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD

The conferees agree with the Senate direction that the Under Secretary of Defense (Acquisition and Technology) (USD(A&T)) provide a plan for developing an airborne sensor capability for tracking ballistic missiles. The conferees further believe that analyses to develop this plan should consider the opportunity to use the Airborne Laser sensors to perform this mission. The conferees direct that operational user requirements and perspectives and total program cost be given priority consideration in selecting a system to provide this capability. Because of the urgent need to deliver such a system, the conferees direct that the USD(A&T) provide a plan not later than January 19, 1997, for developing this capability and allocating the appropriated funds. The conferees further direct that DoD may obligate up to one-third of the appropriated funds prior to the delivery of the plan to the congressional defense committees. The conferees further direct that any funds obligated prior to delivery of the required plan shall be divided fairly between the AWACS EAGLE program and the Rivet Joint Technology Transfer program.

U.S.-ISRAEL BOOST PHASE INTERCEPT PROGRAM

The conferees endorse the joint effort between the United States and Israel to develop a kinetic energy boost phase interception system based on an unmanned aerial vehicle. This technological approach contains great promise for intercepting ballistic missiles over enemy territory and complements other ongoing U.S. and Israeli TMD efforts. It is the expectation of the conferees that, to make greatest use of the investment and technological progress already made by our allies, the U.S.-Israel joint effort will be based upon Israel's boost phase intercept (IBIS) concept.

NATIONAL MISSILE DEFENSE

The conferees direct the Ballistic Missile Defense Organization to provide $23,000,000 for the Air Force National Missile Defense (NMD) initiative. The conferees express their support for development and test activities which allow the Defense Department to fully explore the Air Force concept, to include utilizing the test facilities which provide a realistic and representative test scenario. The conferees direct that the Secretary of Defense shall concurrently inform the congressional defense committees on the report required under section 245 of the National Defense Authorization Act for Fiscal Year 1997.

ADVANCED ELECTRONICS TECHNOLOGY

The conferees have fully funded the budget request for the advanced lithography program which includes $25,000,000 for proximity x-ray, of which $15,000,000 shall be available only for the Lithographic and Alternative Semiconductor Processing Techniques (LAST) Center. Since the LAST Center complements a wide array of research that is important to military electronics, the conferees direct the Department of Defense to budget for the LAST Center in the Navy Industrial Preparedness program element in the fiscal year 1998 budget submission. The conferees have also provided an increase of $14,000,000 in this program element for additional lithography projects as outlined in the table.

ELECTRONIC COMMERCE RESOURCE CENTERS

The conferees agree to provide an increase of $15,000,000 for the Electronic Commerce Resource Centers (ECRC) program only for the establishment and operation of five additional Regional ECRC's. the conferees expect the Department to act expeditiously and urge that final decisions on the establishment of the five additional ECRCs be made within 90 days of the enactment of this act. The conferees are pleased with the progress of the ECRC program, which is an integral and fundamental component of the Department's efforts to streamline and reduce DoD acquisition costs. The conferees continue to support managerial oversight of this program by the Deputy Under Secretary of Defense (Logistics) in order to fully capitalize on and expand the use of electronic commerce technologies. In recognition of the program's ability to benefit commercial business activities, the Department is directed to submit a plan to the congressional defense committees no later than March 15, 1997, showing how Regional ECRC's can be increasingly supported by non-governmental activities and be entirely self-sustaining in five years. This plan shall also identify additional areas in the Department of Defense that could benefit from the use of electronic commerce technology and explain how ECRC's can be used to meet these emerging requirements. The conferees expect the Department to submit a fully funded ECRC program in its fiscal year 1998 budget submission.

OPTICAL CORRELATOR

The conferees are aware that recent advances in optical correlators make them practical for several key military and civilian applications. One is the rapid processing of images and information for real-time automatic target recognition to support precision-guided weapons and target cueing for surveillance systems; another is the rapid and detailed processing of data collected by medical instruments to detect and locate a variety of previously difficult-to-detect objects in the body; and, within the criminal justice system, its ability to rapidly scan and match massive amounts of data, such as fingerprints.

The conferees are encouraged by the recently increased interest expressed by DoD in optical correlators, particularly for the F/A–18 and several guided missile programs. Therefore the conferees direct the military services and DoD program offices seeking to develop or procure automatic target recognition (ATR) or cueing capabilities to immediately leverage this unique dual use technology and provide additional funds, within current program appropriations, to accelerate the introduction of optical correlators into their weapon inventories. The Secretary of Defense shall provide a report on this effort to the congressional defense committees by January 31, 1997.

ADVANCED SENSOR APPLICATIONS PROGRAM

The conferees have provided $10,000,000 for a technology evaluation of systems performing selected non-acoustic antisubmarine warfare missions. The conferees direct that other concepts be given an opportunity to be evaluated. In particular, the conferees are aware of a system which should be included in this competition which takes advantage of the collection and processing of hyperspectral data. The conferees further direct that a variety of specific test scenarios be utilized under this competition.

ENVIRONMENTAL SECURITY TECHNOLOGY CENTER

The Environmental Security Technology Certification Program (ESTCP) is authorized to transfer $10,000,000 to the Department of

Energy's Pittsburgh Energy Technology Center (PETC) for its electron scrubbing to remove unwanted by-products project. The principal objective of this project will be to demonstrate and validate that this technology meets urgent DoD environmental needs and security requirements. Another objective will be to work jointly with the DOE as a clean-up technology demonstration.

HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM

The conferees agree that the High Performance Computing Modernization Program performs a vital defense mission in ensuring that state-of-the-art, production-ready supercomputing capability and capacity are available for Department of Defense science and engineering research in solving complex research problems related to weapons development and other important military applications. Given increasing budgetary pressures, it is important that the Modernization Program focus its resources to maximize the use of commercially available supercomputer technology and to draw on the in-house expertise of the services at the existing major shared resource centers and distributed centers.

The conferees agree to provide $124,735,000 in procurement Defense-wide for high performance computer procurement, an increase of $20,000,000 only for the Army High Performance Computing Research Center (AHPCRC).

The conferees believe that the Modernization Program must improve its performance in the timely execution of computer procurements. Significant delays, as evidence in the recently concluded major share resource center procurements, make it difficult to ensure that the most modern equipment is acquired. The conferees direct the Department to take actions necessary to preclude the recurrence of such procurement delays.

Finally, the conferees note that the Department has not published an updated High Performance Computing Modernization Program Plan or Program Implementation Plan for over two years. The conferees believe that current information about the program is vital to the DoD services, Congress and industry. Therefore, the conferees direct that such plans be published annually no later than March 15.

SUSTAINMENT AND OPERATIONS FOR HIGH PERFORMANCE COMPUTING MODERNIZATION

The conferees agree to the Senate language on the High Performance Computing Modernization Program and direct that the increase of $25,000,000 to this program element shall only be available to establish a new project which will allow DoD to pay the operation and sustainment costs for supercomputers which were purchased with DoD research, development, test and evaluation RDT&E funds and are located at sites other than existing military bases. These supercomputers can play an integral role in helping DoD to meet its supercomputing capability and capacity requirements.

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM

The conferees agree with the House concern that the Defense Airborne Reconnaissance Program (DARP) currently has extraordinary latitude to realign funds with little congressional oversight. Therefore the conferees direct that five DARP program elements for RDT&E projects be created as defined in House Report 104–286 and these program elements be reflected in future budget submissions, beginning with the fiscal year 1998 request. Further, in line with policy direction regarding DARP acquisition program contained in Title III of this report, the conferees direct that when an RDT&E program achieves Milestone III, funding and program responsibility is to be transferred to the appropriate service. The conferees also agree with the House recommendation to cap the fiscal year 1997 budget for DARP Integration and Support and DARO operations at $19,841,000.

The conferees agree to provide an additional $10,000,000 only for the development of the existing CA–260/261 EO framing sensors.

IMPROVED MILITARY CARGO METHODS AND TECHNOLOGIES

The conferees believe opportunities exist to use modern cargo handling methods and technologies developed in the private sector to improve the efficiency, safety, and security of moving military cargo across the nation and around the world. Of the funds provided for General Logistics R&D Technology Demonstrations, the conferees have designated $1,000,000 only for a not-for-profit trucking research institute engaged exclusively in motor carrier R&D to (1) establish the manner and extent to which private sector land transport experience, equipment, and procedures can be adopted to improve the efficiency, safety, and security of loading and transporting military containerized ammunition to DoD load-out ports and air cargo facilities; and (2) examine, measure, and inventory the expertise and capability of private sector third party logistics providers to provide the Defense Logistics Agency with cheaper and more efficient logistics services in keeping with the requirements of the Government Performance and Results Act of 1993.

AGILE PORT DEMONSTRATION

The conferees direct that $5,000,000 be made available only for the prototyping of agile port facilities operating in combination with high speed sealift and related rapid deployment technologies, and the enhancement of capabilities for cargo and personnel movement tracking and total asset visibility. These funds shall be made available only for the continuation of the current memorandum of agreement between USTRANSCOM and the Center for Commercial Deployment of Transportation Technologies.

AIRFIELD SURFACE TRAFFIC MONITORING

The conferees recommend that $2,000,000 be made available only for an Airfield Surface Traffic Monitoring Initiative. This initiative will increase safety on airfield critical movement areas by instrumenting runways and taxiways with inductive loop sensors that will provide improved situational awareness sin high density or restricted visibility conditions for tower control personnel. The sensors provide classifications and speed information for aircraft and ground vehicles. The system will perform multisensor data fusion, including origin/destination training, to provide tracks of ground contacts for display on monitors.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
DIRECTOR OF TEST & EVAL DEFENSE				
CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CT)	116,007	136,007	133,007	146,007

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[in thousands]

	Budget	House	Senate	Conference
Central Test and Evaluation	116,007	136,007	133,007	146,007
Airborne separation video system		+20,000	.....	+20,000
Magnetic levitation sled test track			+17,000	+10,000

OPERTIONAL TEST AND EVALUATION, DEFENSE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
DIRECTOR OF OPERATIONAL TEST & EVALUATION				
LIVE FIRE TESTING	9,988	14,988	9,988	12,988

EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands]

	Budget	House	Senate	Conference
Live fire testing	9,988	14,988	9,988	12,988
Alternative uses of simulation and training technologies [Note: The conferees agree that up to $3,000,000 in this account may be available for the operational field assessment program.]		+5,000	.....	+3,000

TITLE V—REVOLVING AND MANGEMENT FUNDS

The conferees agree to the following amounts for Revolving and Management Funds programs:

	Budget	House	Senate	Conference
Defense Business Operations Fund	947,900,000	947,900,000	947,900,000	947,900,000
National Defense Sealift Fund	963,002,000	1,904,002,000	1,093,002,000	1,428,002,000
Total, Revolving and Management Funds	1,910,902,000	2,851,902,000	2,040,902,000	2,375,902,000

DEFENSE BUSINESS OPERATIONS FUND

The conferees agree to provide $947,900,000 for the Defense Business Operations Fund.

NATIONAL DEFENSE SEALIFT FUND

The conferees agree to provide $1,428,002,000 for the National Defense Sealift Fund, an increase of $465,000,000 to the budget request. This includes a decrease of $90,000,000 for Army Roll-on/Roll-off ships as recommended by the authorization conference committee and increases of $300,000,000 for a Large Medium Speed Roll-on/Roll-off sealift ship; $250,000,000 for two Maritime Prepositioning Force-Enhancement (MPF–E) ships, which may be acquired either through conversation of existing vessels or new construction at the discretion of the Commandant of the Marine Corps; and $5,000,000 for repair and refurbishment of the U.S.N.S. *Tanner.*

TITLE VI—OTHER DEPARTMENT OF DEFENSE PROGRAMS

The conference agreement is as follows:

	Budget	House	Senate	Conference
Defense Health	9,627,758,000	9,667,658,000	10,256,108,000	10,207,308,000
Chemical Agents and Munitions Destruction, Defense	799,847,000	799,847,000	758,447,000	758,447,000
Drug Interdiction and Counter-Drug Activities, Defense	642,724,000	774,724,000	139,157,000	807,800,000
Office of the Inspector General	138,501,000	138,501,000	139,157,000	139,157,000
Anti-Terrorism Activities, Defense			14,000,000	
Total, Other Department of Defense Program	11,208,830,000	11,380,730,000	11,956,736,000	11,912,712,000

DEFENSE HEALTH PROGRAM: EXPLANATION OF PROJECT LEVEL ADJUSTMENTS

[In thousands]

Budget	House	Senate	Conference
Medical Programs, O&M	+39,900	+578,350	+579,550
Shortfall		+475,000	+475,000
Breast Cancer	+25,000		+25,000
Head Injury	+1,500		+1,500
Gulf War Syndrom (anti-bacterial treatment)	+3,400		+3,400
Uncompensated Care	(2,000)		(2,000)
DoD Emergency Communications		+14,000	+14,000
Telemedicine initiatives		+20,000	+15,000
Reserve Dental Program		+15,000	+7,500
Center for Prisoner of War Studies		+2,700	+1,000
Uniformed Services University of Health Sciences		+6,900	+6,900
Graduate School of Nursing		+2,000	+2,000
Military Nursing Research		+5,000	+5,000
Pacific Island Health Care Program		+5,000	+5,000
Disaster management training		+2,000	+2,000
PACMEDNET	+10,000	+10,000	+10,000
Brown Tree Snakes		+1,000	+1,000
Cancer control program		+4,750	+4,750
New parents support program		+20,000	
Undistributed ongoing		+5,000	
transfer for ADP		−10,000	
Procurement		+50,000	
Gulf War Syndrome (chemical agent exposure)		(10,000)	(10,000)
Hepatitis vaccine		40,000	
Transfer for procurement of adp		10,000	

MILITARY NURSING RESEARCH PROGRAM

The conferees agree with the Senate language that $5,000,000 be provided for the military nursing research program and urge the Department to appoint a full-time director for the program.

TELEMEDICINE INITIATIVES

The conferees encourage the Department to explore telemedicine initiatives that would provide cost-effective, accessible, and high quality services for DoD beneficiaries, to include pediatric patients.

DIABETES

The conferees recognize the negative effect that diabetes has upon the deployment readiness and assignability of service personnel as well as the health of over 16 million Americans. The conferees request information on any medical research efforts the Department of Defense is currently making to enable these personnel to perform combat roles, as well as any recommended research that would promote military readiness of diabetic service personnel. This information should be provided to the congressional defense committees.

RETIREE HEALTH CARE: BARKSDALE AIR FORCE BASE

The conferees are aware of reductions in the availability of prescription drug service for retired military families at Barksdale Air Force Base, Louisiana. The inventory of drugs in the Barksdale pharmacy has been reduced some 60 percent. The burden for these reductions is being borne by retirees and their families, and by Medicare-eligible retired families who are no longer eligible for CHAMPUS or TRICARE. The conferees expect the Department to use available funds to resources the Barksdale pharmacy at a level sufficient to support the prescription drug inventory maintained prior to the reduction. The conferees direct the Surgeon General of the Air Force to report back to the Committees on Appropriations 15 days after enactment of this Act on a plan to meet this requirement.

ATTENTION DEFICIENT DISORDER

Attention Deficit Disorder (ADD) and Attention Deficit Hyperactivity Disorder (ADHD) are disorders that interfere with individuals' ability to focus attention. In its severest form, these disorders create a dramatic level of impulsiveness, restlessness and difficulty modulating responses to given situations. These disorders affect children and some adults.

Unfortunately, it can make successful service in the military an impossibility, especially for those who require the moderating influence of certain prescription pharmaceuticals, the use of which is prohibited by military regulations. Currently, diagnosis of ADD/ADHD is not precise and subsequently, some recruits enter the military with symptomatic ADD/ADHD. The Department of Defense must rely on training instructors and health care professionals at basic training bases to recognize and evaluate these disorders.

The conferees encourage the Department of Defense to continue this familiarization program, so that military recruiters, training officers, medical personnel, chaplains and family counselors are able to recognize the characteristics and markers of these disorders.

INDEPENDENT RESEARCH ON GULF WAR SYNDROME

The conferees agree to provide $10,000,000 of funds available under this heading for the Department to provide scientific research on possible causal relationships on the complex of illnesses and symptoms commonly known as Gulf War syndrome. This research is to be carried out by entities independent of the Federal Government. This research should assess the possible exposures of members of the Armed Forces to chemical warfare agents or other hazardous material during service on active duty as a member of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

DEPARTMENT OF DEFENSE MEDICAL RESEARCH

The conferees are pleased that a strong cooperative working relationship has developed between the Department and the National Cancer Institute. Such coordination will ensure the development of a scientifically sound and innovative cancer research agenda that addresses priority areas and avoids unnecessary duplication of effort.

BREAST CANCER RESEARCH PROGRAM

The conferees have provided $112,500,000 to continue the Army's breast cancer research program.

The conferees urge the Army to consider research proposals which extend scientific advances into new strategies for detection, diagnosis, prevention, and treatment.

Of the amounts provided, the conferees direct that $3,000,000 is available only for continuing, ongoing, Navy-sponsored Computer Aided Diagnostic (CAD) research which utilizes image enhancement and segmentation by adaptive multiresolution/multiorientation wavelet transform methods, which are suitable for more generalized application useful to DoD in digital mammography, digital X-ray imaging and teleradiology applications; and that $3,500,000 is available only for the establishment of an advanced cancer detection center for military personnel, dependents, and retired service members, using a network that is in close geographic proximity and includes the following: a military hospital, a regional TRICARE provider, a Department of Veterans Affairs hospital or hospitals, and a medical facility with a focused cancer center that meets the National Cancer Institute eligibility requirements with respect to research funding. The conferees would expect this center to conduct coordinated screening for cancer detection and treatment, to train military cancer specialists, and to develop improved cancer detection equipment and technology.

PROSTATE CANCER RESEARCH SUPPORT

The conferees support the need for both basic and clinical research in prostate cancer in order to reduce the incidence of this life-threatening disease and to develop more effective, more specific and less toxic forms of therapy for patients in all stages of the disease. The conferees urge the Department to give the highest priority to funding research that is multi-institutional, multi-disciplinary and regionally focused.

NATIONAL BIOETHICS ADVISORY COMMISSION

The conferees recognized that human subject research is performed in several federal agencies, including the Department of Defense. Congress has a long-standing interest in this matter, and the conferees believe it is important to sustain and strengthen public confidence in human subject research. The National Bioethics Advisory Commission is chartered to direct its attention to consideration of the protection of the rights and welfare of human research subjects, and the conferees expect the Department to contribute the resources necessary for successful implementation of the National Bioethics Advisory Commission standards commensurate with the interest and investment of the Department in human subject research.

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM DEMONSTRATION

The conference report includes a general provision (Section 8129) which directs the Secretary of Defense, in consultation with the Secretary of Health and Human Services and the Director of the Office of Personnel Management, to provide a report to the congressional defense committees by February 1, 1997 containing recommendations regarding a demonstration project offering Medicare-eligible retirees who do not have access to TRICARE the option of enrolling in the Federal Employees Health Benefits Program. The conferees believe this report should include an assessment of the benefits which could be derived from such a demonstration program, the anticipated costs to both the government and potential enrollees, the potential impacts on military medical readiness, and recommendations regarding the size and scope of a demonstration program.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

The conference agreement is as follows:

[In thousands of dollars]

	Budget	House	Senate	Qty	Conference
CHEM AGENTS & MUNITIONS DESTRUCTION, DEF					
CHEM DEMILITARIZATION—O&M	477,947	477,947	478,947		478,947
CHEM DEMILITARIZATION—PROC	273,600	273,600	191,200		191,200
CHEM DEMILITARIZATION—RDTE	48,300	48,300	88,300		88,300

ALTERNATIVE METHODS

The conferees recommend that the Department of Defense in its alternative technology studies evaluate a non-thermal chemical mixing neutralization process that does not depend on the use or application of an external heat source. The conferees suggest that this process be a batch process which will render chemical weapons harmless in a period of two hours or less and have a resident temperature below that of boiling water at sea level.

Furthermore, the conferees recommend that the Department of Defense include the use of plasma electric waste convertor technology in its analysis of alternative methods.

MOBILE MUNITIONS ASSESSMENT SYSTEMS

The conferees agree that of the funds available for Research, Development, Test and Evaluation, $3,000,000 is only for the development of advanced sensors for the Army's Mobile Munitions Assessment System.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

The conferees agree to provide $807,800,000, an increase of $165,076,000 to the budget request. The conference agreement is summarized as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Dismantling Cartels	57,055			62,131
Classified Programs		10,000	0	3,076
Signal Intelligence Equipment		3,000	2,000	2,000
Source Nation Support	139,619			162,619
Laser Strike		11,000	8,000	11,000
Refurbish and Install TPS Radar		15,000	15,000	10,000
Riverine Operations		4,900	2,000	2,000
SOUTHCOM Support		1,500	0	0
Detection and Monitoring	134,198			198,398
Spare TARS		3,800	0	0
Support for Mexico Mil CD units		0	8,000	8,000
P–3 Retrofit for US Customs Service		0	98,000	56,200
Domestic Law Enforcement Support	227,957			300,757
Marijuana Eradication		3,000	0	3,000
Non-intrusive Inspection systems		6,000	6,000	6,000
Southwest Border Support		2,500	0	0
Enhanced JTF–DLEA support		5,000	0	0
Gulf States Counter-drug Initiative		8,500	4,800	8,500
Multi-Jurisdictional Task Force		1,800	0	1,800
C–26 reconnaissance upgrade		3,500	0	3,500
National Guard State Plans		40,000	0	40,000
National Interagency CI		3,000	0	3,000
Southwest Border Information		7,000	0	7,000
Civil Air Patrol		2,500	0	0
Reconnaissance and interdiction det.		0	500	0
Demand Reduction	83,895			83,895
Miscellaneous		0	2,000	0
Total, Drug Interdiction	642,724	774,724	789,024	807,800

The conferees concur with the direction in the House report that none of the funds provided for the National Guard through the Drug Interdiction and Counter-Drug Activities account shall be reduced unless the proper reprogramming procedures are followed.

The conferees agree to provide $8,500,000 above the budget request for the Gulf States Counter-drug Initiative (GSCI). Of this amount $80,000 is for the Regional Counter-drug Training Academy and not less than $4,700,000 of this additional amount is provided in O&M for sustainment costs for the C4 network of GSCI and improvements to existing processing and analysis centers for the states. Of the remaining funds, $3,000,000 is

provided for start-up costs for including the state of Georgia in the network.

The conferees agree to provide $3,600,000 above the budget request for the Civil Air Patrol, but have provided those funds in the Operation and Maintenance Title. The conferees also concur with the House language which adds ''administrative costs, including, the hiring of CAP employees'' to the activities which may be funded with the understanding that none of the funds provided in this agreement shall be used to exceed the existing civilian personnel levels.

The conferees agree to provide $1,800,000 above the budget request for use by the Military Police (MP) School to provide for training by the Criminal Justice Institute in support of Multi-Jurisdictional Task Force activities. The Criminal Justice Institute is ideally suited to expand the course offerings provided by the MP school based on its successful training efforts with domestic and international law enforcement personnel.

OFFICE OF THE INSPECTOR GENERAL

The conferees agree to provide $139,157,000 for the Office of the Inspector General. Of this amount, $137,157,000 shall be for operation and maintenance activities and $2,000,000 for procurement.

SIERRA ARMY DEPOT GROUNDWATER CONTAMINATION

The conferees are concerned about allegations that actions of the Army to precipitously and abruptly change its position on permits and applications to develop water rights in the Honey Valley Groundwater Basin have unfairly and unnecessarily damaged the ability of private investors to realize any benefit from their good faith investments. The Inspector General is directed to investigate this matter and report to the House and Senate Appropriations Committees on the validity of investor allegations and, if deemed appropriate, recommend a process for determining fair compensation for those investors. Such report shall be submitted no later than May 1, 1997.

TITLE VII—RELATED AGENCIES

The conferees agree to the following amounts for Related Agencies:

	Budget	House	Senate	Conference
Central Intelligence Agency Retirement and Disability System Fund	196,400,000	196,400,000	184,200,000	196,400,000
Intelligence Community Management Account	91,739,000	149,555,000	94,739,000	129,164,000
National Security Education Trust Fund	5,100,000	.....	5,100,000	5,100,000
Payment to Kaho'olawe Island Conveyance Remediation and Environmental Restoration Fund	10,000,000	10,000,000	10,000,000	10,000,000
Total, Related Agencies	303,239,000	355,955,000	294,039,000	340,664,000

TITLE VIII—GENERAL PROVISIONS

The conference agreement incorporates general provisions of the House and Senate versions of the bill which were not amended. Those general provisions that were amended in conference follow:

The conferees included a general provision (Section 8009) which amends House language concerning multiyear contracts for selected weapons systems.

The conferees included a general provision (Section 8021) which amends House language prohibiting the demilitarization of certain types of surplus firearms.

The conferees included a general provision (Section 8027) which amends House language limiting the relocation of DoD organization into the National Capital Region.

The conferees included a general provision (Section 8028) which amends House language which allows members of the Reserves to use their leave to perform duty when providing assistance to civil authorities.

The conferees included a general provision (Section 8036) which amends House language earmarking funds for the Civil Air Patrol.

The conferees agree to a general provision (Section 8037) governing the activities of defense federally funded research and development centers (FFRDC's).

The conferees recognize the preference by the Department of Defense to limit the activities of defense FFRDC's through the use of ceilings on the number of staff years of technical effort (staff years). Therefore, for fiscal year 1997, the conferees agree to statutory ceilings on defense FFRDC staff years (5,975 overall and 1,088 for studies and analysis FFRDC's).

The conferees, however, are concerned that the allocation of staff years not obscure the budgetary impacts of funding the FFRDC's. The conferees direct that the reports identifying the staff years of technical effort allocated to each defense FFRDC for fiscal years 1997 and 1998 also include the dollar amounts required to fund each FFRDC's staff year allocations for each fiscal year.

The conferees direct that, during fiscal year 1997, should the institutional arrangements and agreements between any defense FFRDC and the department, or the organization and structure of any defense FFRDC, undergo a significant change, the Secretary of Defense shall provide the Congressional defense committees with a detailed report addressing the effects of such a change on the staff years to be allocated for that defense FFRDC under the statutory ceilings.

The conferees further direct that this report shall be submitted not later than 60 days before the change is to occur and shall contain information regarding: (1) the department's ability to obtain services which had been provided by that defense FFRDC, including whether the department intends to obtain these services in the future under competitive or non-competitive contracts, agreements, or procedures; (2) the cost, budget, contractual, legal, and policy implications of the change, including the impact of the change on the competitive environment for the acquisition of such services; (3) the disposition of any property—including real and personal property, hardware, software, and intellectual property—developed or obtained by the FFRDC through the payment of any fee or other financing mechanism paid by the Federal government, and whether the Federal government shall receive the fair market value for any such property the ownership of which may be transferred as a result of any significant change; (4) whether any officers or employees of a defense FFRDC which is involved in any such significant change shall receive any salary or other compensation increase, or any bonus, as a result of such a change, and the amount of any such increase or bonus for each officer or employee; and (5) whether any such significant change shall result in any liability for the federal government with respect to personnel costs for the defense FFRDC.

The conferees further agree to statutory language reducing funds for defense FFRDC's and for non-FFRDC consulting services used by the department.

The conferees included a general provision (Section 8038) which prohibits funds from being used for studies on the removal and transportation of chemical weapons or agents to Johnston Atoll.

The conferees included a general provision (Section 8041) which amends House language regarding DoD depot maintenance programs.

The conferees included a general provision (Section 8053) which amends House language earmarking funds for the Army High Performance Computing Research Center.

The conferees included a general provision (Section 8064) which amends House language authorizing intelligence activities.

The conferees included a general provision (Section 8065) which amends the Senate language providing $40,000,000 and specific directions for the conduct of an alternative destruction program for the stockpile chemical weapons. The conferees also included language prohibiting the expenditure of any appropriated funds in this or any other Act for the study, assessment, or planning of the removal and transportation of stockpile assembled unitary chemical weapons or neutralized chemical agent to any of the eight chemical weapons storage sites within the continental United States. The conferees agree that this prohibition of funding for studies, assessments or planning does not apply to studies of the transportation of the end-product of an alternative technology treatment process to locations other than the stockpile chemical weapons storage sites.

The conferees included a general provision (Section 8068) which amends Senate language allowing the Secretary of the Navy to lease real or personal property at Naval Air Facility, Adak, Alaska.

The conferees included a general provision (Section 8070) which amends Senate language recommending rescissions from Air Force Procurement and Research and Development programs.

RESCISSION OF FUNDS

The conferees agree to rescind excess prior year funds, as presented in the following table:

	House	Senate	Conference
FISCAL YEAR 1995			
PROCUREMENT OF AMMUNITION, ARMY:			
Louisiana Army Ammunition Plant/Flexible line manufacturing	0	0	−4,500,000
Subtotal	0	0	−4,500,000

	House	Senate	Conference
AIRCRAFT PROCUREMENT, NAVY:			
Common ECM equipment/BoI chaff	0	0	−8,000,000
Subtotal	0	0	−8,000,000
PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS:			
Air expendable countermeasures	0	0	−2,000,000
Subtotal	0	0	−2,000,000
OTHER PROCUREMENT, NAVY:			
Enhanced modular signal processor	0	0	−10,000,000
Subtotal	0	0	−10,000,000
AIRCRAFT PROCUREMENT, AIR FORCE:			
Joint primary aircraft training systems (JPATS)	0	0	−3,100,000
Subtotal	0	0	−3,100,000
MISSILE PROCUREMENT, AIR FORCE			
Defense support program excess funds	0	−31,900,000	−31,900,000
Subtotal	0	−31,900,000	−31,900,000
Total fiscal year 1995	0	−31,900,000	−59,500,000
FISCAL YEAR 1996			
AIRCRAFT PROCUREMENT, NAVY:			
F/A–18C/D fighter (Hornet)/ALR–67(V) (3)	0	0	−5,400,000
Subtotal	0	0	−5,400,000
PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS:			
81mm high explosive PD fuse	0	0	−10,000,000
MM56 detonating cord	0	0	−708,000
Air expendable countermeasures/BoI chaff	0	0	−2,000,000
Subtotal	0	0	−12,708,000
AIRCRAFT PROCUREMENT, AIR FORCE:			
F–15 modifications/Fighter data link	0	0	−9,000,000
Subtotal	0	0	−9,000,000
MISSILE PROCUREMENT, AIR FORCE:			
Space boosters/Titan IV excess funds	0	−20,000,000	−20,000,000
Subtotal	0	−20,000,000	−20,000,000
OTHER PROCUREMENT, AIR FORCE:			
Classified program	0	0	−26,000,000
Subtotal	0	0	−26,000,000
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY:			
F/A–18 squadrons/BoI chaff	0	0	−4,500,000
Subtotal	0	0	−4,500,000
RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE:			
Classified programs	0	−74,000,000	0
Subtotal	0	−75,000,000	0
Total fiscal year 1996	0	−95,000,000	−77,608,000
Grand total	0	−126,900,000	−137,108,000

The conferees included a general provision (Section 8077) which amends House language prohibiting the use of funds appropriated in this Act to reduce the civilian and medical support personnel assigned to military treatment facilities and provides authority to the Surgeons General to waive the section.

The conferees included a general provision (Section 8088) which amends House language reducing the amount of funded carryover at Defense Business Operations Fund activities by a total of $150,000,000. $60,000,000 of this reduction is applicable to the Army, and $90,000,000 is applicable to the Navy. The Navy reduction shall not be applied to the naval shipyards.

The conferees included a general provision (Section 8096) reducing funds provided for a passthrough to the Air Force business areas of the Defense Business Operations Fund.

The conferees included a general provision (Section 8099) which allows Reserve forces to provide services and support to organizations and activities outside of the DoD if they are incidental to training.

The conferees included a general provision (Section 8100) which amends House language allowing the White House Communications Agency to provide services on a non-reimbursable basis.

The conferees included a general provision (Section 8105) which amends Senate language that reallocates funds to cover unanticipated shipbuilding costs increases.

The conferees included a general provision (Section 8107) which amends House language prohibiting the Air Force from introducing new suppliers for the AN/ALE–47 Countermeasure Dispenser System.

The conferees included a general provision (Section 8109) which amends House language providing clarification of the Berry Amendment.

The conferees included a general provision (Section 8110) which amends Senate language concerning procurement of T–3–N aircraft.

The conferees have included two general provisions limiting the extent to which the Department may provide reimbursement for defense industry restructuring costs. Section 8095 prohibits any reimbursement of costs for contractor employee bonus payments associated with business combinations. Section 8115 amends House language to prohibit any future restructuring reimbursements unless the Department determines that the auditable net savings to the Department resulting from any such business combination exceed the Department's direct restructuring costs by a factor of at least two-to-one (except in cases where a critical capability might be lost). Section 8115 also includes Senate language requiring the General Accounting Office to submit to the Congress a detailed analysis of the effectiveness of this program by April 1, 1997. The conferees strongly support the policy of prohibiting the payment of any costs for merger-related executive bonuses, legal fees, finders fees, goodwill, and asset write-ups.

The conferees do not agree to a general provision included by the House concerning aircraft landing gear.

The conferees are concerned that U.S. manufacturers and assemblers of aircraft landing gear and landing gear components may be disadvantaged by unfair foreign competition in bidding on Department of Defense contracts relative to their foreign competitors, as a result of direct or indirect financial or other support to those competitors from their governments. Therefore the conferees direct the Secretary of Defense to submit a report to the Congressional defense committees by February 1, 1997 which contains the following information:

(1) A summary of landing gear and landing gear component production and assembly acquisitions for fiscal years 1992–1996, acquired directly by the Department of Defense and individual armed services as well as indirectly by prime contractors. The study shall include information on the aircraft for which the gear was acquired, the countries of origin of such equipment, and whether any foreign companies that have received landing gear and landing gear component production or assembly contracts are privately held or partially or wholly-government owned.

(2) In the case of landing gear and landing gear components produced or assembled by foreign sources, a description of any foreign government programs which provide assistance of any kind that can be used by companies in that country for the design, development, production and assembly of defense products as well as specifically for landing gear and landing gear components. Information shall be provided as to the terms under which such assistance is provided, and whether such assistance must be reimbursed to the government by the foreign company.

The conferees included a general provision (Section 8118) which amends House language denying funds to contractors who have failed to submit an annual report to the Secretary of Labor regarding employment of certain veterans, pursuant to section 4212(d) of title 38, United States Code.

The conferees are dismayed over the reported failure of a large number of Federal contractors to file, as required by law, annual reports with the Department of Labor regarding employment and hiring of Vietnam-era and special disabled veterans. The conferees believe continued non-compliance with statutory reporting requirements regarding veterans's employment is unacceptable and that both the Departments of Labor and Defense must do everything possible to ensure defense contract recipients are both fully aware of and responsive to legal requirements in this regard. Section 8118 requires the Secretaries of Labor and Defense to take such steps as are needed to fulfill these objectives and also requires submission of a report within 180 days of enactment of this Act which details the measures taken to achieve this goal, as well as any additional actions (including potential legislative changes) that may be needed to address this problem. The conferees are determined to support veterans' preference and hiring programs and express their intent to revisit this issue in the absence of determined action by the Executive Branch.

The conferees included a general provision (Section 8119) which amends a Senate provision providing for various funding adjustments and earmarks, and retains language allowing for obligation of supervision and administration costs.

The conferees included a general provision (Section 8120) capping the level of advance billing that the Navy may execute in the Defense Business Operations Fund. This provision directs the Navy to increase customer rates charged by the Defense Business Operations Fund, and funds the DBOF customer accounts commensurate with the rate increases through a general reduction to the Navy budget in the procurement and research and development accounts.

The conferees included a general provision (Section 8121) allowing the waiver of reimbursements to the Asia-Pacific Center for Security Studies.

The conferees included a general provision (Section 8122) making Air Force funds available to the Children's Association for Maximum Potential.

The conferees included a general provision (Section 8125) requiring DoD and the Office of Personnel Management (OPM) to report on assistance available to persons who are injured or killed while traveling on US Government aircraft.

The conferees included a general provision (Section 8128) which amends Senate language providing funds for defense against weapons of mass destruction. The conferees agree to provide $100,000,000 for defense against weapons of mass destruction, including domestic preparedness, interdiction of weapons of mass destruction and related materials, control and disposition of weapons of mass destruction and related materials threatening the United States, coordination of policy and countermeasures against proliferation of weapons of mass destruction, and miscellaneous related programs, projects, and activities. The funds are available for transfer to, and merger with, funds appropriated elsewhere in this Act.

Domestic preparedness against terrorist threats, especially chemical or biological attacks against U.S. civilian targets, is of paramount importance to the nation. Terrorist organizations have shown the willingness and capability to operate within the continental United States, and a terrorist chemical attack in the Tokyo subway system has already occurred.

While the armed services have developed capabilities to evaluate chemical/biological threats, respond to such threats, and protect and treat affected personnel, these capabilities have been developed primarily to protect military personnel in operational situations. The conferees believe much can and should be done to transfer existing military chemical/biological warfare expertise and technology to our civilian ''first responders'' in charge of protecting the civilian population.

The conferees applaud the first small step in this direction with the establishment of the ''Chemical-Biological Incident Response Force'' in the Marine Corps which has rapid deployment capability. Coupled with its unique civilian advisory group, the CBIRF will become the nation's first completely self-contained chemical and biological response force. The bill includes $10,000,000 to upgrade the equipment of this unit, including funds for prepositioned equipment at key domestic locations. However, there is no doubt that much more needs to be done to properly train and equip ''first responders'' around the country.

The conferees direct the Secretary, in conjunction with the Director of the Central Intelligence Agency, the Attorney General, the Secretary of Energy, the Administrator of the Federal Emergency Management Agency, and other pertinent federal, state and local officials, to submit a report to Congress (in both classified and unclassified forms) that:

(1) assesses the types and characteristics of chemical and biological threats against U.S. citizens and Government assets in the U.S. and the capability of civilian agencies to respond to these threats;

(2) identifies the unmet training, equipment, and other requirements of civilian first responders necessary to provide a basic capability to respond to a domestic chemical or biological attack;

(3) identifies DoD chemical/biological warfare information, expertise, and equipment that could be adapted to civilian application to help meet identified requirements; and

(4) presents a detailed plan for DoD assistance in equipping, training and providing other necessary assistance for first responders to such incidents. The conferees believe that the best approach for implementing this effort may be a regional pilot program to demonstrate and test the best methods to upgrade the training and equipment of first responders.

The conferees also believe the National Guard is well suited for having a leading role in implementing a plan to provide training, technology and other DoD capabilities to local first responders. The conferees endorse the directive in the House Report (H. Rpt. 104–617, pp. 138–9) to review the Department's ability to provide assistance in this regard and direct that the report outlined by the House be incorporated into this comprehensive review effort. The Secretary shall submit this report to the congressional defense committees by not later than May 1, 1997.

The conferees included a new general provision (Section 8129) which requires the Secretary of Defense to submit a report on the establishment of a Federal Employee Health Benefit Program demonstration project.

The conferees included a new general provision (Section 8130) that repeals section 203(a), section 203(c), and section 203(e) of the National Defense Authorization Act for Fiscal Year 1997.

The conferees included a new general provision (Section 8131) that amends section 722(c) of the National Defense Authorization Act for Fiscal Year 1997.

The conferees included a new general provision (Section 8132) that requires the Secretary of Defense to submit a report on the establishment of the National Missile Defense Joint Program Office.

The conferees included a new general provision (Section 8133) allowing the National Guard Bureau to make distance learning equipment and facilities available to any person or entity on a reimbursable basis.

The conferees included a general provision (Section 8134) that allows the Secretary of the Air Force to enter into agreements for heating facility modernization.

The conferees included a general provision (Section 8135) which makes a technical correction to the National Defense Authorization Act for Fiscal Year 1997 regarding the ''Mike O'Callaghan Military Hospital''.

The conferees included a general provision (Section 8136) which makes a general reduction to Research, Development, Test and Evaluation appropriations accounts with the exception of funds appropriated for Ballistic Missile Defense.

The conferees have included two general provisions (Sections 8137 and 3138), as well as a new title (Title IX), in order to provide full funding of the President's request of September 12, 1996, for additional Department of Defense programs and initiatives relating to anti-terrorism, counter-terrorism, and security enhancements.

This request totalled $353,280,000. In Section 8137, the conferees agree to provide $230,680,000 in fiscal year 1997 funds for programs requested by the President. This additional funding is offset in Section 8138. In Title IX, the conference agreement includes an additional $122,600,000 in fiscal year 1996 supplemental appropriations, as requested by the President to reimburse the Department for costs incurred by ongoing force protection actions in Saudi Arabia, ordered in the wake of the Khobar Towers bombing. The funding in Title IX is also totally offset, through rescissions from prior year Department of Defense Appropriations Acts.

Section 101(c)

Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997

The conferees on H.R. 3610 agree with the matter inserted in this subsection of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House and Senate versions of

H.R. 3540, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997, by members of the appropriations subcommittee on both the House and Senate with jurisdiction over H.R. 3540.

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

Export-Import Bank of the United States Subsidy Appropriation

The conference agreement appropriates $726,000,000 for the subsidy appropriation of the Export-Import Bank as proposed by the House instead of $730,000,000 as proposed by the Senate.

Export-Import Bank of the United States Administrative Expenses

The conference agreement appropriates $46,614,000 for administrative expenses of the Export-Import Bank as proposed by the House instead of $40,000,000 as proposed by the Senate.

The agreement also modifies the Senate provision that no funds made available by this or any other Act may be used to pay the salary and other expenses of the incumbent Chairman and President of the Export-Import Bank unless and until he has been confirmed by the Senate.

The conferees have agreed to modify Senate bill language which restricts funding for the salary and expenses of the incumbent Chairman of the Export-Import Bank. The Senate provisions prohibited funding for the incumbent Chairman and President of the Export-Import Bank unless and until he has been confirmed by the United States Senate. The conference agreement prohibits any funding for the incumbent after July 21, 1997.

The conferees note a GAO finding that in more than 200 cases, representing half of the employees of the Export-Import Bank, the Chairman and President illegally authorized that retention allowances be used as bonuses to these employees.

While the Chairman and President of the Bank originally indicated that he used this authority on the advice of others, Bank documents indicate otherwise, including a November, 1994 document in his own handwriting which refers to the ''shamelss'' use of retention allowances.

The conferees find that this individual has lost the confidence of the committees with oversight responsibility for the Export-Import Bank. The conferees agree that this individual should not continue in this position and urge, in the strongest terms, the President to replace him as soon as is possible, and preferably by January 20, 1997, when his term expires. Under no circumstances, once this individual's recess appointment expires, do the conferees believe that the Administration should resubmit his name for renomination.

Overseas Private Investment Corporation Noncredit Account

The conference agreement appropriates $32,000,000 for administrative expenses of OPIC as proposed by the Senate instead of $30,000,000 as proposed by the House.

Overseas Private Investment Corporation Program Account

The conference agreement deletes Senate language ''to be derived by transfer from the Overseas Private Investment Corporation Noncredit account''. It also extends the authorization for OPIC for one year and allows the agency to combine its existing statutory ceilings on financing and insurance. Both measures allow the agency to continue operations until the 105th Congress considers free-standing authorization legislation reported from the committees of jurisdiction. The managers direct OPIC to utilize no more of the authority made available by this Act than is needed to continue operations at the current pace.

Trade and Development Agency

The conference agreement appropriates $40,000,000 for the Trade and Development Agency as proposed by the Senate instead of $38,000,000 as proposed by the House.

In addition to the amounts provided under this heading, TDA expects to receive no less than $2,000,000 from the Assistance for Eastern Europe and the Baltic States (SEED) account and additional resources from the New Independent States account.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

Agency for International Development Child Survival and Disease Programs Fund

The conference agreement appropriates $600,000,000 as proposed by the House. The Senate bill contained no provision on this matter. The managers agree with the House report language regarding the use of the funds appropriated under this heading, including $100,000,00 for a grant to UNICEF and $25,000,000 for polio eradication. The grant for UNICEF does not preclude AID from providing additional funding for specific UNICEF projects as may be applicable.

The managers also concur with House report language on AIDS prevention and control, with the intent that not less than $117,500,000 be obligated for both bilateral and multilateral HIV/AIDS prevention programs. They recommend that funding through nongovernmental organizations and private voluntary organizations operating at the community level be maximized. The conferees expect that the United States will continue to build upon its leadership role in combating this pandemic.

Development Assistance

The conference agreement appropriates $1,181,500,000 for ''Development Assistance'' instead of $1,150,000,000 as proposed by the House and $1,262,000,000 as proposed by the Senate.

The conference agreement includes language providing that funds made available for Latin America and the Caribbean and for sub-Saharan Africa should be made available on a proportional basis, commensurate with the budget request for said regions. The Senate amendment removed the reference to Latin America and the Caribbean and contained an earmark for the Development Fund for Africa.

The conference agreement also includes Senate language to allow not to exceed $25,000 for oversight of assistance programs for displaced and orphaned children and victims of war.

The managers agree to include the Senate amendment which inserted authority to obligate funds pursuant to title V of the International Security and Development Cooperation Act of 1980 (African Development Foundation); and section 401 of the Foreign Assistance Act of 1969 (Inter-American Foundation) under this heading. The conference agreement provides authority at the levels proposed by the House, apportioning directly up to $20,000,000 for the Inter-American Foundation and up to $11,500,000 for the African Development Foundation (the Senate provided allocations for these two foundations at levels of $18,000,000 and $10,500,000, respectively).

The conference agreement also includes Senate language requiring that not less than 65 percent of the funds made available for family planning assistance shall be made available directly to the agency's central Office of Population.

The conference agreement also includes language authorizing funding to assist Vietnam to reform its commercial and investment legal code. Prior to obligating funds for this program, the managers direct the Administrator of USAID, in consultation with the Secretary of State, to consider whether the Government of the Socialist Republic of Vietnam has (1) cooperated with requests by the United States to obtain full and free access to persons of humanitarian interest to the United States for interviews under the Orderly Departure (ODP) and Resettlement Opportunity for Vietnamese Refugees (ROVR) programs; (2) provided exit visas to persons of humanitarian interest to the United States; and (3) released all religious prisoners, including Catholic, Buddhist, and Protestant clergy. The managers direct the Secretary to provide a report to the Committees on Appropriations outlining the government of Vietnam's actions on these three issues prior to obligating funds for this program.

The conference agreement also includes language allowing up to $17,500,000 to be transferred to ''International Organizations and Programs'' for a contribution to the International Fund for Agricultural Development (IFAD). The Senate amendment contained language mandating such a transfer.

The conference agreement also includes language stating that not less than $500,000 shall be made available only for support of the United States Telecommunications Training Institute.

The conference agreement does not contain Senate language requiring that not less than $15,000,000 shall be available only for the American Schools and Hospitals Abroad program. However, the managers direct that the Agency for International Development not take steps to terminate this program, and that at least the same level of funds be made available in fiscal year 1997 that were made available in fiscal year 1996 for the American Schools and Hospitals Abroad program.

The managers direct USAID to make available $2,000,000 in development and disaster assistance funds through nongovernmental organizations for reconstruction and capacity building in Afghanistan, in areas of the country that are stable and where economic development has begun. The managers are aware of the enormous need for this assistance in Afghanistan and believe that the United States should begin to move beyond funding only short term activities related to refugee repatriation and into longer term activities related to rehabilitation and reconstruction. The managers are encouraged that a number of nongovernmental organizations are already working in that country.

The managers agree with the House report language encouraging AID to utilize funds made available for nongovernmental organizations in southern Sudan outside government control to include capacity building activities in addition to traditional disaster relief programs.

The managers agree with the House report language on microenterprise regarding poverty lending programs, and agree that a significant portion should be channeled through central mechanisms such as nongovernmental organizations.

The managers are aware that a significant cost associated with United States food and relief efforts overseas is grain spoilage and loss at ports of entry. To make better use of scarce foreign aid funds, the managers support efforts to improve grain storage. The managers urge the Office of Foreign Disaster Assistance to continue with demonstration projects at overseas locations to reduce grain loss by improving weatherproof/hermetically sealed storage.

The managers strongly support the fertilizer-related research and development being conducted by the International Fertilizer Development Center (IFDC) and direct

the Administrator of AID to make at least $2,000,000 available for the core grant to IFDC.

The conference agreement recommends $12,000,000 for AID's Office of Women in Development, and the managers encourage AID to undertake the institutional changes needed to support women in development. Investing in women is crucial to reducing hunger and poverty worldwide, strengthening families, and achieving equitable economic growth.

The level of funding for the International Disaster Assistance account assumes funds for the continuation of Operation Provide Comfort.

Notwithstanding recent developments, the Administration is directed to take all appropriate steps to reestablish security for the humanitarian assistance to the Kurdish people of Northern Iraq.

Using funds available under the Peacekeeping Operations account, the administration is directed to use all available means to support efforts at reconciliation between the Kurdish factions in Northern Iraq, thereby reestablishing our influence and credibility in this highly unstable area.

Population, Development Assistance

The conference agreement deletes Senate language proposing a separate appropriation account of $410,000,000 for population activities. The funding for such activities is provided in ''Development Assistance'' in the conference agreement. This matter is also addressed in section 518A of the conference agreement.

Cyprus

The conference agreement includes Senate language earmarking not less than $15,000,000 of the funds appropriated under ''Development Assistance'' and ''Economic Support Fund'' for Cyprus, to be used only for scholarships, administrative support, bicommunal projects, and measures aimed at reunification of the island. The House bill contained no provision on this matter.

Burma

The conferees have earmarked $2,500,000 to support democracy and humanitarian programs in Burma. These resources may be made available both inside and outside Burma and should be targeted to support organizations, individuals and activities which promote the implementation of the 1990 elections.

The conferees are disappointed that the Administration continues to oppose expending any funds to support the restoration of democracy. In submissions to the conference, the Administration indicated opposition to an earmark because ''an interagency committee has had a difficult time finding suitable recipients'' for fiscal year 1996 funds. In fact, the requests for funding submitted to the State Department substantially exceeded available resources. Proposals submitted by experienced and effective organizations such as the National Endowment for Democracy received only partial support due to funding shortfalls.

Once again, the conferees expect to be consulted on a plan for expending and expanding U.S. support for democracy in Burma.

Debt Restructuring

The conference agreement appropriates $27,000,000 as proposed by the Senate instead of $10,000,000 as proposed by the House. The agreement includes Senate language to allow modification of concessional loans made to Jordan under title I of the Agricultural Trade Development and Assistance Act of 1954. The managers agree with the Senate report language indicating that debt relief for Jordan should be provided over two years.

Housing Guaranty Program Account

The conference agreement appropriates $3,500,000 for the subsidy appropriation for the housing guaranty program instead of $500,000 as proposed by the House and $4,000,000 as proposed by the Senate. The conference agreement also contains language proposed by the Senate that waives section 223(j) of the Foreign Assistance Act with regard to programs for Eastern Europe, and deletes House language that would have limited funds only for activities in South Africa.

Operating Expenses of the Agency for International Development

The conference agreement appropriates $470,750,000 instead of $465,750,000 as proposed by the House and $495,000,000 as proposed by the Senate.

In addition, the conference agreement deletes language that was contained in the Senate amendment prohibiting the relocation of the Agency for International Development to the new building at the Federal Triangle. The House bill did not address this matter.

Operating Expenses of the Agency for International Development Office of the Inspector General

The conference agreement appropriates $30,000,000 as proposed by the House instead of $28,000,000 as proposed by the Senate. The conference agreement includes $600,000 for new anti-terrorism activities as requested by the President. The managers endorse the House report language regarding the New Management System of AID, and request regular reports from the Inspector General on this matter.

Economic Support Fund

The conference agreement appropriates $2,343,000,000 instead of $2,340,000,000 as proposed by the Senate and $2,336,000,000 as proposed by the House.

The conference agreement inserts language proposed by the Senate which earmarks $1,200,000,000 for Israel and $815,000,000 for Egypt, of which not less than $200,000,000 shall be provided as Commodity Import Program assistance, and links aid to Egypt and Israel in great measure upon their continued participation in the Camp David Accords. The conference agreement also provides that aid to Egypt is provided with the understanding that Egypt will undertake significant economic reforms and that in providing aid to Egypt and Israel the President shall ensure the level of aid does not cause an adverse impact on the total level of non-military exports from the United States to each country.

The conference agreement strikes language inserted by the Senate earmarking $3,000,000 to establish an independent radio broadcasting service to Iran.

The conference agreement strikes language inserted by the Senate providing for the transfer of $36,000,000 of unobligated and unearmarked prior year funds to ''International Organizations and Programs''.

The managers acknowledge steps taken in the past several months by the Government of Egypt to continue reform in its telecommunication sector. The incorporation of the National Telecommunications Policy into legislation passed by the People's Assembly in July and the appointment of commissioners and staff for a regulatory council are key parts of AID's telecommunications policy reform agenda. The conferees strongly support and encourage such reforms.

The conferees remain concerned about the serious human health and environmental problems associated with the misuse and overuse of chemical fertilizers, pesticides, and herbicides. The conferees recommend that AID give greater attention to nonchemical, organic, scientifically-based soil enhancers, pest control technologies, and poultry feeding additives. The conferees strongly recommend that AID funds allocated for economic development in Egypt be available for a program to test organic, nonchemical agricultural products and that AID undertake this activity as soon as possible.

The managers express their strong support for the initiation of a Middle East and Mediterranean desert development program to significantly increase efforts to expand regional cooperation in combating growing desertification in the Middle East and southern Mediterranean region. The managers believe that such a program would be environmentally viable and mutually beneficial to nations in this region and therefore the managers recommend that up to $5,000,000 should be made available to support this worthwhile undertaking.

The managers express strong support for the Middle East Multilateral Working Groups which support the Middle East peace process. In particular, the conferees strongly support full funding for the activities of the Arms Control and Regional Security Working Group which is working to develop a stable and durable security structure for the Middle East. The managers do not consider the arms control activities of the working group as ''military or paramilitary'' activities prohibited by section 531(e) of the Foreign Assistance Act of 1961 but rather they constitute activities essential in supporting ''political stability'' in the Middle East as specifically provided for in section 531(a) of that same Act.

The managers request that the Department of State report to the Congress on or before January 15, 1997 with a detailed summary of United States policies designed to reduce and eliminate today's mounting persecution of Christians throughout the world. The managers also request USAID to consider the meritorious proposals of the R'fa-aye-nu Society regarding its efforts to preserve and copy the rich treasure of Judaic/Christian materials which have been stored in archives in Central and Eastern Europe.

International Fund for Ireland

The conference agreement appropriates $19,600,000 as proposed by the House. The Senate amendment did not contain a provision on this matter.

Assistance for Eastern Europe and the Baltic States

The conference agreement inserts House language struck by the Senate that prohibits funds from being used for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to efforts of United States troops to promote peace in said country. The agreement also inserts Senate language that withholds 50 percent of the funds made available for economic revitalization for Bosnia and Herzegovina unless the President determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has complied with the Dayton agreement regarding the removal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian and Bosnian officials has been terminated.

The managers are concerned that the U.S. Agency for International Development has not effectively utilized the unique resources of ethnic American organizations. The 22,000,000 Americans who trace their heritage to Central and Eastern Europe have a long-term commitment to that part of the world and include professionals who have an intimate understanding of the culture, politics, and language of the region. Many of their organizations use their own resources to engage in projects to strengthen democracy and market reforms in the region, and are exceptionally qualified to participate in

USAID activities. The conferees, therefore, direct USAID to involve Central and East European ethnic organizations in the design and implementation of programs under this heading and the following heading, consistent with subparagraphs (i) and (j) of the second heading.

Bosnia

The conferees have once again included language withholding half the reconstruction funds for Bosnia and Herzegovina until the President certifies that the Federation is in compliance with the Dayton Accord requirements to remove all foreign forces and terminate intelligence cooperation, training and related activities with Iranian officials. Although the Administration certified in June 1996 that the Federation was in compliance with these terms, the conferees take note of subsequent reports from credible sources that foreign forces continue to operate in Bosnia posing a direct threat to American and NATO troops. The conferees expect the Administration to take all steps necessary to assure the removal of these forces before disbursing additional economic funds as provided in the conference agreement.

The funding levels for Bosnia and Herzegovina in the conference agreement are tied to the presence of a free, independent, private broadcasting network with nationwide access as an alternative to state-operated television stations. This is essential to the development of democratic institutions and the rule of law throughout Bosnia and Herzegovina that is envisioned in the Dayton Agreement and called for by the recently conducted nation-wide elections. The managers strongly encourage robust support by the United States for the independent Open Broadcast Network or a similar private national station capable of delivering unbiased and unrestricted news and information to all of the people of Bosnia and Herzegovina. They further direct that no funds provided in this Act may be used to support the state-controlled stations if the Open Broadcast Network or a similar private station is not granted the appropriate license or national broadcasting access, or is otherwise restricted by the Government of Bosnia and Herzegovina.

Assistance for the New Independent States of the Former Soviet Union

The conference agreement appropriates $625,000,000 instead of $590,000,000 as proposed by the House and $640,000,000 as proposed by the Senate. The agreement also inserts House language applying the waiver authority of Sec. 498B(j) of the Foreign Assistance Act to funds appropriated under this heading, but the managers share the Senate concern that such waivers of existing law should be utilized infrequently.

Mongolia

The conference agreement reduces the Senate earmark for Mongolia from $11,000,000 to $10,000,000, of which not less than $6,000,000 shall be available only for the Mongolian energy sector.

The managers note that AID funding for Mongolia has not utilized the long-standing authority to use NIS funds, but allow the earmark to be administered by the Asia-Near East or Global bureau from other funds in title II. The Administrator is requested to designate the bureau which will implement this provision and to report to the Committees within 30 days of enactment the offices/missions and individuals responsible for the Mongolia program. The Coordinator and the Administrator are urged to cooperate to restore a robust program of assistance to Mongolia, consistent with its progress toward democracy and a market economy. The Secretary of the Treasury is urged to encourage the multilateral development banks funded in Title IV to increase assistance for Mongolia, especially in its energy sector.

Russia-Iran

Obligation of funds for Russia is made contingent on a determination by the President that the Government of Russia has terminated implementation of arrangements to provide Iran with certain goods and services related to nuclear programs in Iran. The managers also include a provision allowing the President to waive the provisions of the paragraph on national security grounds. The Senate had no similar waiver provision.

Ukraine

The conference agreement earmarks $225,000,000 for Ukraine. Within this earmark, the managers have included a number of sub-earmarks designed to support critical socio-economic and political needs. Programs to improve nuclear safety, small business development, agricultural productivity and legal reforms continue to be high priorities. Support for initiatives in these areas strengthen prospects for Ukraine's economic prosperity and political independence, which in turn, contribute to regional stability, a key concern to the United States.

The conference has included Senate language terminating assistance to the Government of Ukraine if the President determines and reports to the Committees that the Government of Ukraine is engaged in military cooperation with the Government of Libya. There was no similar House provision. The managers have also included a Presidential waiver based on national security findings.

Belarus

Little space remains for political dissent in Belarus, and the failing economy is rapidly moving toward complete state control. Under these circumstances, which have led to Belarusian leaders of the opposition seeking asylum in the United States, the managers do not expect that any funds made available under this heading will be used to support the current Government of Belarus.

Chornobyl

The conferees urge AID to supplement the generosity of tens of thousands of Americans, many of Ukrainian descent, directed to the victims of the Chornobyl nuclear tragedy by generously supporting programs to screen and treat childhood mental and physical illness related to Chornobyl radiation. This priority should supersede any non-conforming ''strategic objectives'' of USAID.

The fear of birth defects in the regions affected by the Chornobyl accident has resulted in a sharply lower birth rate. The managers encourage USAID to support programs to reduce birth defects and register birth defects among children in affected regions of Ukraine, Belarus, and Russia.

Health, Crime and Morbidity

The alarming increase in morbidity in the former Soviet Union is accompanied by other health problems that could benefit from American experience and expertise, but health and environmental health have not been top priorities for USAID and the Coordinator. They should be. In addition to environmental health programs related to Chornobyl, the managers urge AID to expand cooperation in the health sector. The activities citied in the fiscal year 1996 Act and repeated in the 1997 Senate bill are still worthy of expanded support: hospital partnership programs, medical assistance to directly reduce the incidence of infectious diseases, and a program to treat contaminated drinking water in the former Soviet Union.

Other health and environmental health programs should be actively explored and undertaken by USAID where feasible. Unfortunately, in Russia and neighboring states, abortion became a major method of family planning during the Soviet period. USAID is directed to expand its support for family planning programs which provide an alternative to abortion, consistent with the Senate report language.

The conference managers are alarmed by the incidence of violence against women in the region, especially in Russia, where in a single year an estimated 15,000 women die and 50,000 are hospitalized as a result of domestic violence. Cooperative programs in both the health and law enforcement sectors should include efforts to reduce violence against women. The conferees direct that of the funds made available for both programs in Russia, $1,000,000 be made available to support training and exchanges to help address this urgent matter.

The conference concurs with the Senate report language that crime and corruption are some of the biggest impediments to private investment and economic growth in the former Soviet Union. Not less than the current level of funding should be made available for law enforcement training and exchanges in Central Europe and the NIS.

Caucasus Region

In establishing the Trans-Caucasus Enterprise Fund, as directed in P.L. 104–107, the President is encouraged to use funds made available in this Act, as well as the amount provided previously. After consultation with the relevant Congressional committees, the President may use any combination of traditional enterprise fund, Overseas Private Investment Corporation funds, European Bank for Reconstruction and Development funds, small or micro loans through non-governmental organizations, or other suitable mechanism to achieve the purposes described in P.L. 104–107.

The conferees direct that assistance to Azerbaijan, including the region of Nagorno-Karabakh, by nongovernmental and international organizations shall not be precluded by this language from using and repairing Government facilities or services such as housing, warehouses, clinics, hospitals, and vehicles to effectively deliver humanitarian services and supplies to needy civilians. The conferees expect these organizations to maintain effective monitoring procedures to assure appropriate supervision over supplies and recipients.

The conferees intend that Government personnel be allowed to distribute humanitarian commodities such as doctors giving out medicine to needy civilians and that these supplies may be transferred to Government personnel for the purpose of distribution. The conferees also intend that needy civilians, especially refugees and displaced persons, be permitted to receive assistance in growing food for their own sustenance, and are not precluded from selling excess in the private sector to begin the transition to personal economic self-sufficiency.

CASPIAN REGION ENERGY DEVELOPMENT

The managers request the Secretary of State, in consultation with the Secretaries of Energy and the Treasury, and the Agency for International Development, the Export-Import Bank, Overseas Private Investment Corporation, and the Trade and Development Agency, to submit a report by March 1, 1997, to the Committees on Appropriations, Foreign Relations, and International Relations, containing a plan of action for the United States Government to assist and accelerate the earliest possible development and shipment of oil from the Caspian Sea region to the United States and other Western markets. The report should include (1) an explanation of the financial, diplomatic, geographic, political, environmental and other

considerations that must be addressed to accomplish the exploration, development, and shipment of the region's oil, consistent with international commercial practices; (2) steps the Administration intends to take to pursue these initiatives; and (3) recommendations for legislative action.

ARMENIA

Because of concern about the impact of the continuing blockade and conflict in the region surrounding Armenia, the conferees direct that the Agency for International Development and other United States Government agencies provide no less than $95,000,000 for technical and humanitarian assistance requested by the Government of Armenia and qualified non-governmental organizations in Armenia. Consistent with paragraphs (i) and (j) under this heading, such agencies are encouraged to take advantage of the expertise and experience of Armenian-American private voluntary organizations and individuals.

GEORGIA

Although the managers did not earmark resources for Georgia, the Administration is expected to sustain a level of support at least comparable to that provided in fiscal year 1996. Georgia continues to lag behind its neighbors in economic and political reforms. Nonetheless, the managers recognize the Georgian leadership's commitment to accelerating the pace and scope of needed change and believe U.S. support is essential to assuring these efforts are successful.

CHECHNYA

The managers are deeply concerned about the conflict in Chechnya, particularly, the Russian assaults on Chechen villages that commenced days after the re-election of President Yeltsin. They request that President Clinton instruct the Department of State to take a more forceful and active role in seeking a permanent end to the conflict. The committee of conference calls on the Government of the Russian Federation to permanently halt offensive military actions in Chechnya and neighboring regions. It further requests that President Boris Yeltsin take immediate steps to fully implement peace agreements reached by his national security advisor, Alexander Lebed. A report on Chechnya is also required under Section 573 of this Act.

EASTERN RUSSIA/SIBERIA

The conferees commend AID for its efforts to move beyond Moscow and to promote the development of the eastern areas of the Russian Federation that are closest to the western United States. The conference concurs with Senate report language regarding the American-Russian Center and its training facilities in major cities of the region, and directs AID to make available all necessary funding during the Center's transition to full financial self-sufficiency by 1998.

The managers support the expansion of funding of programs to promote sustainable agricultural practices through replicating the U.S. extension model at Russian agricultural colleges.

INDEPENDENT AGENCY

PEACE CORPS

Appropriates $208,000,000 for the Peace Corps instead of $212,000,000 as proposed by the House and $205,000,000 as proposed by the Senate.

The managers anticipate that not less than $12,000,000 will be made available to the Peace Corps from NIS funds, in addition to the funds provided in this account.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

The conference agreement appropriates $213,000,000 for International Narcotics Control. The House bill proposed $150,000,000 for this account, while the Senate amendment contained an appropriation of $213,000,000. In addition, the conference agreement includes language prohibiting the obligation of funds to the units of foreign security forces that the Secretary of State has credible evidence have been involved in gross violations of human rights, unless steps have been taken to bring such individuals to justice.

The managers expect that a significant portion of these funds will be used to expand programs in alternative development, to enable farmers in Latin America to shift from growing coca to legitimate agricultural crops.

The conference agreement deletes Senate language earmarking $2,000,000 for demining operations in Afghanistan. This issue is addressed in the Nonproliferation, Anti-terrorism and Demining account.

The managers direct that the Department of State consult closely with the Committees on Appropriations regarding the spending plans for this account. The managers further expect quarterly reports from the Department of State to the Committees on Appropriations on the implementation of programs, projects, and activities regarding international narcotics control.

MIGRATION AND REFUGEE ASSISTANCE

The conference agreement deletes House language which would require a notification for the obligation of funds to the United Nations High Commissioner for Refugees for support of refugees from Rwanda. The conference agreement also inserts Senate language that earmarks not less than $80,000,000 for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

RWANDA

Although the conference agreement does not contain House language requiring a notification for support of refugees from Rwanda, the managers direct the Department of State to consult fully with the Committees on Appropriations prior to any obligation of funds to the United Nations High Commissioner for Refugees for this purpose. Due to the high priority that should be assigned to efforts to resolve the conflicts in the region, the managers believe the Special Representative for Rwanda and Burundi should report directly to the Secretary, rather than through intermediaries, on all matters regarding this area of Africa. The managers further request regular reports from the Administration to the Committees on Appropriations on progress in resolving the situation in Rwanda and Burundi.

REFUGEE RESETTLEMENT ASSISTANCE

The conference agreement appropriates $5,000,000 for ''Refugee Resettlement Assistance'' as proposed by the House. The Senate amendment contained no provision on this matter.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement appropriates $151,000,000 for ''Nonproliferation, Anti-terrorism, Demining and Related Programs'' instead of $140,000,000 as proposed by the Senate and $135,000,000 as proposed by the House.

KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

The conference agreement also inserts language which provides that not to exceed $25,000,000 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. The conference agreement further provides that before obligating funds to KEDO the President must certify to the Congress that: the U.S. is taking steps to assure progress is being made on the implementation of the denuclearization agreement and the North-South Dialogue; North Korea is complying with the other provisions of the Agreed Framework; North Korea is cooperating fully in the canning and storage of spent fuel; and North Korea has not significantly diverted assistance. These certification requirements may be waived by the President if he deems it vital to the national security interests of the United States and no funds may be obligated until 30 days after submission of the waiver. The agreement further provides that before obligating any funds for KEDO the President shall submit a report to Congress on: North Korean cooperation with United States on the return of the remains of Korean War MIAs; violations of the Armistice agreement; actions which the US is taking to assure that North Korea is implementing the denuclearization agreement and engaging in the North-South dialogue; and, all instances of non-compliance with the Agreed Framework, including diversion of heavy fuel oil. The conference agreement provides that the obligation of such funds shall be subject to the regular notification procedures of the Committees on Appropriations. The conference agreement inserts language which requires the Secretary of State to submit to the appropriate congressional committees an annual report (to be submitted with the annual presentation for appropriations) detailing the expected operating budget of the Korean Peninsula Energy Development Organization, to include proposed annual costs associated with heavy fuel oil purchases and other related activities, and the amount of funds raised from other donor nations to support KEDO activities on a per country basis. The managers agree that none of the funds in this bill that are made available for KEDO in fiscal year 1997 may be used to contribute to the light-water nuclear reactors being provided to North Korea under the terms of the Agreed Framework.

DEMINING ACTIVITIES

The managers recognize the need to enhance the effectiveness of landmine clearance efforts in Afghanistan which is littered with an estimated 10,000,000 to 14,000,000 landmines, and recommended that $2,000,000 be made available for this purpose. The conferees stress the priority of clearing mines from agricultural lands to increase food production and support anti-narcotics efforts. In addition, the managers urge the administration to make at least $1,500,000 available for demining activities in Cambodia.

TITLE III—MILITARY ASSISTANCE

INTERNATIONAL MILITARY EDUCATION AND TRAINING

The conference agreement appropriates $43,475,000 as proposed by the House instead of $40,000,000 as proposed by the Senate.

The conference agreement deletes two Senate provisions which limit grant IMET for ''High Income'' countries and provide authority for IMET training for members of national legislatures and individuals who are not members of the government. Similar provisions are included in Public Law 104–164, signed on July 20, 1996.

The managers express their strong support for the newly elected government in Mongolia and urge the administration to utilize IMET training, particularly expanded IMET, for the new members of the State Great Hural, particularly those sitting on the security committee, as well as civilian and military personnel at the Ministry of Defense. The managers recommend $350,000 to carry out these activities and urge the administration to accelerate the provision of this training to the maximum extent practical.

Foreign Military Financing Program (grant program)

The conference agreement appropriates $3,164,000,000 instead of $3,224,000,000 as proposed by the Senate and $3,222,250,000 as proposed by the House.

The conference agreement also inserts earmarks for Israel and Egypt which provide that 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.

The conference agreement deletes Senate language which provides that Poland, Hungary, and the Czech Republic shall be designated as eligible to participate under the NATO Participation Act of 1994. Similar language is included in Title VI.

The conference agreement provides that not less than $30,000,000 shall be made available for Poland, Hungary, and the Czech Republic to carry out title II of Public Law 103–477 (The NATO Participation Act) and section 585 (The NATO Participation Act Amendments of 1995) of Public Law 104–107.

The conference agreement amends Senate language which provides that up to $20,000,000 may be transferred from ''Assistance for Eastern Europe and the Baltic States'' and ''Assistance for the New Independent States of the Former Soviet Union'' to this account to provide support for NATO expansion and the Warsaw Initiative, notwithstanding any other provision of law. The conference agreement retains the Senate language and provides that up to $7,000,000 may be transferred under this authority.

The managers note the success of the Partnership for Peace (PFP) and the Warsaw Initiative which receive funds from this account. PFP is doing an excellent job preparing nations for possible membership in NATO as well as providing a framework for other nations to develop a closer security relationship with NATO. The managers instruct the Secretary of State, in consultation with the Secretary of Defense, to provide to the Committees on Appropriations, no later than March 15, 1997, a report detailing the activities of PFP, the types and extent of PFP programs, the nations participating in PFP, the resources being contributed by current NATO members participating in PFP, and a detailed description of the PFP budget. In addition, the report should contain an estimate of the possible costs to the United States associated with membership in NATO of Poland, Hungary, the Czech Republic or Slovenia. The report should also include a separate section on the feasibility of an enhanced PFP which would place greater emphasis on Combined Joint Task Forces as well as recommendations on how to enhance the consultation process, especially the crisis management mechanism, between NATO and PFP members. The report may include a classified annex if deemed necessary by the Secretary of State.

The conference agreement also appropriates $60,000,000 as proposed by the Senate for the subsidy cost of direct loans instead of $35,000,000 as proposed by the House. The conference agreement provides that these funds are available to support $540,000,000 in direct loans as proposed by the Senate instead of $323,815,000 as provided by the House.

The conference agreement earmarks $20,000,000 for Poland, Hungary, and the Czech Republic.

The conference agreement retains the Senate proposed levels of $122,500,000 and $175,000,000 as ceilings on FMF loans to Greece and Turkey respectively instead of $103,471,000 and $147,816,000 as proposed by the House.

The conference agreement adopts House language which deletes ''Peru'' from the list of countries prohibited from receiving funds. The Senate had proposed prohibiting funds to Peru. The managers note that the administration did not request Foreign Military Financing assistance for Peru in fiscal year 1997 and therefore the managers believe that this prohibition is not necessary at the present time. However, while the managers believe that Peru has made progress in recent years, there are still significant human rights issues which remain of concern, particularly those relating to the Peruvian military. As a result, the conferees would not support the provision of Foreign Military Financing assistance to Peru.

The conference agreement deletes language proposed by the Senate that no funds may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used ''primarily'' for counternarcotics activities. The managers note that no FMF funds were requested by the administration for fiscal year 1997 for Colombia or Bolivia, therefore this provision is not necessary at the present time.

The conference agreement deletes similar House (Section 575 of the House passed bill) and Senate language which requires that the Department of Defense at the request of Defense Security Assistance Agency conduct nonreimbursable audits of private firms with FMF financed contracts. A similar provision is included in Public Law 104–164, signed on July 20, 1996.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

International Financial Institutions

Contribution to the International Bank for Reconstruction and Development Global Environment Facility

The conference agreement appropriates $35,000,000 as proposed by the Senate instead of $30,000,000 as proposed by the House.

Contribution to the International Development Association

The conference agreement appropriates $700,000,000 as proposed by the Senate instead of $525,000,000 as proposed by the House.

The conference agreement also changes the heading to ''International Development Association'', as provided in the House bill, instead of ''Contribution to the Interim Trust Fund at the International Development Association'', as proposed by the Senate. The conferees delete House language requiring a report from the Secretary of the Treasury detailing United States efforts to oppose the formation of the Interim Trust Fund and the adverse consequences of using the Interim Trust Fund to deny procurement opportunities to American companies.

The conference agreement provides $700,000,000 for payment to the International Development Association (IDA), the same amount as in fiscal year 1996. Although this leaves a U.S. unfunded commitment balance of $234,000,000, it demonstrates the conferees' intention to support IDA during a period of declining budgets.

The managers note that the United States, which was instrumental in creating IDA and has provided contributions ranging from 42 to 20 percent of IDA's budget over nearly three decades, provides the dominant share of economic and military resources to support global development and security. These resources significantly benefit IDA–11 donors in such unstable regions as Bosnia, the Korean Peninsula, and the Middle East.

While the managers understand that the Interim Trust Fund (ITF) was created to maintain IDA funding levels while the U.S. fulfills its commitments to both IDA and a balanced domestic budget, they strongly oppose the restrictions on procurement financed by the ITF. The conferees suggest that it is unwise for an international financial institution to preclude its traditional donors from completing for contracts funded by the institution. These restrictions threaten future U.S. participation in IDA, and IDA's future as the primary source of lending to the world's poor.

Therefore, the conference agreement withholds obligations of the $700,000,000 until after the February 1997 IDA–11 donors review meeting, and anticipates that the Secretary of the Treasury will secure agreement of IDA–11 donors to suspend or cancel the procurement restrictions. The Secretary is to report to the Committees on Appropriations on the level of discussions, the reactions of other donors, and the result of his efforts. Failure to lift the procurement restrictions could jeopardize U.S. support for IDA–11.

North American Development Bank

The conference agreement appropriates $56,000,000 for paid-in capital of the North American Development Bank instead of $50,625,000 as proposed by the House and $56,250,000 as proposed by the Senate.

International Organizations and Programs

The conference agreement appropriates $169,950,000 instead of $136,000,000 as proposed by the House and $270,000,000 as proposed by the Senate. The conference agreement does not include funding of UNICEF in this account, as proposed by the Senate. Funding of $100,000,000 for UNICEF is contained in ''Child Survival and Disease Programs Fund'' under title II.

The conference agreement contains a funding ceiling of $25,000,000 for the United Nations Population Fund (UNFPA) as proposed by the House instead of $35,000,000 as proposed by the Senate.

The conference agreement also inserts Senate language on UNFPA that limits funding to UNFPA to one-half of the funding ceiling prior to March 1, 1997, and requires 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. In addition, the language requires that any amount UNFPA plans to spend in the People's Republic of China in 1997 will be deducted from the amount of funds provided to UNFPA after March 1, 1997. Finally, with respect to any funds made available to UNFPA, the language requires UNFPA to maintain such funds in a separate account and not to commingle them with any other funds. The House language would have prohibited funds appropriated under this heading from being made available to the UNFPA unless the Secretary of State determined and reported to the Congress that UNFPA programs in the People's Republic of China have ended and the United States received assurances that the UNFPA would not resume such programs during fiscal year 1997.

The conference agreement inserts House language which prohibits funds under this heading from being made available to the Korean Peninsula Energy Development Organization (KEDO), and Senate proposed language which prohibits funds under this heading from being made available for the International Atomic Energy Agency (IAEA). The United States voluntary contributions to both organizations are now funded in ''Nonproliferation, Antiterrorism, Demining, and Related Programs''.

The conference agreement does not contain Senate language earmarking $3,000,000 for the World Food Program. The managers support funding for the World Food Program and expect the Administration to provide funding at this level.

Within the funds provided in the conference agreement, the conferees expect that

$78,700,000 will be made available for a grant to the United Nations Development Program (UNDP).

The Framework Convention on Climate Change (FCCC) negotiations and funding in support of global climate change activities are matters of interest to the Committees on Appropriations. The managers expect the Department of State to keep the Committees fully informed of actions taken and funds made available in the Act that are obligated in support of the FCCC. Any decision to adhere to binding targets and timetables for greenhouse gas emission reductions is a substantial change in 1992 FCCC commitments which requires congressional advice and consent. Any such decision will have a significant impact on trade, competitiveness and American jobs. Therefore, the managers direct that a comprehensive economic impact analysis be prepared to evaluate any proposed FCCC agreement at least six months prior to a vote on final negotiating text of an agreement. The managers suggest formal consultations with nongovernmental organizations, U.S. labor and business organizations, and Congress to help ensure that the U.S. negotiating position accurately reflects United States national interests.

The managers recognize the importance of international organizations and programs in protecting the environment. Support for these activities, such as the RAMSAR international wetlands treaty and the Convention on International Trade in Endangered Species of Wild Fauna and Flora, represent a good investment in preserving wildlife and its habitat. The managers expect that the full amount of funds pledged by the Administration will be provided for these activities.

TITLE V—GENERAL PROVISIONS

Sec. 507—Prohibition Against Direct Funding for Certain Countries

The conference agreement deletes ''Serbia'' from the list of countries prohibited from receiving assistance under the terms of this provision as proposed by the House. The managers address special concerns about Serbia in sec. 520.

Sec. 509—Transfers Between Accounts

The conference agreement deletes Senate language providing that the exercise of the authority under this section shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfer specifically referred to in this Act. The conference agreement requires consultations with the Committees on Appropriations, as provided in the House bill.

Sec. 511—Availability of Funds

The conference agreement inserts Senate language with regard to the availability of funds for cash disbursements; this is a technical provision.

Sec. 513—Commerce and Trade

The conference agreement restores House language at the end of subsection (a) that provides authority to the Board of the Export-Import Bank to waive the prohibition on the use of funds to establish or expand production of commodities that could adversely affect United States producers.

Sec. 515—Notification Requirements

The conference agreement makes ''Child Survival and Disease Programs Fund'' and ''Debt restructuring'', as proposed by the House, subject to the notification requirements of this section.

Sec. 516—Limitation on Availability of Funds for International Organizations and Programs

The conference agreement inserts House language to provide that September 30, 1998 shall be the expiration date for the obligation of funds that are withheld pursuant to the provisions of this section.

Sec. 518A—Population Assistance Funding Limitations

The conference agreement includes language limiting funds for bilateral international population assistance to $385,000,000, and apportioning such funds at a monthly rate of not to exceed 8 percent. Such funds would become available for obligation on July 1, 1997. However, the President would be required to submit a finding by February 1, 1997, regarding the affect of the obligation delay on the program. Under expedited procedures, both Houses of Congress would be required to consider a joint resolution to approve a negative finding before the end of February. If such resolution were adopted and signed into law, funds would become available for obligation on March 1, 1997. However, the monthly apportionment of not to exceed 8 percent would remain in effect.

Sec. 520—Special Notification

The conference agreement deletes ''Russia'' and ''South Africa'' from the list of countries subject to the special notification requirements of this section, as proposed by the Senate, but does not delete ''Serbia'', ''Dominican Republic'', or ''Peru''. The conference agreement also includes ''Guatemala'' as proposed by the Senate; however, special notification requirements would not be required for development assistance.

Sec. 5527—Prohibition on Bilateral Assistance to Terrorist Countries

The conference agreement inserts ''Notwithstanding any other provision of law'' at the beginning of this section as proposed by the Senate; otherwise the language is identical to the House bill.

Sec. 531—Separate Accounts

The conference agreement inserts House language to require AID to take all necessary steps to ensure that local currency funds are used pursuant to purposes identified in this section, while the Senate amendment would require only that appropriate steps be taken.

The conference agreement also retains subsection (a)(6) of the House bill, which was deleted by the Senate, which requires reporting by the Administrator of AID on the use of local currencies for administrative purposes.

Sec. 533A—Competitive Pricing for Sales of Defense Articles

The conference agreement inserts language proposed by the Senate which provides that the direct costs associated with a foreign buyer's unique or additional requirements are allowable for contracts under section 22(d) of the Arms Export Control Act, and loadings shall be permitted at the same rates paid by DOD for like items purchased for its own use. The House bill did not address this matter.

Sec. 539—Authority to Assist Bosnia and Herzegovina

The conference agreement inserts language proposed by the Senate which limits Department of Defense drawdowns for Bosnia and Herzegovina to not more than an aggregate of $100,000,000 in fiscal year 1996 and fiscal year 1997. The House bill contained a similar limitation.

Sec. 541—Special Authorities

The conference agreement inserts language similar to that proposed by the Senate regarding this section. The conference agreement provides that none of the funds appropriated by this Act may be available to a 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 the Secretary of State determines is not acting vigorously to prevent its members from facilitating the export of timber from Cambodia by the Khmer Rouge; the amendment replaces House language which terminated assistance if the President determined that the military was not taking steps to prevent a pattern or practice of commercial relations between its members and the Khmer Rouge.

The conference agreement also requires the Secretary of State to submit a report on February 1, 1997, to the Committees on Appropriations whether such assistance is being prohibited, the basis for such conclusions, and, if appropriate, the steps behind taken to terminate assistance.

The conference agreement includes language which allows the President to waive the prohibition on funds to militaries facilitating the export of timber if the President determines that it is important to the national security interest of the United States; the waiver does not apply to the prohibition on funds to a country or organization cooperating tactically or strategically with the Khmer Rouge in their military operations.

The conference agreement also deletes House language allowing for the use of up to $50,000,000 under the authority (relating to unanticipated contingencies) of section 451 of the Foreign Assistance Act, and inserts the sum $40,000,000 as proposed by the Senate.

Sec. 543—Anti-narcotics Activities

The conference agreement retains House language authorizing the use of the ''Economic Support Fund'' for administration of justice programs pursuant to section 534(b) of the Foreign Assistance Act in Latin America and the Caribbean ''and in other regions''. The Senate amendment would have allowed for the use of funds in accordance with the provisions of section 534 for Latin America and the Caribbean but did not include the term ''and in other regions''. The conference agreement also includes House language that is technical in nature.

Excess Defense Articles

The conference agreement deletes Senate proposed language providing authority in fiscal year 1997 for the provision of lethal and nonlethal defense articles. Similar language was included in Public Law 104–164, signed by the President on July 20, 1996.

The Senate language included a report on certain human rights concerns in Tunisia which was not included in P.L. 104–164. Therefore the managers request that the Secretary of State submit a report to the Committees on Appropriations, not later than April 1, 1997 describing recent actions by the Government of Tunisia to improve respect for civil liberties and promote the independence of the judiciary.

Sec. 555—War Crime Tribunals

The conference agreement sets a limitation of $25,000,000 on the drawdown of commodities and services under the authority of section 552(c) of the Foreign Assistance Act for the purpose of supporting war crimes tribunals as proposed by the Senate instead of $50,000,000 as proposed by the House.

Sec. 556—Landmines

The conference agreement inserts language which provides that demining equipment available to the Agency for International Development and the Department of State may be provided to foreign countries for the clearing of landmines and unexploded ordnance on a grant basis. The conference agreement also inserts Senate proposed language which extends the United States ban on the export of landmines by amending the National Defense Authorization Act for Fiscal Year 1993 and inserting ''During the

eight-year period beginning on October 23, 1992.''.

Sec. 559—Humanitarian Corridors

The conference agreement inserts Senate language (amending Sec. 620H of the Foreign Assistance Act) which is similar to House proposed language regarding countries which block the provision of humanitarian assistance. The House provision did not amend the Foreign Assistance Act of 1961 and excluded ''Economic Support Funds'' from the Presidential waiver authority. The managers note that when the waiver included in Section 562 of P.L. 104–306 was exercised by the President, it was done without prior notification to the Congress. The conference agreement adds a provision which requires the President to notify the Congress prior to exercising the waiver authority.

Withholding of Assistance to Countries Supporting Nuclear Power Plant in Cuba

The conference agreement deletes House language withholding assistance from countries that are supporting the completion of the Cuban nuclear facility at Juragua, near Cienfuegos, Cuba, as proposed by the Senate. This matter was addressed by Public Law 104–114, the ''Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996''.

Sec. 560—Equitable Allocation of Funds

The conference agreement inserts House language providing that not more than 20 percent of the funds appropriated to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act that are made available for Latin America and the Caribbean region may be made available, through bilateral and regional programs, to provide assistance to any one country in such region. The Senate deleted this provision.

Sec. 563—International Development Association

The conference agreement includes language authorizing appropriations of $700,000,000 for the International Development Association. The House bill would have authorized $525,000,000. The Senate amendment did not contain a provision on this matter.

Sec. 565—Authority to Engage in Debt Buybacks or Sales

The conference agreement inserts the word ''should'' instead of ''shall'' as proposed by the House in subsection (d); the effect of the language is not to require consultations with eligible countries prior to the sale or reduction of loans pursuant to this section.

Sec. 566—Liberia

The conference agreement inserts House language allowing for the obligation of funds for assistance to Liberia notwithstanding section 620(q) of the Foreign Assistance Act and section 512 of this Act (Limitation on Assistance to Countries in Default). The Senate amendment deleted this provision.

Sec. 567—Guatemala

The conference agreement retains language similar to that proposed by the House. The conference agreement provides authority to the President to waive restrictions on funding for Guatemalan military forces under ''Foreign Military Financing Program'' and ''International Military Education and Training'' only if the President determines and certifies to the Congress that the Guatemalan military is cooperating fully with efforts to resolve human rights abuses which elements of the Guatemalan military forces are alleged to have committed, ordered or attempted to thwart the investigation of and with efforts to negotiate a peace process. The funding prohibition would not apply to funds made available to implement a cease-fire or peace agreement.

Sec. 568—Sanctions Against Countries Harboring War Criminals

The conference agreement inserts House language on this matter. Under subsection (a), the language authorizes the President to withhold funds for countries described in this section. Under subsection (b), the language states the President ''should'' instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, assistance to countries described in this section.

Sec. 569—Limitation on Assistance to Haiti

The conference agreement inserts a provision limiting assistance to the Government of Haiti unless certain conditions are met, or unless the President waives the requirements of the section. The conference substitute is similar to the House provision, but requires that any Presidential waiver be exercised semi-annually, rather than quarterly, as proposed by House, and it does not include the names of three victims of non-judicial killings of particular concern: Mireille Bertin, Jacques Florival, and Jean Hubert Feuille.

Sec. 570—Policy Toward Burma

The conference agreement inserts Senate language establishing conditional prohibitions on certain assistance to Burma, sanctions on new investments in Burma, and restrictions on visas issued to officials of Burma. However, the restriction on visas for government officials is not mandatory in the conference agreement.

U.S. foreign assistance is restricted with the exception of support for humanitarian, counter-narcotics, and democracy programs. The U.S. Directors at international financial institutions are expected to oppose lending to Burma. The Senate had also imposed a ban on issuing visas to officials of the State law and Order Restoration Council (SLORC). the managers have modified this restriction in view of the Administration's declared intention to issue a Presidential Proclamation delegating authority to the Secretary of State to ban visas to both SLORC officials and individuals who impede the restoration of democracy.

In addition to mandatory sanctions the conferees support the imposition of a ban on new investment in the event that specified acts are taken against Aung San Suu Kyi, the legitimately elected leader of Burma, or there is large scale violence or repression of the democratic opposition. The conferees note that since June more than sixty members and supporters of the National League for Democracy have been arrested and more than half have been sentenced to long prison terms. Aung San Suu Kyi has expressed the view that these arrests are a ''war of the attrition'' designed to undermine the democracy movement. While it is of ''large scale repression'' the conferees are deeply concerned by the pattern of abuses and arrests over the past several months. The conferees have required a semiannual report on conditions in Burma. The conferees expect the report to address whether the recent pattern of arrests constitutes large scale repression.

Sec. 571—Report Regarding Hong Kong

The conference agreement deletes House language requiring an additional report on March 31, 1997, under section 301 of the United States-Hong Kong Policy Act of 1992. However, it does require that the report already mandated in current law shall address certain issues as specified in the House bill. The Senate bill did not include a similar position.

Section 572—Use of Funds for Purchase of Products Not Made in America

The conference agreement requires a report on the implications of a limitation on use of funds for the government of a foreign country if the funds are to be used to purchase certain equipment or products made in a country other than such foreign country or the United States. The House bill included a provision which would have mandated such a limitation. The Senate bill did not address this matter.

Sec. 573—Conflict in Chechnya

The conference agreement deletes Senate language expressing the sense of the Senate regarding Russia's actions in Chechnya. The conference agreement inserts language requiring the Secretary of State to submit a report to the Committees on Appropriations within 30 days from the date of enactment of this Act on actions undertaken by the United States Government to resolve the conflict in Chechnya. The House bill did not address this matter.

Limitation on Funds to the Territory of the Bosniac-Croat Federation

The conference agreement deletes language limiting United States assistance to Bosnia and Herzegovina (other than refugee and disaster assistance, and assistance for restoration of certain infrastructure) to the territory of the Bosniac-Croat Federation, as proposed by the Senate. The House bill did not address this matter.

United States Government Publications

The conference agreement deletes Senate proposed language requiring that, beginning in fiscal year 1997, all United States Government publications shall refer to the capital of Israel as Jerusalem. The House bill did not address this matter. The conferees however agree that all relevant United States Government publications should refer to the capital of Israel as Jerusalem.

Limitation on Foreign Military Financing

The conference agreement deletes House language which prohibits the use of FMF funds by any country which has not agreed to the Department of Defense conducting, at the request of the Defense Security Assistance Agency, nonreimbursable audits of private firms having FMF financed contracts with these governments. The Senate amendment included similar language in Title III. Public Law 104–164, signed by the President on July 20, 1996, includes in permanent law a similar provision.

Sec. 575—Extension of Certain Adjudication Provisions

The conference agreement includes Senate language that extends for an additional year (until October 1, 1997) the provisions of section 599D and 599E of Public Law 101–167; these provisions establish categories of aliens for purposes of refugee determinations, and provide for the adjustment of immigrant status for certain Soviet and Indochinese aliens.

Sec. 576—Transparency of Budgets

The conference agreement includes language similar to the Senate amendment requiring United States executive directors at each international financial institution to actively oppose loans or other assistance to any nation that has not allowed civilian officials to audit the financial records of its military and security forces. The House bill did not address this matter.

Limitation Under Arms Export Control Act

The conference agreement deletes House language limiting to $100,000,000 the amount of FMF funds which can be made available to finance the procurement of defense articles and services that are sold to countries other than Israel and Egypt by the United States Government under the Arms Export Control Act. Public Law 104–164, signed by the President on July 20, 1996, includes in permanent law a similar provision.

Sec. 577—Guarantees

The conference agreement inserts Senate language with regard to the fiscal year 1997 impact of the agreement by the United States to guarantee certain loans incurred by Israel, as proposed by the Senate. The House bill did not address this matter.

Sec. 578—Information on Cooperation with United States Anti-terrorism Efforts in Annual Country Reports on Terrorism

The conference agreement inserts language proposed by the Senate which amends the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989, to expand the existing annual report on other nations' efforts to curtail drug trafficking to include similar language with regard to cooperation with the United States in investigating and prosecuting acts of international terrorism, as proposed by the Senate. The House bill did not address this matter.

Promotion of Human Rights

The conference agreement deletes Senate language that requires the Secretary of State to deny visas to any current or former senior official of a government that receives funds appropriated by this Act, if the Secretary 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, as proposed by the Senate. The House bill did not address this matter.

Sec. 579—Female Genital Mutilation

The conference agreement includes language requiring United States executive directors at international financial institutions, beginning one year after enactment of this Act, to actively oppose loans, other than to address basic human needs, to certain countries. Each country affected would be named by the Secretary of the Treasury once he determines it has a known history of the practice of female genital mutilation. The conference agreement does not contain the Senate language which would also have required such countries to institute a legal ban on such practices to avoid the restrictions of this section. The House bill did not address this matter.

Sec. 580—Requirement for Disclosure of Foreign Aid in Report of Secretary of State

The conference agreement inserts Senate language requiring that the annual report on the voting record of foreign countries at the United Nations include a side-by-side comparison showing the amount of U.S. assistance provided to each country in fiscal year 1996, as proposed by the Senate. The House bill did not address this matter.

Sec. 581—Restrictions on Voluntary Contributions to United Nations Agencies

The conference agreement inserts language prohibiting payment of any voluntary contribution to the United Nations (including the United Nations Development Program) if the UN implements any taxation on any United States national or corporation. The Senate amendment included this language as well as a prohibition for contributions to United Nations specialized agencies, and would have prohibited the payment of contributions if the United Nations attempted to obtain loans from international financial institutions. The House bill did not address this matter.

Sec. 582—Haiti

The conference agreement allows the Government of Haiti to purchase defense articles and services for the civilian-led Haitian National Police and Coast Guard as proposed by the Senate. The House bill did not address this matter.

Sense of Congress Regarding the U.S.-Japan Insurance Agreement

The conference agreement deletes Senate language expressing the sense of the Congress that Japan's Ministry of Finance should without further delay fully comply with all provisions of the United States-Japan Insurance Agreement of October 1994. The House bill did not address this matter.

Limitation of Foreign Sovereign Immunity

The conference agreement deletes Senate language amending section 1605(a)(7) of the United States Code which limits the immunity, under certain circumstances, of foreign states officially designated as a state sponsor of terrorism against claimants who were United States nationals when victimized, as proposed by the Senate. The House bill did not address this matter.

Sec. 584—Refugee Status for Adult Children of Former Vietnamese Reeducation Camp Internees Resettled under the Orderly Departure Program

The conference agreement inserts Senate language that supersedes the Immigration and Nationality Act to expand the category 'refugee of special humanitarian concern' to include certain adult children of former Vietnamese reeducation camp internees resettled in the United States. However, language has been included to require that the provisions of this section expire at the end of fiscal year 1997. The House bill did not address this matter.

Sec. 585—North Korea

The conference agreement inserts language proposed by the Senate which requires the Secretary of State, in consultation with the Secretary of Defense, to submit semiannual reports to the Committees on Appropriations on the following information: estimate of fuel used by the North Korean military; scope and cost of training and deployment of those forces; steps taken to reduce their size; and cooperation between North Korea and other nations in support of development or deployment of a ballistic missile capability. The House bill did not contain a similar provision.

Report on Domestic Federal Agencies Furnishing United States Assistance

The conference agreement deletes Senate language requiring the General Accounting Office to study and report to Congress, no later than June 1, 1997, on all assistance to foreign nations and international organizations undertaken by domestic Federal agencies. The House bill did not address this matter.

Sec. 587—Limitation on Assistance to Mexico

The conference agreement combines parts of Senate section 597 with a House limitation on the obligation of funds in this Act for the Government of Mexico unless 1) Mexico is taking actions to reduce the amount of illegal drugs entering the United States from Mexico; 2) Mexico is taking vigorous law enforcement actions to deal with illegal drug kingpins, and other individuals involved in illegal drug activities; 3) Mexico is pursuing international anti-drug trafficking and narcotics interdiction initiatives and is reducing the incidence of money-laundering.

Sec. 588—Limitation on Assistance to Turkey

The conference agreement inserts language which limits ''Economic Support Funds'' to Turkey to $22,000,000.

Trade Relations with Central and Eastern Europe

The conference agreement deletes language expressing the sense of Congress that the President should take steps to promote more open, fair, and free trade between the United States and the countries of Central Europe, and enumerates seven steps to promote that objective, as proposed by the Senate. The House bill did not address this matter.

Sec. 589—Civil Liability for Acts of State Sponsored Terrorism

The conference agreement inserts language expanding the scope of monetary damage awards available to American victims of international terrorism.

The conferees intend that this section shall apply to cases pending upon enactment of this Act.

Sense of Congress Regarding Croatia

The conference agreement deletes sense of the Congress language proposed by the Senate regarding Croatia and possible NATO membership. The issue of future NATO membership is addressed in Title VI, the NATO Enlargement and Facilitation Act of 1996. The managers note that Croatia is in the process of joining the Partnership for Peace program. Accordingly, the managers recommend that the United States support the active participation of Croatia in activities appropriate for qualifying for NATO membership, provided that Croatia adheres fully to the Dayton Peace Accords and makes progress toward establishing democratic institutions, a free market and the rule of law.

Romania's Progress Toward NATO Membership

The conference agreement deletes sense of the Congress language proposed by the Senate regarding Romania and possible NATO membership. The issue of future NATO membership is addressed in Title VI, the NATO Enlargement and Facilitation Act of 1996. The managers note that Romania emerged from decades of brutal communist dictatorship in 1989 and that multi-party democratic elections have been held at the local, parliamentary, and presidential levels. Romania was the first former Eastern Bloc country to join NATO's Partnership for Peace program, is the second largest country in Eastern Europe in terms of territory and population and is therefore strategically significant. The managers recognize that Romania has contributed forces to the NATO Implementation Force in Bosnia. Accordingly, the managers believe Romania should be evaluated for membership in the NATO Participation Act's transition assistance program and that the United States should work closely with Romania and other countries working toward NATO membership to ensure that every opportunity is provided to advance their entry into NATO.

Sense of Congress Regarding Expansion of Eligibility for Holocaust Survivor Compensation by the Government of Germany

The conference agreement deletes language appealing to the Government of Germany to negotiate in good faith with the Conference on Jewish Material Claims Against Germany to broaden the categories of those eligible for compensation, as proposed by the Senate. The House bill did not address this matter.

The managers agree that it shall be the policy of the United States to (1) assist survivors of the German Nazi horror to achieve full restitution for property and assets seized by the former Nazi regime; (2) convey to the Government of Germany the deep concern of the Government of the United States regarding the onerous eligibility requirements imposed by Germany on the payment of compensation for Holocaust survivors living in the United States; (3) strongly encourage the Government of Germany to take all actions necessary to ensure that fair and full compensation will be expeditiously paid to all Holocaust survivors living in the United

States; and (4) strongly encourage the Government of Germany to broaden the definition of a concentration camp, and the duration of imprisonment currently required for compensation under Article 2 of the German Unification Agreement and continue negotiations with the Conference on Jewish Material Claims Against Germany to make categories of those eligible for compensation more inclusive.

Delivery by China of Cruise Missiles and Missile Technology

The conference agreement deletes sections 593 and 594 which express the sense of the Senate regarding missile transfers by China to Iran and Syria. The managers are deeply concerned about continued reports that the People's Republic of China has delivered cruise missiles to Iran and ballistic missile technology to Syria. Both recipient nations are known sponsors of international terrorism which directly threatens U.S. citizens and interests in regional peace and stability.

The managers urge the Administration to take steps to assure the People's Republic of China honors its obligations under the Missile Technology Control Regime and join international efforts to restrict access by terrorist states to weapons and technology of mass destruction. The managers note that under the Iran-Iraq Non-Proliferation Act of 1992, the President is required to impose sanctions against any foreign government delivering missiles to Iran. The managers expect the Administration to use all available legal and diplomatic means to assure no transactions occur which enhance the military capabilities of terrorist states.

Prosecution of Major Drug Traffickers Residing in Mexico

The conference agreement deletes the language of the Senate amendment prohibiting ''International Military Education and Training'' for Mexico unless the President of the United States certifies to Congress that the Government of Mexico has extradited to the United States or apprehended and begun prosecution of 10 listed individuals. Language similar to that in the Senate amendment withholding funds from the Government of Mexico is included in section 587.

Deobligation of Certain Unexpended Economic Assistance Funds

The conference agreement deletes Senate language requiring that the President deobligate and return to the Treasury certain funds that have been obligated for more than 4 years but not expended. The House bill did not address this matter.

Burundi

The conference agreement deletes language in the Senate amendment expressing the Senate's condemnation of any violent action intended to overthrow the government of Burundi; calling upon all parties to the conflict in Burundi to exercise restraint; and urging the Administration to continue diplomatic efforts at the highest level to find a peaceful resolution to the crisis in Burundi.

Environmental Impact Assessments

The conference agreement deletes language expressing the sense of the Senate that the United States Government should encourage governments of other nations to engage in additional regional treaties, including requirements for Environmental Impact Assessments where appropriate, covering specific transboundary activities that have adverse impacts on the global environment.

International Criminal Tribunal

The conference agreement deletes Senate language expressing the sense of the Senate that the President of the United States should reimpose full economic sanctions on Serbia, Montenegro and the Republic Srpska until these entities fully cooperate with the International Criminal Tribunal. It also urged IFOR to make an urgent priority the detention of persons indicted by the Tribunal, and called for the continued banning of the named entities from international organizations until each fully cooperates with the Tribunal.

Title VI—NATO Enlargement Facilitation Act of 1996

The conference agreement includes language proposed by the Senate which is similar to HR 3564, the ''NATO Enlargement Facilitation Act of 1996,'' which was passed by the House of Representatives on July 23 by a vote of 353–65. The conference agreement expresses Congress' support for the admission of qualified new members to NATO and the European Union at an early date. The conference agreement designates Poland, Hungary, the Czech Republic and Slovenia as countries eligible to receive assistance under the NATO Participation Act of 1994. Slovenia's designation is effective 90 days after the date of enactment of this Act. The conference agreement also authorizes $60,000,000 for fiscal year 1997 for the transition program established by the NATO Facilitation Act of 1994, of which $20,000,000 is earmarked for FMF loans and $30,000,000 for FMF grants, and of which ''not more than'' $10,000,000 is made available for IMET.

Funds described in section 608(b) are authorized to be made available to the extent provided in advance in appropriations acts to support implementation of the Regional Airspace Initiative (RAI) and the Partnership for Peace Information Management System. The conferees believe Foreign Military Financing funds may be made available to support RAI and PIMS since Title III of this legislation makes funds available for these purposes and serves as the necessary advance provision in an appropriation act.

Title VII—Middle East Development Bank

The conference agreement includes Senate language that authorizes $1,050,007,800 for the proposed Bank for Economic Cooperation and Development in the Middle East. The House bill did not address this matter.

Due to the limited budget allocation available for foreign assistance, the managers were reluctant to authorize United States membership in yet another multilateral development bank. At a time when the Congress and the President are unable to meet prior commitments to existing multilateral institutions, only the critical situation in the Middle East, where the very peace process may be at stake, resulted in the inclusion of authority for the United States to join the bank, contingent on the explicit condition that all commitments are subject to the availability of appropriations. No funds are provided in this Act for the proposed Bank for Economic Cooperation and Development in the Middle East.

Authority to join a new multilateral development bank is under the jurisdiction of the Committee on Banking and Financial Services in the House and the Committee on Foreign Relations in the Senate. The managers direct the Secretary of the Treasury to consult fully with them as well as the Committees on Appropriations prior to joining the proposed bank. The managers expect that Egypt, Jordan, Germany, and France will have agreed to participate in the bank before the United States accepts membership.

SECTION 101(d)

Department of the Interior and Related Agencies Appropriations Act, 1997

The conferees on H.R. 3610 agree with the matter inserted in this subsection of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House and Senate versions of H.R. 3662, the Department of the Interior and Related Agencies Appropriations Act, 1997, by members of the appropriations subcommittee of both the House and Senate with jurisdiction over H.R. 3662.

The conference agreement with respect to fiscal year 1997 appropriations for the Department of the Interior and Related Agencies incorporates some of the provisions of both the House and the Senate reports accompanying H.R. 3662. Report language and allocations set forth in either House Report 104–625 or Senate Report 104–319 which are not changed by the conference agreement are approved. The agreement described herein, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided. Administrative provisions and general provisions which are identical in the House passed and Senate Appropriations Committee reported versions of H.R. 3662 are unchanged by the conference agreement and are approved unless provided to the contrary herein.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

The conference agreement provides $572,164,000 for management of lands and resources instead of $566,514,000 as proposed by the House and $578,692,000 as proposed by the Senate.

Changes to the House recommended level include increases of $1,000,000 for abandoned mineland and stormwater management, $100,000 for the Longview Fibre/Mt. Hood exchange, $6,000,000 for resource management planning, and decreases of $500,000 for wildlife, $500,000 for fisheries, and a general reduction of $450,000 for land resources.

The restoration of $6,000,000 is provided for resource management planning to ensure that BLM has the necessary resources to meet its planning activities as required under the Federal Land Policy and Management Act, the National Environmental Policy Act, and other resource specified laws. BLM is currently looking at ways to streamline its planning procedures to make the planning process more efficient and more responsive. BLM is urged to move forward as quickly as possible in developing these new procedures.

Based on current reports provided by the Department of the Interior on the implementation of the fee demonstration program, BLM is not required to submit a separate report.

The Bureau's proposed reorganization of its Washington headquarters office is approved. While the current team approach seems to be paying dividends at the field level, it has proven to be ineffective at the Washington office. This new reorganization should result in increased accountability, a more efficient allocation of resources, and provide for a better interface with the public and with the Bureau's partners.

The Administration recently created the Grand Staircase/Canyons of the Escalante National Monument in Utah as one of the largest national monuments in the continental United States without consultation with the Congress and without public comment. The Secretary should comply fully with the provisions outlined in the proclamation dated September 18, 1996. Pursuant to the proclamation, the Secretary of the Interior will manage the monument through the Bureau of Land Management.

Of particular concern is the lack of details on the monument beyond the information contained in the proclamation, including estimated costs to manage the monument and

provide for a potential increase in visitors to the area. The Secretary should submit a report by February 1, 1997 that details the costs associated with the monument, the process for developing a management plan, and a description of how affected parties will be involved in the process for developing the management plan. The Secretary should also submit by April 1, 1997 a plan for implementing an exchange of school trust lands located within the monument.

The conference agreement earmarks $2,010,000 for mineral assessment in Alaska as proposed by the Senate instead of $2,000,000 as proposed by the House.

Within the funds provided for oil and gas activities $250,000 is for an Environmental Impact Statement for the leasing program in the National Petroleum Reserve in Alaska.

The Bureau currently spends about $95,000 annually from various Bureau programs in support of Iditarod National Historic Trail activities in Alaska. Within this amount, the Bureau is encouraged to begin commemoration of the trail. Markers and other forms of identification would enable visitors to identify and enjoy the trail.

WILDLAND FIRE MANAGEMENT

The conference agreement provides $252,042,000 for wildland fire management instead of $247,924,000 as proposed by the House and $264,609,000 as proposed by the Senate.

This funding level provides for a maximum efficient level (MEL) of approximately 85 percent for presuppression activities and approximately 88 percent of the 10-year average actual cost for suppression activities.

Within the funds provided, the Bureau is strongly urged to continue a partnership project involving the Northern Arizona University School of Forestry and the Department of the Interior. This partnership involves forest ecosystem health restoration efforts.

CENTRAL HAZARDOUS MATERIALS FUND

The conference agreement provides $12,000,000 for the central hazardous materials fund.

CONSTRUCTION

The conference agreement provides $4,333,000 for construction as proposed by the Senate instead of $3,103,000 as proposed by the House. Increases above the House recommended level include $900,000 for completion of the Baker City Flagstaff Hill interpretive center and $330,000 for the Maiden Rock bridge.

PAYMENTS IN LIEU OF TAXES

The conference agreement provides $113,500,000 for payments in lieu of taxes as proposed by the House instead of $115,000,000 as proposed by the Senate.

LAND ACQUISITION

The conference agreement provides $10,410,000 for land acquisition instead of $10,000,000 as proposed by the House and $14,060,000 as proposed by the Senate.

Funds should be distributed as follows:

Projects	*Amount*
Lake Fork of the Gunnison SMA, CO	$800,000
San Pedro NCA, CA	500,000
Santa Rosa Mountains NRA, CA	1,000,000
Upper Huerfano River, CO	610,000
Washington County Desert Tortoise HCP, UT	2,000,000
West Eugene Wetlands, OR	1,000,000
West Riverside County HCP, CA	1,000,000
Acquisition Management	2,500,000
Emergencies and Inholdings	1,000,000
Total	10,410,000

OREGON AND CALIFORNIA GRANT LANDS

The conference agreement provides $100,515,000 for Oregon and California grant lands instead of $98,365,000 as proposed by the House and $102,656,000 as proposed by the Senate.

Increases above the House include $400,000 for western Oregon resource management, $1,250,000 for western Oregon facilities maintenance, and $500,000 for jobs in the woods.

RANGE IMPROVEMENTS

The conference agreement provides an indefinite appropriation for range improvements of not less than $9,113,000 to be derived from public lands receipts and Bankhead-Jones Farm Tenant Act lands grazing receipts.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

The conference agreement provides an indefinite appropriation of $8,993,000 for service charges, deposits, and forfeitures.

MISCELLANEOUS TRUST FUNDS

The conference agreement provides an indefinite appropriation of $7,605,000 for miscellaneous trust funds.

ADMINISTRATIVE PROVISIONS

The conference agreement provides for the naming of the visitor center in Rand, Oregon as the William B. Smullin Visitor Center. The dedication provides commemorative recognition to William B. Smullin, founder of California Oregon Broadcasting incorporated, which brought broadcasting to northern California and southern Oregon.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

The conference agreement provides $523,947,000 for resource management instead of $520,519,000 as proposed by the House and $529,527,000 as proposed by the Senate.

The net increase above the House consists of increases of $1,250,000 for endangered species recovery activities, $500,000 for Upper Klamath Basin habitat restoration, $100,000 for the Vermont partners program, $64,000 for Missouri chutes/sandhills, $100,000 for Platte River studies, $400,000 to restore base funding, $200,000 for the Hood Canal Salmon Enhancement Group and ''Long Live the Kings'', $3,000 for migratory bird management, $500,000 for whirling disease research, $250,000 for the marine mammals program, $1,000,000 for the National Education and Training Center, and $43,000 for Service-wide administrative support, and decreases of $100,000 for the Chicago wetlands office, $500,000 for the Reno Biodiversity initiative, $321,000 for refuge operations and maintenance, and a general reduction of $61,000 in fish and wildlife management.

No specific earmarks are included in the increase in the candidate conservation program.

Within the increase for recovery activities, $750,000 is for the Virgin River Integrated Management Recovery Program and $500,000 over the budget request of $1,500,000 is for the Natural Communities Conservation Planning program.

The Chicago Wetlands Office is funded at $1,631,000.

An increase of $533,000 above the fiscal year 1996 level is assumed for Everglades restoration.

While there is no specific prohibition on the use of steel jaw leghold traps, the Service should establish a task force to study the use of animal traps in the National Wildlife Refuge system. The task force should consider the humaneness of various trapping methods, as well as the cost, the impact on the protection of endangered species, the impact on Fish and Wildlife Service facilities, and other relevant issues. The task force should include interested outside parties and report its findings to the House and Senate Committees on Appropriations by March 1, 1997.

Within the amount provided for fish and wildlife management assistance, an increase of $500,000 above the House level has been provided for fish disease research, for a total increase of $1,500,000 above prior levels. Of this amount, a portion of the $1,000,000 included in the budget request is to be used to augment the capabilities of the Service's fish health centers and fish technology centers. The $500,000 increase above the House is for whirling disease research by the National Partnership on Management of Wild and Native Cold Water Fisheries.

The increase of $250,000 for the marine mammals program is to initiate cooperative activities with the Alaska Polar Bear Commission, the Eskimo Walrus Commission, the Alaska Sea Otter Commission, and the Rural Alaska Community Action program.

With respect to the national boat access needs assessment discussed in Senate Report 104–319, the Fish and Wildlife Service should give consideration to such an assessment within the regular competitive review process for proposals within the funds available for the administration of the Sport Fish Restoration program.

Bill language is included which modifies the earmark and the manner in which funds are distributed for the Natural Communities Conservation Planning (NCCP) program. The conference agreement provides $2,000,000 to local governments in southern California for this program.

The conference agreement includes language regarding the charging of reasonable fees for training costs at the National Education and Training Center and makes this authority permanent. The House had a similar provision.

CONSTRUCTION

The conference agreement provides $43,365,000 for construction instead of $38,298,000 as proposed by the House and $45,306,000 as proposed by the Senate.

Funds should be distributed as follows:

Project	*Amount*
A.C.E. Basin NWR, SC, Grove Plantation (rehabilitation)	$360,000
Alamosa/Monte Vista NWR, CO, Chicago Ditch Dam	1,450,000
Audubon Center, LA, research facilities	2,000,000
Bear River NWR, UT, dike (repair)	611,000
Blackwater NWR, MD, administrative building	500,000
Bridge safety, inspection/structural analysis	495,000
Crab Orchard NWR, IL, Little Wolf Creek Bridge	550,000
Craig Brook NFH, ME, (station rehabilitation)	4,810,000
Creston NFH, MT, Jessup Mill Pond Dam	850,000
Dam safety, inspection of dams	495,000
Elkins field office, WV, planning and design	−503,000
Ennis NFH, MT, spring watercover	300,000
Mason Neck NWR, VA, Woodbridge research facility	100,000
McDowell NFH, WV, hatchery feasibility study	−730,000
Missisquoi NWR, VT, storage building, signage, access	50,000
Mississippi refuges, road construction, storage, fencing, office	370,000

Project	Amount
Mossehorn NWR, ME, (Loring AFB) office/maintenance facility	400,000
National Education and Training Center, WV	10,028,000
Ouray endangered fish facility, UT, ponds/water reuse	1,725,000
Parker River NWR, MA:	
administrative/education center (non-add; use of surplus cleanup savings)	(1,150,000)
cleanup savings	−1,150,000
Patuxent NWR, MD, Cash Lake Dam	485,000
Quivera NWR, KS, engineering study, water supply	600,000
Region 4, FL/LA/NC, bridge replacement	800,000
Sacramento NWR, CA, water delivery system	500,000
Southeast Louisiana refuges, health and safety	500,000
Southwest Fisheries Technology Center, NM:	
Dexter hatchery rehabilitation	961,000
Mora hatchery construction	2,705,000
Squaw Creek NWR, MO Davis Creek bridge	550,000
Stillwater NWR, NV:	
water gauging station	300,000
water rights purchase	1,500,000
Tulana Farms Ranch, OR, habitat restoration	3,000,000
White River NWR, AR, Big Island chute bridge	300,000
Wichita Mountains NWR, OK:	
Grama Lake and Camanche dams	700,000
road rehabilitation	2,048,000
Project Total	37,660,000
Construction Management	4,633,000
Contract claims	800,000
Emergency projects	272,000
Total FWS Construction	$43,365,000

The Service should use $1,150,000 of the surplus funding remaining from the Parker River NWR, MA cleanup for construction of an administration building at the refuge with the understanding that these funds will be matched from non-Federal sources.

Funds for the Tulana Farms project should be transferred to a nonprofit entity with expertise in fish and wildlife management as soon as practicable.

The conference agreement provides $2,000,000 for the Audubon Institute for the Audubon Center for Research of Endangered Species. These funds should be used to continue the research partnership between the Fish and Wildlife Service and the Institute, under terms similar to the agreements used in 1992 and 1995. The Fish and Wildlife Service should work with the Audubon Institute to ensure that appropriate public recognition of the Federal funds used in constructing the complex is achieved.

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

The conference agreement provides $4,000,000 for the natural resource damage assessment fund.

LAND ACQUISITION

The conference agreement provides $44,479,000 for land acquisition instead of $30,000,000 as proposed by the House and $50,802,000 as proposed by the Senate.

Funds should be distributed as follows:

Project	Amount
Back Bay NWR, VA	$1,000,000
Block Island NWR, RI	2,000,000
Bon Secour NWR, AL	750,000
Boyer Chute NWR (Back to the River), NE	2,000,000
Canaan Valley NWR, WV	2,000,000
Clarks River NWR, KY	3,000,000
Cypress Creek NWR, IL	1,000,000
Emiquon NWR, IL	1,000,000
Hakalau NWR (Kona Forest), HI	2,700,000
Lake Wales NWR, FL	500,000
Lake Woodruff (Wekiva-Ocala NF connector), FL	500,000
Lower Rio Grande NWR, TX	2,000,000
Mashpee NWR, MA	832,000
Minnesota Valley NWR,MN	1,000,000
Ohio River Islands NWR, WV	1,000,000
Oregon Coastal Refuges	
Nestucca Bay, OR	500,000
Siletz Bay, OR	500,000
Patoka River NWR, IN	500,000
Petit Manan NWR, ME	850,000
Rappahanock NWR, VA	1,000,000
San Diego NWR, CA	2,700,000
San Joaquin NWR, CA	500,000
Southeast Louisiana Refuges	1,500,000
Stewart McKinney NWR (Great Meadows), CT	1,700,000
Tualatin Refuge NWR,OR	1,000,000
Western Montana Projects	947,000
Acquisition management	8,500,000
Emergency and hardships	1,000,000
Exchanges	1,000,000
Inholdings	1,000,000
Total	44,479,000

The conference agreement includes funding to establish the Clarks River National Wildlife Refuge, the only wildlife refuge solely in Kentucky. The funds provided may be used only to acquire land through purchases from willing sellers, donations, or exchanges. The Secretary is authorized to include hunting and fishing in the development of outdoor activities. The Committees expect the Secretary to ensure that no activity carried out in the refuge will result in the obstruction of the flow of water in a manner that would affect any private land adjacent to the refuge, and that the operations of the refuge will not restrict agriculture and silviculture on private lands.

Included in the conference agreement is $832,000 to enable the Fish and Wildlife Service to acquire a 250 acre tract in the Bufflehead Bay Area within the Mashpee National Wildlife Refuge. The Committees are aware that funds are available from prior year appropriations for the Mashpee National Wildlife Refuge and a reprogramming from the Sippewisset Marsh project to complete the acquisition.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

The conference agreement provides $14,085,000 for the cooperative endangered species conservation fund. There is no restriction on funding land acquisition in this account for projects also funded through the land and water conservation fund. However, the Service should be sensitive to maintaining a balance in funding the many competing land acquisition needs.

NATIONAL WILDLIFE REFUGE FUND

The conference agreement provides $10,779,000 for the National wildlife refuge fund.

REWARDS AND OPERATIONS

The conference agreement provides $1,000,000 for rewards and operations for African elephant conservation as proposed by the House instead of $600,000 as proposed by the Senate.

NORTH AMERICAN WETLANDS CONSERVATION FUND

The conference agreement provides $9,750,000 for the North American wetlands conservation fund instead of $7,750,000 as proposed by the House and $10,750,000 as proposed by the Senate.

RHINOCEROS AND TIGER CONSERVATION FUND

The conference agreement provides $400,000 for the rhinoceros and tiger conservation fund as proposed by the House instead of $200,000 as proposed by the Senate.

WILDLIFE CONSERVATION AND APPRECIATION FUND

The conference agreement provides $800,000 for the wildlife conservation and appreciation fund.

ADMINISTRATIVE PROVISIONS

The conference agreement modifies language proposed by the Senate to provide that, for recreational fee demonstration sites, the Service shall retain permit and entrance fees collected at fee demonstration units to offset the cost of collection and to support refuge operations and maintenance. The House had no similar provision.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The conference agreement provides $1,152,311,000 for operation of the National Park System instead of $1,135,139,000 as proposed by the House and $1,156,784,000 as proposed by the Senate.

The conference agreement provides $69,772,000 in increased funding for many of the initiatives contained in the fiscal year 1997 National Park Service budget. In allocating these funds, the Committees have placed a high priority on National Park Service operations and base programs which reflects the Park Service's highest priority initiatives.

The conference agreement provides increases for the National Park Service, particularly in operations, greater than any agency funded in the bill.

The following paragraphs describe the increases above the base funds for each budget category.

A total increase of $21,251,000 is provided for resource stewardship. Included in this amount is $6,674,000 for across-the-board increases, $2,077,000 for park operations, $2,000,000 for inventory and monitoring, $8,000,000 for South Florida Ecosystem Research, and $2,500,000 for cultural resources preservation.

The visitor services increase is $18,622,000. Included in this amount is $13,093,000 for across-the-board increases, $4,693,000 for park operations, $600,000 for the Presidential Inaugural and $236,000 for the William O. Douglas Center.

An increase of $19,618,000 is provided for maintenance. This amount includes $10,878,000 for across-the-board increases, $5,340,000 for park operations, $400,000 for the Presidential Inaugural, $1,000,000 for cultural cyclic maintenance, and $2,000,000 for regular cyclic maintenance. The conference agreement restores the $1,000,000 reduction proposed in the President's budget to transfer the two Washington area parkways to Maryland, Virginia and the District of Columbia.

The park support increase is $7,292,000. Within that amount is $5,219,000 for across-the-board increases, $890,000 for park operations, and the following specific park increases: $133,000 for James Garfield, $100,000 for the German-American Cultural Center, $200,000 for the Belle Haven Marina, $400,000 for the National Park of American Samoa, and $350,000 for Kalaupapa.

The conference agreement specifically did not provide the $3,500,000 increase for professional training programs. The National Park Service should follow the language in the House report which encourages the agency to submit a reprogramming request up to

$2,000,000 as long as it is redirected from travel, savings from buyout and downsizing initiatives or new reductions from headquarters management and administrative overhead. The National Park Service should submit a priority list of professional training programs prior to forwarding any reprogramming request.

The increase for external administrative costs is $3,047,000. This includes $212,000 for workers compensation, $825,000 for unemployment compensation, $475,000 for park police pensions, $738,000 for external ADP charges and $797,000 for GSA space rental.

The conference agreement provides direction to the National Park Service to ensure that at least 22 productions be held at Carter Baron Amphitheater and directs the Service to work with the Friends of Carter Baron Foundation in order to obtain private support for the performances.

NATIONAL RECREATION AND PRESERVATION

The conference agreement provides $37,976,000 for National recreation and preservation instead of $36,476,000 as proposed by the House and $39,476,000 as proposed by the Senate.

The increase above the House level includes $750,000 for the Alaska Native Cultural Center and $750,000 for the Native Hawaiian Culture and Arts program. With respect to the mulitpurpose pathway system in Aiken, South Carolina, the Park Service involvement is to be limited to technical assistance only.

HISTORIC PRESERVATION FUND

The conference agreement provides $36,612,000 for the historic preservation funds as proposed by the Senate instead of $36,212,000 as proposed by the House.

The conference agreement provides $400,000 for historic preservation activities in Fort Smith, AR to address damages in the commercial historic district. These funds should be transferred from the National Trust for Historic Preservation to the Arkansas Historic Preservation program and this office will then have oversight as to how the city uses these funds for historic preservation purposes.

CONSTRUCTION

The conference agreement provides $163,444,000 for construction instead of $119,745,000 as proposed by the House and $165,418,000 as proposed by the Senate.

Line item construction funds should be distributed as follows:

Project	Amount
Acadia NP, ME (rehabilitate carriage roads)	$600,000
Amistad NRA, TX (sewage treatment)	650,000
Blackstone River Valley National Historic Comm., MA/RI	460,000
Blue Ridge Parkway, NC (headquarters)	4,400,000
Cane River NHP, LA (preservation and stabilization)	3,320,000
Carlsbad Caverns NP, NM (replace elevators)	1,400,000
Chamizal NM, TX (rehabilitation	200,000
Chickasaw NRA, OK (campground rehabilitation)	1,300,000
Cuyahoga NRA, OH (site & structure rehabilitation)	2,900,000
Delaware Water Gap NRA, PA (trails rehabilitation)	1,200,000
Denali NP&P, AK (electric/rehabilitate powerhouse)	2,000,000
Edison NHS, NJ (concrete repairs)	375,000
Everglades NP, FL:	
Fort Jefferson rehabilitation	250,000
water delivery	2,800,000
Florissant Fossil Beds NM, CO (shelters)	37,000
Fort McHenry NM, MD (rehabilitation)	800,000
Fort Necessity NB, PA (design)	400,000
Fort Raleigh NHS, NC (rehabilitation)	1,000,000
Fort Scott NHS, KS (water delivery	1,115,000
Fort Smith NHS, AR (rehabilitation)	2,000,000
Fort Sumter NM, SC (site development)	3,600,000
General Grant NM, NY (restore memorial and grounds)	975,000
George Washington Memorial Parkway, MD (utilities)	2,100,000
Grand Canyon National Park, AZ (transportation vehicles)	2,000,000
Great Basin NP, NV (Lehman Caves trail rehabilitation)	350,000
Gulf Island NS, MS (erosion control)	1,000,000
Hot Springs National Park, AR (stabilization, lead paint)	500,000
Independence National Historical Park, PA (rehabilitate utilities)	13,300,000
Indiana Dunes NL, IN (demolition)	500,000
Kings Canyon National Park, CA (Cedar Park waste water)	2,900,000
Lackawanna Valley, PA (technical assistance)	600,000
Lake Chelan NRA, WA (road repair)	308,000
Lake Mead NRA, NV (rehabilitate waste water and water systems)	500,000
Little River Canyon NP, AL (health & safety)	500,000
Mount Rainier NP, WA (repair roof)	1,286,000
Natchez Trace Parkway, MS	4,600,000
National Capital Parks:	
Jefferson Memorial, DC (rehabilitation)	1,300,000
Washington Monument, DC (rehabilitation)	1,900,000
New Orleans Jazz NHP, LA (development)	3,000,000
New River Gorge NR, WV (access, trails stabilization)	1,725,000
Olympic NP, WA (Elwha fish restoration)	270,000
Oregon Caves NM, OR (trail construction & Rewiring)	750,000
President's Park, DC:	
electrical system	5,300,000
replace HVAC	5,000,000
Rock Creek Park, DC (Meridian Hill, rehabilitation)	100,000
Roosevelt/Vanderbilt, NY (rehabilitate FDR Hyde Park)	1,700,000
Saint Gaudens NHS, NH (maintenance facility)	900,000
Saratoga NHP, NY (rehabilitation)	1,000,000
Saugus Iron Works NHS, MA (rehabilitation)	200,000
Sequoia National Park, CA:	
install underground utilities	3,000,000
replace giant sequoia facilities	3,000,000
Southwestern PA Commission, PA (various projects)	2,000,000
Stones River NB, TN:	
Redoubt Brannan	190,000
trail reconstruction	300,000
Thomas Stone NHS, MD (rehabilitation)	250,000
Ulysses Grant NHS, MO (rehabilitation)	670,000
Vicksburg NMP, MS (rehabilitation)	2,000,000
William Howard Taft NHS, OH	2,300,000
Zion NP, UT (buses)	5,100,000
Subtotal Projects	108,681,000
Emergency, unscheduled, housing	14,673,000
Planning	18,000,000
Equipment replacement	14,365,000
G.M.P.	6,600,000
Special Resource Studies	825,000
Strategic Planning Office	300,000
Subtotal Non-projects	54,763,000
Total Construction	163,444,000

The conference agreement provides authority to allow the National Park service to reimburse the State of Washington for fish restoration activities.

The conference agreement provides $3,320,000 for the Cane River Creole National Historical Park, to fund fully the completion of ongoing work at the Magnolia Plantation complex. It is expected that this funding will be obligated as quickly as possible. Of this funding, up to $300,000 shall be used for cooperative agreements between the Park Service and local owners of historically relevant properties.

The conference agreement does not include funding for road relocation at the Chickamauga and Chattanooga National Military Park. The State of Georgia has applied for public lands highway discretionary funds, and if that effort is not successful, the National Park Service will provide the Federal share of the paving project from Federal Lands Highway funds through the park road program. The current estimate for that work is $3,500,000, and the Federal share (75 percent) is estimated to be $2,625,000.

The conference agreement provides $2,800,000 for Everglades NP which meets the Administration's request to continue the engineering and design of the water delivery system and levee acquisitions.

The $170,000 shortfall for Mt. Rainier should be funded from emergency flood monies provided in 1996.

The conference agreement provides $4,600,000 for the Natchez Trace Parkway, MS which will complete the highest priority phase which is project number 3–P11.

The conference agreement provides $1,000,000 for structural and utility repairs to the open-air waterside theater at Ft. Raleigh. The remainder of the costs will be financed by the State.

The conference agreement provides $3,000,000 for the New Orleans Jazz Park, as authorized in Public Law 103–433. The funding for the park is provided to the National Park Service to be expended in a manner consistent with a budget plan to be developed by the partners, including the National Park Service, the New Orleans Jazz Commission, and the City of New Orleans. the funds provided should be used in relation to the authorized purposes of the park, with an emphasis on sites that are associated with the history of jazz. The National Park Service will oversee this process to ensure compliance with all applicable law. However, to the extent the partners are capable of accomplishing some of the elements of the budget plan once it is developed, the National Park Service should participate with the partners, and use cooperative agreements, where appropriate, in particular at Perseverance Hall.

The National Park Service is in the process of developing a general management plan at the New Orleans Jazz NHP, but there may be activities that could be undertaken prior to completion of this effort, including cooperative agreements, that will accommodate the visiting public. Thus, there is a need to develop a plan for the expenditure of the funds recommended in this bill on a concurrent path with the general management plan. The funds may be used, in whole or in part, prior to the completion of the G.M.P.

The conference agreement provides $250,000 for Thomas Stone NHS to complete the facilities outlined in the original General Management Plan which are necessary for circulation, visitation, and protection of the natural and cultural resources.

The conference agreement provides $2,300,000 for the William Howard Taft National Historic Site for the construction of an administrative/educational facility. The total cost of this project is estimated to be $3,000,000. Planning and design of the facility has been completed with private funds and the State of Ohio has committed to providing $200,000 to the construction. The remaining $500,000 should be raised from private sources.

The conference agreement recognizes the increased public demand and lack of adequate public facilities and encourages the National Park Service to consider retaining access to existing community docks, deemed appropriate for public use, within current environmental guidelines, as it develops the Lake Roosevelt National Recreation Area general management plan. In addition, the National Park Service is encouraged to consider other alternatives for providing greater public access to Lake Roosevelt in development of the management plan. Local participation is critical to the development of successful management plans, and the National Park Service is directed to consult thoroughly with affected local government representatives and other interested parties in the development of the management plan.

The conference agreement provides $18,000,000 for construction planning. Within this amount, the National Park Service is directed to provide $500,000 to continue the planning of the dock facilities at Fort Sumter National Monument.

The conference agreement redirects funds from a feasibility study at Hot Springs, AR to the rehabilitation of the Hot Springs Creek Arch, as proposed by the Senate. The House had no similar provision.

The conference agreement deletes House bill language which prohibits funds from being expended for the redesign of Pennsylvania Avenue in front of the White House as proposed by the Senate. Last year the National Park Service spent $500,000 and the Secret Service $600,000 to complete Phase I which provides for the immediate security needs of the White House.

The Committees have no objection to completing the interim improvements to address security concerns on Pennsylvania Avenue and to commence design associated with long-term security improvements along Pennsylvania Avenue in front of the White House. However, the Committees are concerned about the costs associated with the

options which might be considered as part of the long term improvement plan. Thus, the Committees support the decision of the National Capital Planning Commission to table consideration of a final design for Pennsylvania Avenue until such time as an Environmental Impact Statement that addresses traffic, economic and historic preservation issues is prepared by the U.S. Department of the Treasury and forwarded by the National Park Service to the Commission for its consideration.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The conference agreement rescinds the contract authority provided for fiscal year 1997 by 16 U.S.C. 4601–10a.

LAND ACQUISITION AND STATE ASSISTANCE

The conference agreement provides $53,915,000 for land acquisition and State assistance instead of $30,000,000 as proposed by the House and $48,415,000 as proposed by the Senate.

Funds should be distributed as follows:

Project	Amount
Appalachian Trail	$4,000,000
Aztec Ruins National Monument, NM	500,000
Blue Ridge Parkway, NC	750,000
Chattahoochee River NRA, GA	2,000,000
Colonial NHP (Colonial Parkway), VA	915,000
Cuyahoga NRA, OH	1,500,000
Denali National Park & Preserve, AK	800,000
Everglades Ecosystem (Big Cypress NP/Everglades NP), FL	12,000,000
Olympic NP (Elwha Dam), WA	4,000,000
Pecos NHP, NM	500,000
Petroglyphs National Monument, NM	750,000
Piscataway Park/Mt. Vernon, MD	500,000
Saguaro NP, AZ	2,000,000
Sterling Forest, NJ/NY	9,000,000
Stones River NB, TN	500,000
Acquisition Management	7,200,000
Emergency and Hardships	3,000,000
Inholdings	2,500,000
State Grant Administration	1,500,000
Total	53,915,000

The conference agreement includes $750,000 to acquire easements along the Blue Ridge Parkway in North Carolina. The Park Service should work with the State of North Carolina and the North Carolina Year of the Mountains Commission in acquiring the easements to protect the Parkway's scenic beauty.

ADMINISTRATIVE PROVISIONS

The conference agreement deletes language proposed by the House and stricken out by the Senate, limiting the use of funds for the Office of the Director, Public Affairs and Congressional Affairs.

Bill language is included allowing the National Park Foundation to expend remaining balances and accrued interest from funds granted to it by the National Park Service in fiscal years 1984 and 1985 pursuant to the National Park System Visitor Facilities Fund Act of 1983 (P.L. 97–433, 96 Stat. 2277). These funds are to be used to improve the quality of visitor facilities in the park system nationwide.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

The conference agreement provides $738,913,000 for surveys, investigations and research instead of $730,163,000 as proposed by the House and $737,040,000 as proposed by the Senate.

Increases above the House include $2,000,000 for national map and digital data production, $1,000,000 for a new national atlas, $5,000,000 for the MEDEA project, $250,000 for volcano investigations, and $500,000 for the cooperative research units within the biological research division.

The conference agreement earmarks $16,000,000 as proposed by the Senate for inquiries into the economic conditions affecting mining and minerals processing industries.

The Survey should work with the other agencies who will benefit from the MEDEA project to obtain reimbursable agreements for the necessary funding.

The biological research division is provided with a funding level that is sufficient to maintain all field stations at their current level. If reallocations are contemplated, the Survey should submit a reprogramming request.

The additional funds provided to the cooperative research units are to fill vacancies at existing units and not to create new units.

The Congress provided specific direction on the operation of the water resources research institutes in fiscal year 1996 and expects that direction to continue to be followed in fiscal year 1997.

The conference agreement provides $64,559,000 for cooperation with States or municipalities for water resources investigations rather than $62,130,000 as proposed by the House and $65,809,000 as proposed by the Senate.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

The conference agreement provides $156,955,000 for royalty and offshore minerals management instead of $182,555,000 as proposed by the House and $159,555,000 as proposed by the Senate. Changes to the amount proposed by the House include an increase of $4,000,000 in the Outer Continental Shelf (OCS) lands account and decreases of $4,000,000 in the royalty management/compliance account and $25,600,000 in the OCS lands account. The decrease to OCS lands is offset by the authority to use additional receipts as discussed below.

The Service should consider conducting additional pilot projects for taking oil and/or gas in-kind. The Service should coordinate with the legislative committees of jurisdiction in doing so.

The conference agreement earmarks $70,063,000 for royalty management as proposed by the Senate instead of $74,063,000 as proposed by the House.

The conference agreement permits the use of $41,000,000 in increased receipts to offset appropriations requirements as proposed by the Senate instead of $15,400,000 as proposed by the House. The conference agreement permits the use of such receipts for activities of the OCS lands activity as proposed by the Senate instead of limiting the use of those receipts to activities related to the technical information management system as proposed by the House.

OIL SPILL RESEARCH

The conference agreement provides $6,440,000 for oil spill research.

BUREAU OF MINES

MINES AND MINERALS

The conference agreement provides no funds for mines and minerals as proposed by the House instead of $2,000,000 as proposed by the Senate. Funds to cover the costs of workers compensation and unemployment benefits for former employees of the Bureau are provided in the Departmental Management account.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

The conference agreement provides $94,672,000 for regulation and technology as proposed by the Senate instead of $94,772,000 as proposed by the House. Administrative support is reduced $100,000 below the House proposed level.

ABANDONED MINE RECLAMATION FUND

The conference agreement provides $177,085,000 for the abandoned mine reclamation fund instead of $175,887,000 as proposed by the House and $179,085,000 as proposed by the Senate. Changes from the amount proposed by the House include increases of $145,000 for reclamation program operations, $1,500,000 for the small operator assistance program, and $1,000 for general services. Decreases from the House level include $438,000 for fee compliance and $10,000 for executive direction. Bill language is included so that the Office of Surface Mining may use up to $4,000,000 for the Appalachian Clean Streams Initiative from the funds provided for State reclamation program grants.

The conference agreement includes language allowing the State of Maryland to set aside the greater of $1,000,000 or 10 percent of its AML grants for use in undertaking acid mine drainage abatement and treatment projects, provided the use of funds in this manner does not interfere with the completion of priority one projects.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

The conference agreement provides $1,436,902,000 for the operation of Indian programs instead of $1,381,623,000 as proposed by the House and $1,413,606,000 as proposed by the Senate.

The net increase above the House includes increases of $4,000,000 for small and needy tribes, a $9,491,000 general increase to tribal priority allocations, $14,000,000 for ISEP formula funds, $5,815,000 for student transportation, $300,000 for institutionalized disabled, $5,356,000 for facilities O&M, $5,600,000 for administrative cost grants, $700,000 for school statistics, $500,000 for irrigation O&M, $1,000,000 for water rights negotiations, $401,000 for Haskell, $250,000 for SIPI, $950,000 for the arts and crafts board, $250,000 for land records improvement; and decreases of $2,357,000 for new tribes and $427,000 for Gila River Farms. Within central office operations there is a general reduction of $1,552,000, and within area office operations, there is a general reduction of $671,000. All internal transfers as proposed by the Senate for the operation of Indian programs are agreed to.

The conference agreement earmarks $90,829,000 for contract support as proposed by the House instead of $91,379,000 as proposed by the Senate.

The conference agreement earmarks $365,124,000 for school operations instead of $339,709,000 as proposed by the House and $344,711,000 as proposed by the Senate.

The conference agreement earmarks $53,805,000 for higher education scholarships, adult vocational training, and assistance to public schools as proposed by the Senate instead of $55,838,000 as proposed by the House.

Within the funds provided for special higher education scholarships, $100,000 is earmarked for the summer law program.

The conference agreement earmarks $54,973,000 for the housing improvement program, road maintenance, attorney fees, litigation support, self-governance grants, the Indian self-determination fund, and the Navajo-Hopi settlement program as proposed by the Senate instead of $55,603,000 as proposed by the House.

The conference agreement includes Senate language extending the prohibition on grade expansion to dormitories, and modifies the moratorium to include not only schools in the Bureau system as of October 1, 1995 but also schools and dormitories approved by the Secretary as of the same date.

The estimates for tribal enrollment used to determine funding levels for newly recognized tribes have been revised. The Bureau should use the most recent and accurate enrollment estimates for purposes of distributing funds. Should the funds required for

newly recognized tribes exceed $5,033,000, the additional funding should be derived from the general increase provided for Tribal Priority Allocations. If less funding is required, the excess funds should be realigned following the established reprogramming guidelines.

The conference agreement provides no funding for those tribes whose Federal recognition is pending, consistent with practices for other programs. The Committees expect that in the future the Bureau will request funding only for those tribes where formal recognition has occurred.

The conference agreement includes $700,000 for a school statistics ADP package. This package is a necessary tool for the BIA to implement reforms in the process for allocating resources based on enrollment levels. The Committees are aware of collaborative efforts between the BIA schools and private corporations to provide computer resources for use in BIA-funded schools. Such efforts should be coordinated with the schools statistics ADP activities to avoid duplication and ensure that limited resources are used effectively.

Funding is included as requested in the budget for the Haskell Indian Nations University and the Southwestern Indian Polytechnic Institute (SIPI). Funding constraints over the past few years have not allowed the Committees to provide the resources beyond those necessary to maintain current activities. To determine whether additional funds can be raised for these institutions through tuition fees, the Bureau should provide a report to the Committees by May 1, 1997 on the feasibility of charging tuition for both Haskell and SIPI. The report should explore options for reducing the impact of these fees, such as phasing the introduction of tuition fees and phasing the level of fees based on financial ability to pay. The report also should identify the number of students who would be able to pay tuition at each of these institutions. No action should be taken to implement any tuition fees until Congress has reviewed the feasibility of such fees.

The conference agreement earmarks $86,520,000 for welfare assistance payments as proposed by the Senate. The purpose of the cap is to preclude the Bureau from reprogramming from other programs or projects to pay welfare requirements. However, the cap is not intended to limit the flexibility of the tribes to reprogram funds within tribal priority allocations in order to provide welfare assistance payments as needed.

The Bureau of Indian Affairs has undergone significant downsizing during the past two years due to the Vice President's National Performance Review efforts and to reductions in personnel and funding. The Bureau is directed to proceed with reorganization and/or consolidation of central, area, and agency offices in consultation with the affected tribes and where opportunities for consolidation and/or closure exist due to significant progress made by Indian tribes to compact or contract Bureau operations. Any savings in resources made by these efforts should be made available for transfer to tribes and/or tribal priority allocations subject to reprogramming. The Bureau is further directed to report on its reorganization efforts within 120 days of enactment of this Act and submit a reprogramming prior to implementing reorganization and/or consolidation of these offices.

CONSTRUCTION

The conference agreement provides $94,531,000 for construction instead of $85,831,000 as proposed by the House and $93,933,000 as proposed by the Senate.

Increases above the House include $3,100,000 for education construction, facilities improvement and repair, of which $2,100,000 is to replace the unsafe Lac Courte Oreilles elementary school portable buildings with a permanent structure; $5,000,000 is for the Wapato irrigation project; and $600,000 is for construction program management.

The BIA should schedule planning and design of new or replacement school construction projects to keep pace with the BIA's ability to fund and construct these projects.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

The conference agreement provides $69,241,000 for Indian land and water claim settlements and miscellaneous payments to Indians as proposed by the Senate instead of $65,241,000 as proposed by the House.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

The conference agreement provides $5,000,000 for the Indian guaranteed loan program account.

ADMINISTRATIVE PROVISIONS

The conference agreement provides language limiting the distribution of tribal shares for central office and pooled overhead administrative functions. The Bureau has been operating with reduced funding levels for central office, area office, and pooled overhead activities, and the entire administrative budget of the Bureau constitutes less than ten percent of its operating budget. Therefore, the Bureau is directed not to proceed with further distribution of shares of central office and pooled overhead funding to tribes as required under the Indian Self-Determination Act and Tribal Self-Governance Act. The Committees are concerned that implementation of the formula in an era of declining budgets will have a negative impact on non-compacting/contracting tribes. The Bureau is directed to continue to refine its analysis of the legal authority and the costs associated with performing inherently Federal functions as well as the costs associated with the various additional programmatic functions to be contracted by the tribes.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

The conference agreement provides $65,188,000 for assistance to territories instead of $65,088,000 as proposed by the House and $65,388,000 as proposed by the Senate. A $100,000 increase over the House level is provided for technical assistance.

The conference agreement includes $3,000,000 to fund the land grant status of the CNMI College, as authorized in section 305 of Public Law 102–247. The Committees concur that the use of these funds for an endowment is authorized under the terms of section 118 of the fiscal year 1996 Interior and Related Agencies Appropriations Act (P.L. 104–134), and that creation of the endowment is consistent with the legislation from which section 118 was derived (as expressed in Senate Report 104–101). The conference agreement also includes Senate bill language allowing covenant grant recipients to use covenant grant funds to meet local matching requirements for other Federal grants.

The Senate report included language making the release of a portion of infrastructure funds conditional upon the implementation of certain improvements in fiscal management practices by the government of American Samoa. The Committees agree that implementation of such improvements is solely the responsibility of the Samoan government, and applaud the government's commitment to making such improvements. However, there is an obligation to ensure that the scarce Federal funds appropriated in this bill are spent wisely. The conference agreement therefore reflects the Senate position with regard to the release of a portion of infrastructure funds. It is noted that substantial prior year and current year infrastructure funds for American Samoa remain unencumbered. The Department is encouraged to recognize the flexibility granted in the Senate language, both in assessing substantial implementation of the immediate term recovery plan and in evaluating reasons why portions of the plan may not be implemented.

COMPACT OF FREE ASSOCIATION

The conference agreement provides $23,538,000 for the Compact of Free Association instead of $23,638,000 as proposed by the House and $23,438,000 as proposed by the Senate. The agreement includes a reduction of $100,000 from the House funding level for Enewetak support.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement provides $58,286,000 for salaries and expenses for departmental management instead of $53,691,000 as proposed by the House and $58,991,000 as proposed by the Senate. Funds are distributed as follows: $10,306,000 for departmental direction; $20,432,000 for management and coordination; $7,039,000 for hearings and appeals; $18,509,000 for central services; and up to $2,000,000 for compensation for former Bureau of Mines employees. Within the amount provided for central services is a one-time increase of $95,000 for aircraft services in Alaska for the costs associated with the transfer of an historic aircraft to the Alaska Aviation Heritage Museum. The conference agreement also provides that any funds not needed for BOM payments may be used for central services. If a redistribution of funds among the budget activities is desired beyond the reprogramming.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

The conference agreement provides $35,443,000 for salaries and expenses for the Office of the Solicitor as proposed by the Senate instead of $35,208,000 as proposed by the House. The $235,000 increase above the House level is for the Solicitor's Honors Program.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement provides $24,439,000 for salaries and expenses of the Office of Inspector General.

NATIONAL INDIAN GAMING COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $1,000,000 for salaries and expenses of the National Indian Gaming Commission.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

The conference agreement provides $32,126,000 for Federal trust programs in the Office of Special Trustee for American Indians instead of $19,126,000 as proposed by the House and $36,338,000 as proposed by the Senate.

Within the funds provided for the Office of Special Trustee, $1,626,000 is for executive direction, including $1,176,000 for staffing, $200,000 for the advisory board, and $250,000 for the Intertribal Monitoring Association. The fiscal year 1998 budget request should clearly identify the requested level for each of these activities.

Within the $16,612,000 for operations, $8,828,000 is provided for the Office of Trust Funds Management, $2,312,000 is for administrative support, and $5,471,000 is for area and

field operations. For improvement initiatives, $13,461,000 is provided. For past reconciliation efforts, $427,000 is provided.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Section 107 includes language proposed by the Senate which changes the termination date for the limitation on obligations for the Presidio from September 30, 1997 to December 31, 1996.

Section 108 provides for limiting final rules or regulations on RS 2477 rights-of-way as proposed by the Senate. The House bill included a similar provision.

Section 114 modifies language proposed by the Senate relating to the acquisition and removal of Elwha and Glines dams. The House had no similar provision. This provision amends the Elwha River Ecosystem and Fisheries Restoration Act to allow the State of Washington to purchase the projects from the Federal Government and provide for their removal. Should the State elect to exercise this option, the State shall provide for the protection of water quality and availability, for the full restoration of the Elwha River ecosystem and native anadromous fisheries, and for the fulfillment of the other obligations that would otherwise be the responsibility of the Secretary of the Interior pursuant to the Elwha Act.

Section 115 provides for extending the Blackstone River Valley Heritage Commission for one year as proposed by the Senate. The House had no similar provision.

Section 116 provides for the transfer of a former Bureau of Mines facility in Salt Lake City to the University of Utah as proposed by the Senate. The House had no similar provision.

Section 117 deletes language proposed by the Senate on funding distribution formula and retains authority for the Secretary of the Interior to approve up to 50 new self-governance compacts with Indian tribes. The House had no similar provision.

Section 118 provides for the collection of fees by the Indian Arts and Crafts Board as proposed by the Senate. The House had no similar provision.

Section 119 provides for the transfer of BLM buildings in Battle Mountain to Lander County, Nevada, and for the transfer of another BLM building in Winnemucca to the State of Nevada as proposed by the Senate. The House had no similar provision.

Section 120 provides for the transfer of an aircraft to the Alaska Aviation Heritage Museum in Anchorage as proposed by the Senate. The House had no similar provision.

Section 121 provides authority for the city of Mesquite, Nevada to purchase BLM tracts surrounding the city as proposed by the Senate. The House had no similar provision.

Section 122 provides for the transfer of BLM buildings and land to the St. Vincent DePaul Parish in Silver City, New Mexico as proposed by the Senate. The House had no similar provision.

Section 123 amends a provision in the fiscal year 1996 Interior and Related Agencies Appropriations Act to make permanent the authority of the Secretary of the Interior to transfer facilities of the former Bureau of Mines.

Section 124 provides for cooperative agreements between BLM and private land owners for the restoration and enhancement of biotic resources.

Section 125 provides for naming the visitor center at Channel Islands National Park, CA as the ''Robert J. Lagomarsino Visitor Center''.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

The conference agreement provides $179,786,000 for forest and rangeland research instead of $179,000,000 as proposed by the House and $180,200,000 as proposed by the Senate. The funding increase above the 1996 allocation is not limited to insect, disease and noxious plant programs. Within the allocation, $900,000 above the request is provided for hardwoods research at Princeton, WV. The agreement also provides $300,000 for the forest health partnership project involving the Northern Arizona University School of Forestry and the Department of the Interior, $200,000 for the Olympic Natural Resources Center, $300,000 for the University of Washington landscape management project, and $500,000 for the Evanston Research Office, Lincoln Park restoration project. The agreement accepts the House instructions and funding level for the ''CROP'' project on the Colville National Forest.

The conference agreement provides that funds in the forest and rangeland research account remain available until expended as proposed by the Senate. The House proposed two-year funding availability.

The Forest Service may make changes to the work unit allocations that were proposed with the budget justification, however it is important that the Forest Service work closely with Congress to provide an understanding of what changes are proposed. The Forest Service should follow normal reprogramming procedures if it determines that changes are warranted in the research station organization. The Forest Service should name a Director to the North Central Forest Experiment Station as expeditiously as possible. The Forest Service has failed to fill this position in recent years while contemplating a possible reorganization. The affected laboratories should not be without leadership in the interim. If a reorganization is to be pursued affecting this station, the Forest Service should submit a reprogramming request in a timely manner.

STATE AND PRIVATE FORESTRY

The conference agreement provides $155,461,000 for state and private forestry instead of $148,884,000 as proposed by the House and $156,811,000 as proposed by the Senate.

Forest health management is provided $66,166,000, a decrease of $2,335,000 from the level proposed by the House. Cooperative lands forest health management is provided $15,000,000, a $1,335,000 decrease from the House level. Cooperative lands fire management is allocated $18,001,000, which is $1,000,000 below the House level.

Cooperative forestry is provided $89,295,000 instead of $80,383,000 as proposed by the House and $90,645,000 as proposed by the Senate. The forest legacy program is allocated $2,000,000; it was not funded by the House. The Pacific Northwest assistance programs are provided $16,762,000, a $2,762,000 increase from the House level.

Bill language is included to provide $750,000 for a grant to the World Forestry Center for research on land exchange efforts in the Umpqua River Basin in Oregon. These funds are included in the Pacific Northwest assistance activity.

Economic action programs are provided $17,150,000, an increase of $4,150,000 above the House level. Economic action program funds should be distributed as follows:

Rural development	$5,500,000
Wood in transportation	1,200,000
Economic recovery	5,000,000
Forest products conservation and recycling	1,200,000
Columbia River Gorge, economic development grants	3,000,000
Columbia River Gorge, payments to counties	250,000
Columbia River Gorge, Doetsch Ranch	1,000,000

The forest products conservation and recycling allocation includes $200,000 to assist the hardwoods training center in Princeton, WV. The rural development program includes $500,000 for the Hawaii tropical forest task force and $3,000,000 for the Northeast and Midwest. The Lake Tahoe Basin erosion control program is allocated a total of $500,000, all of which is included in the forest stewardship allocation. The Northeastern Pennsylvania community forestry program is allocated $1,650,000, of which $500,000 is included in the forest stewardship activity and $1,150,000 is included in the urban and community forestry activity.

INTERNATIONAL FORESTRY

The conference agreement allows the Forest Service to use up to $3,000,000 from benefiting functions to support international forestry activities. If additional funds are needed, the Forest Service should submit a reprogramming request following normal procedures.

NATIONAL FOREST SYSTEM

The conference agreement provides $1,274,781,000 for the National Forest System instead of $1,258,057,000 as proposed by the House and $1,285,881,000 as proposed by the Senate. The conference agreement provides that funds in the national forest system account remain available until expended as proposed by the Senate. The House proposed two-year funding availability.

The conference agreement provides $130,088,000 for land management planning, inventory and monitoring as proposed by the Senate, which is $53,000,000 above the level proposed by the House for the land management planning activity. Forest planning is provided $35,662,000, Pacific Northwest forest plan watershed analysis and related activities are provided $19,338,000, inventory and monitoring activities are provided $69,000,000, and headquarters functions are provided the remainder.

The Committees are very concerned about the cost of forest planning activities; funds provided are only $1,000,000 below the level in the budget request so there should be no reason for delays in the forest planning revision process. There is concern that funds which were moved from program areas in fiscal year 1995 to support vital inventory and monitoring needs are not being used for those purposes. It is important that these funds support professional activities of appropriate specialists in the field so the Forest Service can provide quality, scientifically sound information and regular environmental monitoring, thereby reducing the litigation and appeals gridlock that has characterized recent times. Inventory and monitoring funds should support integrated land management and those programmatic inventory and monitoring activities above the project level which were supported by programmatic funds before the 1995 budget reform. A general Accounting Office review will be requested to report on the manner in which funds for the former ecosystem management activity were allocated and used in the field as well as the impacts of implementing the 1995 budget reform on the agency mission and various program goals.

The conference agreement provides $164,314,000 for recreation management, $33,267,000 for wilderness management, $13,570,000 for heritage resources, $28,263,000 for wildlife habitat management, $14,756,000 for inland fish habitat management, $21,029,000 for anadromous fish habitat management, $21,763,000 for threatened, endangered and sensitive species habit management, $22,506,000 for grazing management, $15,506,000 for rangeland vegetation management, $196,000,000 for timber sales management, $55,768,000 for forestland vegetation management, $22,111,000 for soil, water and

air operations, $20,003,000 for watershed improvements, $35,767,000 for minerals and geology management, $43,047,000 for real estate management, $14,006,000 for landline location, $81,019,000 for road maintenance, $23,008,000 for facility maintenance, $59,637,000 for law enforcement operations, and $259,353,000 for general administration.

Instructions regarding national forest system activities in the House and Senate reports should be followed except that $250,000 should be used for the Seeking Common Ground partnership program within the rangeland vegetation management activity and $250,000 is included in the inland fish habitat management activity for dredging at Lake McClellan, TX. The conference agreement includes $100,000 in the soil, water and air operations activity for jammer, or long abandoned logging roads, inventory in Idaho. These funds are to be used to begin a watershed improvement needs inventory within the Clearwater National Forest, ID. The purpose of this inventory is to develop plans for correcting watershed and stream drainage and sedimentation problems which may stem from such roads. The agreement accepts the House instructions and funding level for the ''CROP'' project on the Colville National Forest.

The instructions in the Senate report regarding timber sales management should be followed. The Forest Service should make every effort to accomplish the timber sales program as outlined in the budget request and achieve the pipeline volume goals discussed in the Senate report. The Forest Service should strive to offer sawtimber sales but the Committees recognize that the ratio of sawtimber to non-sawtimber may differ from existing forest plan goals. The forestland vegetation management activity includes a $2,000,000 increase to the base regional allocation to region 5 for this activity; these funds were moved from the wildland fire management account. This additional funding should be used to support an integrated, natural fuels management approach to wildfire fuel reduction and forest health enhancement.

In the minerals and geology activity, $750,000 has been provided for the costs associated with the handling, transportation and off-site management of materials at the Amalgamated Mill site in the Williamett National Forest, money to remain available until expended. This amount is to supplement, not replace, amounts contributed by non-federal parties. The funds provided herein are not a remedial action cost under the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. 9601 et seq.

The conference agreement modifies Senate report language restricting the use of Interior and Related Agencies Appropriation funds to supplement the USDA Central Hazardous Waste account. The Committees understand that the USDA central account is funded inadequately for all priority hazardous waste work on National Forest System lands. The Department is expected to continue to fund activities out of the appropriations accounts for which they have been established. The Appropriations Committees will entertain project requests in accordance with reprogramming procedures to provide funds for hazardous materials cleanup.

The Committees concur with the Senate's concern that the Department of Agriculture may be assessing the Forest Service to fund Departmental initiatives without the approvals required in section 306 of this Act. The Forest Service and the Department of Agriculture are expected to display assessments in the Agency budget justifications and to request reprogramming authority for those assessments that are not included in the justifications. For purposes of section 306, assessments include any charge imposed by the Department on Forest Service funds that cannot be directly linked to the actual benefits or services provided.

WILDLAND FIRE MANAGEMENT

The conference agreement provides $530,016,000 for wildland fire management instead of $411,485,000 proposed by the House and $661,485,000 proposed by the Senate. Changes from the House proposals include a reduction of $2,000,000 from preparedness and fire use and an increase of $118,531,000 for wildfire suppression operations. The $2,000,000 reduction is the result of moving funds into the National Forest System account for forestland vegetation management in region 5. The Committees understand that the wildfire suppression level is still well below the ten-year fire suppression average. In order to compensate for this potential problem, and to pay back the Knutsen-Vandenberg fund for the record wildfire operations of 1996 as well as previous wildfire emergency operations as suggested by the Senate, $550,000,000 has been included in Title IV as an emergency appropriation. The Committees expect that the Administration's future budget requests will more closely reflect the actual funding needs of the wildfire suppression activity.

The Forest Service needs to embark on an increased program for natural fuels treatments, including a balanced mixture of biomass removal, prescribed burning, and forest stand treatments which reduce wildfire risk but are environmentally sound. The conference agreement provides $6,300,000 of the presuppression activity funds for natural fuels treatments and forest health related activities in region 5 and Nevada. In addition, a $2,000,000 increase is provided in the National Forest System account for related forest vegetation management activities in region 5 as described above. The Committees understand that the region 5 fire program may still not be fully funded but it is funded well above the budget request. The Forest Service should provide expert advice and assistance as appropriate for the Mescalero Apache tribe with their forest debris and reforestation problems near the Lincoln National Forest in New Mexico.

RECONSTRUCTION AND CONSTRUCTION

The conference agreement provides $174,974,000 for reconstruction and construction instead of $164,100,000 as proposed by the House and $172,167,000 as proposed by the Senate.

The Fire, Administrative, and Other (FAO) facilities reconstruction and construction activity is provided $9,974,000. These funds are distributed as follows:

Ashland RD office, MT	$475,000
Boulder WC, CO	485,000
Chalender RS, AZ	476,000
McCall RD office, ID	200,000
LTBMU SO phase II, CA	470,000
Interagency Office, Burns, OR	225,000
Oconee RD Office, GA	393,000
Pisgah office expansion, NC	19,000
Wayne SO, OH	2,200,000
Midewin Prairie Administration, IL	800,000
Grey Towers reconstruction, PA	1,000,000
Planning and Design	1,500,000
Program Supervision	240,000
Misc. Construction	1,491,000
Subtotal FAO	9,974,000

The recreation facilities reconstruction and construction activity is provided $48,000,000 instead of $36,000,000 as proposed by the House and $49,442,000 proposed by the Senate. The agreement includes the following earmarks within recreation reconstruction and construction:

Sitting Bull Falls, NM	$851,000
Sabino Canyon VIC, AZ	232,000
Kyl & Lee Canyon Water Projects, AZ	225,000
2002 Olympics, UT	1,183,000
Applewhite Picnic II, CA	452,000
Deschutes NF, OR	367,000
Badin Lake Project, NC	400,000
Davidson River, NC	260,000
Cradle of Forestry, NC	300,000
Gum Springs, modernize swimming area, Ph. IV, LA	900,000
Winding Stair Mountain, OK	650,000
Willow Bay—phase III, PA	251,000
Hearts Content campground rehabilitation, PA	100,000
Rimrock Recreation, PA	150,000
Midewin Tallgrass Prairie, IL	800,000
Seneca Rocks NRA visitor center, WV	800,000

The agreement includes bill language permitting the Forest Service to make a grant to the Ohio State Highway Patrol for the construction of a facility for the Wayne National Forest supervisor's office if the Forest Service is provided space without charge for the life of the building.

Research construction is provided $2,000,000, a decrease of $29,000 from the level proposed by the House.

The agreement includes $93,000,000 for direct road construction to be allocated as follows: $59,000,000 for timber roads, $24,500,000 for recreation roads, and $9,500,000 for general purpose roads. The agreement includes $22,000,000 for trails construction and reconstruction, an increase of $1,991,000 above the House level. The agreement includes the following earmarks within the roads and trails construction and reconstruction allocations:

Taft Tunnel Bicycle Trail, ID	$450,000
Palmetto Trail, SC	125,000
Winding Stair Mountain, OK	338,000
2002 Olympics—roads & trails, UT	248,000
Maroon Lake and Maroon Valley, CO	875,000

LAND ACQUISITION

The conference agreement provides $40,575,000 for land acquisition instead of $30,000,000 proposed by the House and $39,660,000 proposed by the Senate.

Funds should be distributed as follows:

Project	Amount
Allegheny NF, PA	$250,000
Appalachian Trail, various States	2,000,000
Chattooga Wild and Scenic River, NC	1,000,000
Cibola National Forest (Tres Pistoles), NM	200,000
Columbia River Gorge NSA OR/WA	6,000,000
Francis Marion NF (Tibwin Plantation), SC	750,000
Green Mountain NF, VT	2,000,000
Hoosier NF, IN	500,000
Lake Tahoe Basin, NV	1,000,000
Los Padres NF (Big Sur), CA	1,500,000
Mark Twain NF, (Ozark Mt Streams), MO	500,000
Ouachita NF (inholdings), AR	500,000
Ozark NF (Mulberry WS River), AR	700,000
Pacific Northwest Streams, OR/WA	2,500,000
Running Creek Ranch, ID	750,000
San Bernardino NF (Garner Ranch & Deep Creek), CA	1,500,000
Sawtooth NRA, ID	800,000
Sumter NF (Jocassee Gorge tracts), SC	1,000,000
Talladega NF (Pinhoti Trail), AL	1,500,000
Trinity Alps, CA	600,000
White Mt. NF (Bretton Woods and Lake Tarleton), VT	2,000,000
White River NF (Warren Lakes), CO	1,000,000
Wisconsin Wild Waterways, WI	300,000
Acquisition Management	7,500,000
Cash Equalization	1,725,000
Emergency Acquisition	2,000,000
Wilderness Protection	500,000

To protect the significant Federal investment made to restore the Hood River-to-Mosier segment of the Historic Columbia River Highway, as authorized in Sections 12 and 16(b)(3) of Public Law 99–663, the conference agreement anticipates the Forest Service will acquire, by exchange or with available funds, the properties within the Hood River-to-Mosier corridor on which preexisting mining or associated uses would adversely affect scenic, cultural or recreational values.

The Committees understand that a cooperative agreement will be developed between the Forest Service, the Oregon Department of Transportation and the Oregon Parks and Recreation Department (OPRD). This cooperative agreement will acknowledge the Forest Service's temporary ownership/management of the properties and the immediate need for OPRD to construct permanent improvements on these properties pending ultimate agreement. The ultimate agreement by the three partners would provide for the long-term disposition and management of said properties. The Committees understand that the long-term disposition will involve a land exchange between the Forest Service and the State of Oregon at fair market values. The Committees further recognize that this temporary acquisition by the Forest Service is unique as it relates to the completion of the authorized Hood River-to-Mosier corridor restoration project.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

The conference agreement provides $1,069,000 for acquisition of lands for National forests special acts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

The conference agreement provides for the use of receipts estimate at $210,000 for acquisition of lands to complete land exchanges.

RANGE BETTERMENT FUND

The conference agreement provides an indefinite appropriation of $3,995,000 to be derived from grazing receipts from the National forests for the range betterment fund.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

The conference agreement provides $92,000 for gifts, donations and bequests for forest and rangeland research.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

The conference agreement modifies House provisions as proposed by the Senate limiting funds without the consent of the Appropriations Committee for changing boundaries of regions, moving regional offices or implementing various reinvention reorganizations except for the relocation of the region 5 regional office to Mare Island.

The conference agreement includes a provision as proposed by the Senate that funds may be used, with the approval of the Appropriations committees, for retrofitting the Mare Island facilities for the relocation, if the funds would have otherwise been available to region 5. The House had no such provision.

The conference agreement modifies House and Senate provisions that up to $1,000,000 for matching funds shall be available to the National Forest Foundation to match private contributions on a one-for-one basis for projects benefitting national forest system lands or related to Forest Service programs.

The conference agreement modifies a Senate provision that, pursuant to section 2(b)(2) of Public Law 98–244, up to $1,000,000 of the funds available to the Forest Service shall be available for matching funds as authorized by 16 USC 3701–3709, on a one-for-one basis to match private contributions for projects benefitting national forest system lands or related to Forest Service programs. The House had no similar provision.

The conference deletes Senate language limiting implementation of the Tongass Land Management Plan revision.

The conference agreement requires a report by March 31, 1997 to the Committee on Appropriations on the status and disposition of all salvage timber sales started under the authority of Section 2001 of P.L. 104–19 and subsequently altered as a consequence of a July 2, 1996 directive by the Secretary of Agriculture.

The conference agreement renames the Bend Silviculture laboratory in honor of Robert W. Chandler. The dedication provides commemorative recognition to the editor of the *Bend Bulletin* newspaper, a longtime community servant and advocate for sound silvicultural practices in Central and Eastern Oregon.

The conference agreement makes a technical correction in P.L. 104–134 which provides for direct payments from the Southeast Alaska Economic Disaster Fund except that these direct grants may not be used for lobbying activities.

The conference agreement provides that Forest Service employees who serve details of more than 30 days with other Department of Agriculture agencies or offices must have their salaries and expenses reimbursed by the receiving agency or office. This provision is identical to one included in the fiscal year 1997 appropriations act for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies covering other USDA employees. This ensures that there will be uniformity throughout the Department regarding this matter.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLGY

(RESCISSION)

The conference agreement rescinds $123,000,000 in clean coal technology instead of $150,000,000 as proposed by the Senate. The House proposed no rescission.

This rescission is not specific to any particular round of clean coal projects. The rescission should not affect ongoing projects due to savings achieved from the recent termination of projects prior to completion.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

The conference agreement provides $364,704,000 for fossil energy research and development instead of $354,754,000 as proposed by the House and $367,504,000 as proposed by the Senate. Changes to the House level include decreases of $1,850,000 for coal research and $1,900,000 for natural gas research, and increases of $3,500,000 for oil technology research, $1,100,000 for cooperative research and development and $9,100,000 for energy technology center program direction.

Changes to the amount proposed by the House for coal research include an increase of $1,000,000 for the Consortium for Fossil Fuel Liquefaction Science, and decreases of $1,000,000 for low emission boiler systems, $1,000,000 for indirect fired cycle, $150,000 for high-efficiency pressurized fluidized bed, $200,000 for coal technology export, $200,000 for materials and components, $100,000 for technical and economic analysis, and $200,000 for international program support. No funding is included for the atmospheric fluidized bed hospital waste project at the Veterans Administration hospital in Lebanon, PA. Any additional costs for this project should be borne by the VA.

Changes to the amount proposed by the House for oil technology research include increases of $1,000,000 for reservoir characterization, $2,000,000 for industry/national laboratory partnerships, and $500,000 to complete the domestic kerogen enhancement project. Funding for the gypsy field project and the northern mid-continental digital atlas is to be maintained at the fiscal year 1996 level.

Changes to the amount proposed by the House for natural gas research include decreases of $900,000 for methyl chloride production and $1,000,000 for tubular solid oxide fuel cells.

Other changes to the House position include increases of $1,100,000 for cooperative research and development and $9,100,000 for energy technology center program direction. Funds provided for cooperative research and development include $40,000 for program management support and $2,530,000 each for the Western Research Institute and the University of North Dakota Energy and Environmental Research Center.

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

The conference agreement provides for the deposit of investment income earned as of October 1, 1996 on principal amounts in a trust fund established as part of the sale of the Great Plains Gasification Plant in Beulah, ND, and immediate transfer of the funds to the General Fund of the Treasury. The agreement also rescinds, $2,500,000 in unobligated balances.

NAVAL PETROLEUM AND OIL SHALE RESERVES

The conference agreement provides $143,786,000 for the naval petroleum and oil shale reserves instead of $132,022,000 as proposed by the House and $133,000,000 as proposed by the Senate. The increase above the amount proposed by the House reflects the elimination of a general reduction of $11,764,000. The Department should take necessary actions to ensure that the value of the reserves is maintained.

ENERGY CONSERVATION

The conference agreement provides $569,762,000 for energy conservation research instead of $523,444,000 as proposed by the House and $570,452,000 as proposed by the Senate. Changes to the amount proposed by the House include increases of $19,741,000 for building technology, $2,000,000 for the Federal energy management program, $8,027,000 for industry programs, $15,750,000 for transportation research, and $800,000 for policy and management.

Changes to the amount proposed by the House for building research include increases of $1,000,000 for residential buildings/Building America, $500,000 for industrialized housing, $2,000,000 for commercial buildings/Rebuild America, $1,000,000 each for commercial/affordable homes and commercial multifamily research, $500,000 for hi-cool heat pumps, $300,000 for large commercial chillers, $500,000 for advanced desiccants, $500,000 for oil heat research and development, $5,000,000 for high priority lighting and applicable research and development, $700,000 for urban heat islands, $250,000 for superwindow collaboratives, $9,081,000 for weatherization assistance, and $4,000,000 for the State energy conservation program. Decreases from the House level include $1,000,000 for design for best practices/energy tools, $5,000,000 in building equipment and materials programs (which reflects the deletion of the generic increase in House floor action as funds were distributed to the program increases discussed above), $1,000,000 for updating State codes, $1,000,000 as a general reduction to the codes and standards programs, $25,000 for modeling and tools, and $100,000 for analytical studies and planning studies.

For the Federal energy management program, an increase of $2,000,000 over the House amount is provided for the highest priority FEMP activities.

Changes to the amount provided by the House for industry programs, include increases of $140,000 for forest and paper products, $2,587,000 for aluminum, $500,000 for metal casting, $1,000,000 for petroleum refining, $2,000,000 for cogeneration/advanced turbine systems, $500,000 for technology transfer/outreach programs and $1,300,000 for the inventions and innovations program.

Changes to the amount provided by the House for transportation programs include

increases of $500,000 for systems optimization for natural gas vehicles, $850,000 for student vehicle competitions, $1,000,000 for NO_x emissions control for natural gas vehicles, $1,000,000 for electric vehicle research/exploratory technology, $4,200,000 for hybrid vehicle research and development, $2,000,000 for fuel cell research, $300,000 for propulsion system materials/heavy vehicles, $3,000,000 for lightweight vehicle materials, $400,000 for heavy vehicle materials technology, and $1,500,000 for light duty engine research and development.

Changes to the amount provided by the House for policy and management include $400,000 for salaries and expenses at the Golden field office and $400,000 for contract services at the Golden field office.

The conference agreement does not extend the moratorium on the issuance of lighting and appliance standards. With regard to the development of new or revised standards, the conference agreement assumes that the Department will seek to achieve consensus with stakeholders consistent with the understanding expressed in the colloquy on this subject during House floor action on H.R. 3662.

The conference agreement supports funding to provide grants to those states that adopt model energy codes for residential construction in order to assist in their efforts to implement these codes through training and technical assistance for builders and building officials. However, concerns have been raised about the manner in which DOE, as well as organizations supported by DOE funding, have used these monies. Specifically, funding should neither be used to coerce the states into adopting model energy codes nor to penalize States that attempt to repeal such costs—activities not authorized by the Energy Policy Act.

Within the amount provided for the chemicals program, the Committees urge the Department to complete alternative feedstocks projects currently underway within the funds provided, particularly those AFP projects that are nearing completion and are consistent with the chemical industry vision statement.

The natural gas vehicle plan requested in Senate Report 104–319 should be developed in consultation with interested outside parties, including industry, government, and universities. To the extent a resource such as the National Research Center for Coal and Energy offers skills and expertise that would help facilitate the interaction of interested parties, the Department of Energy is encouraged to consider involving the Center in the development of the requested plan. In the event the interested parties pursue a consortium approach for this program, funding for the consortium's operation should be provided by non-Federal participants.

The Department should continue to honor its funding commitment to the ceramics research program. The ceramics program is essential to the success of many major energy efficiency programs including the turbine engine program.

The Committees encourage the Department to use a portion of the funds provided for transportation programs to initiate new and innovative projects that support program objectives.

The conference agreement earmarks $149,845,000 for energy conservation grant programs instead of $136,764,000 as proposed by the House and $158,900,000 as proposed by the Senate. The earmark for the weatherization assistance program is $120,845,000 and the earmark for State energy conservation grants is $29,000,000.

ECONOMIC REGULATION

The conference agreement provides $2,725,000 for economic regulation.

STRATEGIC PETROLEUM RESERVE

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides for the sale of $220,000,000 of Strategic Petroleum Reserve oil and for the use of those funds for operation of the SPR in fiscal year 1997 as proposed by the Senate.

SPR PETROLEUM ACCOUNT

The conference agreement provides an outlay limitation of $5,000,000 for the SPR petroleum account.

ENERGY INFORMATION ADMINISTRATION

The conference agreement provides $66,120,000 for the Energy Information Administration as proposed by the House instead of $64,120,000 as proposed by the Senate.

Funding reductions below the fiscal year 1996 level should be achieved through a combination of reducing contract support and by normal Federal staff attrition without incurring separation costs required for a reduction-in-force or new employee buyout authority. This approach appropriately will place greater reliance on Federal staffing rather than on support service contractors for gathering, compiling and analyzing the Nation's energy statistics.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

The conference agreement provides $1,806,269,000 for Indian health services instead of $1,779,561,000 as proposed by the House and $1,800,836,000 as proposed by the Senate.

Increases above the House include $2,000,000 for hospitals and clinics, $3,200,000 for contract care for new and expanded tribes, $1,000,000 for public health nursing, $500,000 for community health aides in Alaska, $1,000,000 for urban health, $2,000,000 for Indian health professions, $7,500,000 for the Indian self-determination fund, and $9,508,000 fixed cost restoration for both services and facilities. Within the funds provided, the Indians into psychology program should be funded at $200,000.

The conference agreement earmarks a total of $368,325,000 for contract health services instead of $365,125,000 as proposed by the House and $365,128,000 as proposed by the Senate.

The conference agreement earmarks $11,706,000 for the loan repayment program as proposed by the Senate instead of $11,306,000 as proposed by the House.

The conference agreement earmarks $7,500,000 for the Indian self-determination fund. The agreement also deletes Senate language limiting the use of the Indian self-determination fund to nonrecurring transitional costs of initial or expanded tribal contracts, compacts, grants, or cooperative agreements.

INDIAN HEALTH FACILITIES

The conference agreement provides $247,731,000 for Indian health facilities instead of $227,701,000 as proposed by the House and $251,957,000 as proposed by the Senate.

Increases above the House include $1,000,000 for modular dental units, $3,000,000 for sanitation facilities, $1,000,000 for maintenance and improvement, $13,500,000 for the replacement facility at Lame Deer, Montana, and $1,530,000 for equipment at the Anchorage native primary care center. The conference agreement also assumes that the facilities account will receive an appropriate portion of the increase for fixed cost restoration provided in the services account.

IHS may use up to $3,000,000 of the funds provided for sanitation facilities for projects to assess open dumps on Indian lands. However, before proceeding, IHS should report to the Committee on the level of resources it intends to allocate to this activity.

Senate floor-action adopted language authorizing the Choctaw Nation of Oklahoma to use certain non-facilities funds to construct a facility to replace the Talahina Indian Hospital. While the IHS and tribes are encouraged to explore alternative means of facility financing, the Senate language would set a significant precedent. As such, the language has been removed to provide IHS and the relevant committees an opportunity to study its potential impact on the priority list system, future facility financing and the quality of health care service in Indian country.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

As proposed by the Senate, the conference agreement deletes language preventing ISH from billing Indians who have the economic means to pay for services.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

The conference agreement provides $61,000,000 for Indian education instead of $52,500,000 as proposed by the House and Senate. The increase is for grants to local educational agencies.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

The conference agreement provides $19,345,000 for the Office of Navajo and Hopi Indian Relocation as proposed by the Senate instead of $20,345,000 as proposed by the House.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

The conference agreement provides $5,500,000 for the Institute of American Indian and Alaska Native Culture and Arts Development.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

The conference agreement provides $317,557,000 for salaries and expenses instead of $317,188,000 as proposed by the House and $317,582,000 as proposed by the Senate. Within this allowance, funds are included for two of the Institution's priority program enhancements: $720,000 for the Smithsonian Astrophysical Observatory to fund initial operations of the Hilo, HI field station submillimeter array, and $649,000 for procurement of the voice system and a portion of the data system of the National Museum of Natural History's East Court Building. Level funding of $1,447,000 is recommended for the Center for Folklife Programs and Cultural Studies and includes an amount of $200,000 above the budget request for the Mississippi Delta program at the 1997 Festival of American Folklife. The State of Mississippi intends to contribute $250,000 to this effort. In order to address uncontrollable costs, the Institution is provided with an increase of $5,025,000 for mandated pay raises. Further, of the $3,000,000 appropriated for one-time buyout expenses in fiscal year 1996, $2,975,000 has been retained in the base to be applied toward additional expenses associated with postage, communications and utilities ($2,000,000) and rental space ($975,000). Savings derived from recent buyout activities are expected to be used by the Smithsonian Institution to assist in meeting any other increases in uncontrollable expenses that were identified in the fiscal year 1997 budget estimate.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

The conference agreement provides $3,850,000 for zoo construction instead of $3,250,000 as proposed by the House and $4,000,000 as proposed by the Senate. Of this total, $3,250,000 is designated for repair, renovation and improvement projects at both the Rock Creek and Front Royal facilities. In addition, $600,000 is included for the Grasslands exhibit, thereby enabling the Zoo to complete Phase I, the American Prairie. Once completed, no additional operating costs are expected to be incurred in staffing this exhibit. Given the restrictions of the current budget climate, it is unlikely that additional funds will be available in the near future to address Phases II and III.

REPAIR AND RESTORATION OF BUILDINGS

The conference agreement provides $39,000,000 for repair and restoration of buildings instead of $39,954,000 as proposed by the House and $38,000,000 as proposed by the Senate.

CONSTRUCTION

The conference agreement provides $10,000,000 for construction instead of $7,000,000 as proposed by the House and $12,000,000 as proposed by the Senate. Within this total, $4,000,000 is provided to the National Museum of the American Indian to complete planning and design of the Mall Museum, $3,000,000 for continued planning and design of the National Air and Space Museum extension, and $3,000,000 for minor construction, alterations and modifications.

The conference agreement includes $4,000,000 to complete the design of the National Museum of the American Indian as recommended by the Senate. This represents a logical stopping point on this project. This funding is provided so that the $5,300,000 in the Federal funds and the $3,400,000 in donated funds already spent on design will not be wasted. By funding this final phase of the design, the managers are not committing to appropriations for construction funds in fiscal year 1998. Last year Congress directed the Smithsonian to consider possible downsizing of the building or additional private fundraising efforts to reduce the $110,000,000 Federal share of the construction. The Smithsonian has not responded to these directives and given the current budget constraints and the Smithsonian's other priority needs, further Federal funding for the Indian Museum is likely to be delayed.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

The conference agreement provides $53,899,000 for salaries and expenses of the National Gallery of Art.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

The conference agreement provides $5,942,000 for repair, restoration and renovation of buildings.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

The conference agreement provides $10,875,000 for operations and maintenance of the John F. Kennedy Center for the Performing Arts.

CONSTRUCTION

The conference agreement provides $9,000,000 for construction.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

The conference agreement provides $5,840,000 for salaries and expenses of the Woodrow Wilson International Center for Scholars.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

The conference agreement provides $82,734,000 for grants and administration of the National Endowment for the Arts.

MATCHING GRANTS

The conference agreement provides $16,760,000 for matching grants.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

The conference agreement provides $96,100,000 for grants and administration of the National Endowment for the Humanities instead of $92,994,000 as proposed by the House and $87,994,000 as proposed by the Senate.

MATCHING GRANTS

The conference agreement provides $13,900,000 for matching grants instead of $11,500,000 as proposed by the House and Senate.

INSTITUTE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

The conference agreement provides $22,000,000 for grants and administration of the Institute of Museum Services instead of $21,000,000 as proposed by the House and Senate.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

The conference agreement provides $867,000 for salaries and expenses of the Commission of Fine Arts.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

The conference agreement provides $6,000,000 for National capital arts and cultural affairs grants.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

The conference agreement provides $2,500,000 for salaries and expenses of the Advisory Council on Historic Preservation. Federal agencies and other entities that benefit from the Council's expert assistance and advice on meeting their particular preservation obligations should reimburse the Council for the cost of providing these services, rather than relying on the Council's appropriation. The Council, with full cooperation from other Federal agencies, should cultivate such reimbursable arrangements as an important component of supporting its mission. Such agreements will further the Council's mission but not increase the Council's dependency on the Interior bill.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $5,390,000 for salaries and expenses of the National Capital Planning Commission.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $500,000 for salaries and expenses of the Franklin Delano Roosevelt Memorial Commission as proposed by the Senate instead of the $125,000 as proposed by the House. Funds are made available until expended as proposed by the Senate. The House had proposed one-year funding availability.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

The conference agreement provides $30,707,000 for the Holocaust Memorial Council as proposed by the Senate instead of $29,707,000 as proposed by the House.

TITLE III—GENERAL PROVISIONS

Section 312 continues language carried in the fiscal year 1996 appropriations act regarding AmeriCorps activities of the Department of the Interior and the Forest Service in the Department of Agriculture subject to established reprogramming guidelines. Timely consideration will be given to any request that is submitted. If AmeriCorps members can be used in a manner that on-the-ground land managers determine will be cost-effective and beneficial to the agency, those types of efforts should be considered via a reprogramming request.

Section 315 expands the Wayne NF land acquisition moratorium to include Gallia County, Ohio as adopted by Senate floor action. The House did not include Gallia County in the moratorium.

Section 316 clarifies House language regarding grants by the National Endowment for the Arts to local arts agencies and regional groups, as proposed by the Senate.

The conference agreement deletes House and Senate language regarding construction of a telescope on Mount Grahm. Section 317 modifies House and Senate language limiting funding for issuing a final rulemaking on jurisdiction over subsistence fishing in Alaska.

The committees intend that the prohibition in this section shall not prevent the Secretaries of Agriculture and the Interior from continuing to receive public comment on the advanced notice of proposed rulemaking on subsistence, or from preparing or issuing any further notice of proposed rulemaking with respect to subsistence in Alaska. The committees intend that neither Secretary will issue such notice of proposed rulemaking, and the section prohibits the implementation or enforcement of any interim or final rule or regulation.

Section 319 extends the recreation fee demonstration program and expands it to include 100 units per participating agency as proposed by the Senate. The House had a similar provision which did not increase the number of participating units.

Conference agreement deletes House language placing a limitation on the transfer of land into trust for Indian tribes, as proposed by the Senate.

Section 321 transfers the Bend Silviculture Laboratory to the Central Oregon Community College as proposed by the Senate. The House had no similar provision.

Section 322 modifies a Senate provision such that the activities of the Office of Forestry and Economic Assistance or any successor office are terminated after December 31, 1996. The House had no similar provision.

Section 323 authorizes a land exchange between the Corrections Corporation of America and National Park Service of land in Oxon Cove Park in Prince Georges County, Maryland as proposed by the Senate. The House had no similar provision.

Section 324 authorizes a land exchange between the Forest Service and the Chelan County Public Utility District in Washington as proposed by the Senate. The House had no similar provision.

Section 325 mandates the modification of the boundaries of the Snoqualmie National Forest to facilitate a land exchange between the Forest Service and the Weyerhaeuser Co. as proposed by the Senate. The House had no similar provision.

Section 326 provides for a land exchange between the Forest Service (Green Mountain National Forest) and Sugarbush Resort Holdings, Inc. as proposed by the Senate. The House had no similar provision.

Section 327 removes 100 acres from the Snowbird Wilderness Study Area as proposed

by the Senate. The House had no similar provision.

Section 328 renames the Columbia Wilderness in the Mt. Hood NF, OR as the ''Mark O. Hatfield Wilderness'' as proposed by the Senate. The House had no similar provision.

Section 329 authorizes limited competition for ''Jobs in the Woods'' contracts in Washington, Oregon and California as proposed by the Senate. The House had no similar provision.

Section 330 amends the Rhode Island Indian Claims Settlement Act pertaining to Indian gaming in the State of Rhode Island. The inclusion of this provision is not intended to set a precedent, but is intended exclusively to be a fulfillment of the agreement concerning Indian gaming in the State of Rhode Island reached when the underlying legislation, the Indian Gaming Regulatory Act (IGRA), was passed. The agreement is set forth in the colloquy that accompanied the passage of IGRA. A restatement of this colloquy follows:

Mr. PELL. Mr. President, I would like to thank the managers of S. 555, the Indian Gaming Regulatory Act, and particularly the chairman of the Select Committee on Indian Affairs [Mr. Inouye], for their hard work and patience in acheving a consensus on this important measure.

In the interests of clarity, I have asked that language specifically citing the protections of the Rhode Island Indian Claims Settlement Act (Public Law 95–395) be stricken from S. 555. I understand that these protections clearly will remain in effect.

Mr. INOUYE. I thank my colleague, the senior Senator from Rhode Island [Mr. Pell], and assure him that the protections of the Rhode Island Indian Claims Settlement Act (P.L. 95–395), will remain in effect and that the Narragansett Indian Tribe clearly will remain subject to the civil, criminal, and regulatory laws of the State of Rhode Island.

Mr. CHAFEE. Mr. President, I too would like to thank the chairman [Mr. Inouye] and members of the Select Committee on Indian Affairs for their cooperation and assistance. The chairman's statement makes it clear that any high stakes gaming, including bingo, in Rhode Island will remain subject to the civil, criminal, and regulatory laws of our State. (Congressional Record, September 15, 1988, p. S. 12650)

The Fish and Wildlife Service, the National Park Service and the Forest Service should promulgate rules which ensure that the public has the opportunity to participate fully and comment on the issuing of permits, rights-of-way or easements for any telecommunications facility placed in any unit of the National Refuge System, the National Park System or the National Forest System.

Conference agreement does not include language proposed by the Senate restricting employee relocation costs. However, an area of concern with respect to agencies funded by the Interior bill is the large number of employees affected by, and millions of dollars spent each year on, relocations and transfers of station. Reductions in this area can result in significant savings that can be applied to agency operating programs. All land management agencies are encouraged to reduce both the number of employees relocated and the total cost of relocating employees by 10 percent in fiscal year 1997 and to plan to reduce the number by an additional 10 percent in fiscal year 1998, using the average of fiscal years 1994 and 1995 as a base. All agencies should include in the fiscal year 1998 budget request to Congress a report on the progress and plans for achieving reductions in relocation costs and employee relocations.

TITLE IV—EMERGENCY APPROPRIATIONS

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

An additional $3,500,000 in emergency appropriations is provided for management of lands and resources to restore public lands damaged by fire. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

WILDLAND FIRE MANAGEMENT

An additional $100,000,000 in emergency appropriations is provided for wildland fire management. This amount is contingent upon receipt of a budget request that includes a President designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OREGON AND CALIFORNIA GRANT LANDS

An additional $2,500,000 in emergency appropriations is provided for Oregon and California grant lands to restore public lands damaged by fire. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

An additional $2,100,000 in emergency appropriations is provided for resource management of which $600,000 is to restore public lands damaged by fire and $1,500,000 is to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CONSTRUCTION

An additional $15,891,000 in emergency appropriations is provided for construction to address damages from hurricanes Bertha, Fran and Hortense and from floods in the Midwest and droughts and floods in the Southwest. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

An additional $2,300,000 in emergency appropriations is provided for the operation of the National park system to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CONSTRUCTION

An additional $9,300,000 in emergency appropriations is provided for construction, of which $3,000,000 is to address damages caused by hurricanes Bertha, Fran and Hortense and $6,300,000 is to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

An additional $1,138,000 in emergency appropriations is provided for surveys, investigations, and research to address data collection and documentation costs associated with hurricane and flood damage. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

An additional $6,600,000 in emergency appropriations is provided for operation of Indian programs to address damages on the Mescalaro Apache reservation caused by floods in the Southwest and to restore Indian lands damaged by fire. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CONSTRUCTION

An additional $6,000,000 in emergency appropriations is provided for construction to address damages on the Mescalaro Apache reservation caused by floods in the Southwest. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

NATIONAL FOREST SYSTEM

An additional $3,395,000 in emergency appropriations is provided for the National Forest System to address damages caused by hurricanes Fran and Hortense. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

WILDLAND FIRE MANAGEMENT

An additional $550,000,000 in emergency appropriations is provided for wildland fire management including repayment of advances from other appropriations accounts. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

RECONSTRUCTION AND CONSTRUCTION

An additional $5,210,000 in emergency appropriations is provided for reconstruction and construction to address damages caused by hurricanes Fran and Hortense. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OTHER RELATED AGENCIES

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

An additional $935,000 in emergency appropriations is provided for salaries and expenses of the Smithsonian Institution to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

An additional $1,600,000 in emergency appropriations is provided for operation and maintenance of the John F. Kennedy Center for the Performing Arts to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CONSTRUCTION

An additional $3,400,000 in emergency appropriations is provided for construction to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

An additional $382,000 in emergency appropriations is provided for salaries and expenses of the National Gallery of Art to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

An additional $1,000,000 in emergency appropriations is provided for the Holocaust Memorial Council to address anti-terrorism requirements. This amount is contingent upon receipt of a budget request that includes a Presidential designation of such amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

SECTION 101(e)

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The conferees on H.R. 3610 agree with the matter inserted in this subsection of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House and Senate versions of H.R. 3755, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, by members of the appropriations subcommittee of both the House and Senate with jurisdiction over H.R. 3755.

Section 101(e) of H.R. 3610 provides appropriations for programs, projects and activities provided for in the Departments of Labor, Health and Human Services and Education and Related Agencies Appropriations Act, 1997. In implementing this agreement, the Departments and agencies should comply with the language and instructions set forth in House Report 104–659 and Senate Report 104–368. In those cases where the language and instructions specifically address the allocation of funds, the Departments and agencies are to follow the funding levels specified in the Congressional budget justifications accompanying the fiscal year 1997 budget or the underlying authorizing statute and should give careful consideration to the recommendations in the reports accompanying the House and Senate bills. With respect to the provisions in the above House and Senate Reports that specifically allocate funds that are not allocated by formula in the underlying statute or identified in the budget justifications, the conferees have reviewed each and have included those in which they concur in this joint statement.

The Departments of Labor, Health and Human Services and Education and Related Agencies Appropriations Act, FY 1997, put in place by this bill, incorporates the following agreements of the managers:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The conference agreement includes $4,719,703,000, instead of $4,166,482,000 as proposed by the House in H.R. 3755 and $4,202,739,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement includes $895,000,000 for adult job training, $871,000,000 for summer youth employment, $1,293,000,000 for the dislocated workers program and $200,000,000 for the school-to-work program.

The agreement includes the FY 1996 amount for the American Samoan program under pilots and demonstrations.

The conferees are agreed that a portion of the job training funds available to States should be used to support community based programs with demonstrated effectiveness, working in cooperation with businesses and the private sector, such as Opportunities Industrialization Centers of America, which provides community based training and development of job skills in economically disadvantaged areas.

In addition, the agreement permits the transfer of up to 20 percent of funds between title II–A and title III of the Act, with the approval of the Governor, instead of 50 percent as proposed by the Senate and 100 percent as proposed by the House.

The agreement includes a legislative provision proposed by the Senate modified to allow the Secretary of Labor to waive certain statutory and regulatory requirements of the Job Training Partnership Act and the Wagner-Peyser Act to encourage and facilitate cooperation among Federal, State, and local entities to redesign and test an outcomes oriented approach to intergovernmental service delivery. The House bill had no similar provision.

The agreement also includes a legislative provision as proposed by the Senate to require the Secretary of Labor to establish a workforce flexibility (work-flex) partnership demonstration program under which the Secretary would authorize not more than six States to waive certain statutory and regulatory requirements of the Job Training Partnership Act and the Wagner-Peyser Act. The waivers could be granted for a period of up to 5 years. Preference would be given to those States which have been designated ''Ed-Flex Partnership States'' under the Goals 2000 Act. The House bill had no similar provision.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The conference agreement includes $463,000,000, instead of $373,000,000 as proposed by both the House and the Senate in H.R. 3755. The agreement earmarks 22 percent of the funds for the States and 78 percent for national sponsors, instead of 35 percent for the States and 65 percent for the national sponsors as proposed by the House in H.R. 3755 and 25 percent for the States and 75 percent for the national sponsors as proposed by the Senate in H.R. 3755 as reported from Committee.

The additional $90,000,000 over the House and Senate bills is for the cost of the recent increase in the minimum wage, of which $28,000,000 if for program year 1996 and $62,000,000 is for program year 1997.

State Unemployment Insurance and Employment Service Operations

The conference agreement includes $3,320,278,000, instead of $3,222,191,000 as proposed by the House in H.R. 3755 and $3,232,015,000 as proposed by the Senate in H.R. 3755 as reported from Committee. This includes $173,452,000 in Federal funds, instead of $132,279,000 as proposed by both the House and Senate, and $3,146,826,000 from the Unemployment Trust Fund, instead of $3,089,912,000 as proposed by the House and $3,099,736,000 as proposed by the Senate. The agreement includes $150,000,000 for one-stop career centers.

Within the amount for Employment Service national activities, $20,000,000 is set aside specifically for State administration of the new Work Opportunity Tax Credit.

The agreement includes several legal citations that were included in the Senate bill but not in the House bill.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $77,083,000, instead of $71,783,000 as proposed by the Senate in H.R. 3755 as reported from Committee and $66,083,000 as proposed by the House in H.R. 3755, deletes a House earmark of $300,000 for genetic non-discrimination enforcement activities and provides that $6,000,000 shall remain available through September 30, 1998 for revising the processing of employee benefit plan returns.

PENSION BENEFIT GUARANTY CORPORATION

The conference agreement includes a limitation on administrative expenses of the Corporation of $10,345,000 and inserts language classifying certain other expenses of the Corporation as non-administrative as proposed by the Senate in H.R. 3755 as reported from Committee. The House in H.R. 3755 included a limitation on administrative expenses of $135,720,000 and did not classify any other expenses as non-administrative.

To ensure an appropriate degree of congressional oversight, the Labor Department and the PBGC shall notify the Appropriations Committees prior to application to the Office of Management and Budget for any additional funding beyond what is contemplated by this conference agreement. Such notification will provide, in writing, the amount, reason for any necessity for the PBGC request.

The conferees are concerned that a large portion of the PBGC's administrative costs are non-limitation funds not subject to the regular appropriations process. The conferees expect the Corporation to review its budget structure and be prepared to discuss at next year's appropriations hearings possible alternative structures that maintain the flexibility needed to protect the interests of pension plan participants while assuring appropriate congressional oversight.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $291,405,000, instead of $264,405,000 as proposed by the House in H.R. 3755 and $263,155,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The conferees understand that the Department of Labor is nearing completion of its evaluation to develop viable options to realize needed improvements in the Davis-Bacon wage determination system. The amount of $3,750,000 will be used to test and implement process improvements either through the use of alternative wage data sources or, if not feasible or cost-effective, by improving the capacity of the existing wage survey system to promote participation and data reliability, primarily through investment in technology.

The conferees expect the General Accounting Office to review the Department's implementation activities to determine whether these efforts will achieve the goal of improving the timeliness, accuracy and reliability of Davis-Bacon wage determinations. The General Accounting Office shall report its findings to the Appropriations Committees after it has made its review.

The conferees agree with the directive in the Senate Report with respect to black lung field offices.

OCCUPATONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $325,734,000, instead of $297,734,000 as proposed by the House in H.R. 3755 and $299,134,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement includes language as proposed by the Senate that authorizes OSHA to collect and retain fees for services provided to nationally recognized testing laboratories and to use such sums to administer laboratory recognition programs that ensure the safety of equipment and products used in the workplace. The House bill had no similar provision.

The conferees are concerned about the enforcement of State occupational safety and health standards by States operating OSHA-approved State plans, particularly where such standards differ significantly from Federal standards and may impose an undue burden on interstate commerce. The conferees believe that California's enforcement of its hazard communication standard, which incorporates portions of proposition 65, may impose such a burden. OSHA is directed to expedite its review and approval, or rejection, of California's hazard communication/proposition 65 standard, and to provide a report to the Appropriations Committees on this matter, by no later than January 1, 1997.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $197,810,000, instead of $191,810,000 as proposed by the House in H.R. 3755 and $195,724,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The conference agreement includes $361,700,000, instead of $354,700,000 as proposed by the House in H.R. 3755 and $351,330,000 as proposed by the Senate in H.R. 3755 as reported from Committee. This includes $309,647,000 in Federal funds, instead of $302,647,000 as proposed by the House and $299,665,000 as proposed by the Senate, and $52,053,000 from the Unemployment Trust Fund as proposed by the House instead of $51,665,000 as proposed by the Senate.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement includes $144,508,000, instead of $142,508,000 as proposed by the Senate in H.R. 3755 as reported from Committee and $137,801,000 as proposed by the House in H.R. 3755. The conferees agree with the allocation of funds in the Senate Report with respect to international child labor issues.

The agreement includes language as proposed by the Senate to require that any decision under the Longshore and Harbor Workers' Compensation Act that has been pending before the Benefits Review Board for more than 12 months shall be considered affirmed by the Board and shall be considered the final order of the Board. The House bill had no similar provision. With respect to the Inspector General of the Department, the conferees endorse the language in the House Report concerning quarterly reporting on actual savings resulting from his efforts and on ''funds put to better use''.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The conference agreement includes $181,949,000 as proposed by the House in H.R. 3755 instead of $174,225,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

GENERAL PROVISIONS

The conference agreement includes a general provision proposed by the House in H.R. 3755 modified to provide that effective January 1, 1997 no Department of Labor funds shall be disbursed without the approval of the Department's Chief Financial Officer or his delegatee. The Senate bill had no similar provision.

The conference agreement does not include House language in H.R. 3755 that would have permitted employees who are 16 and 17 years of age to load materials into a cardboard baler or a compactor that is in compliance with the current safety standard promulgated by the American National Standards Institute. This matter has now been resolved in Public Law 104–174 which was signed by the President on August 6, 1996. The Senate bill had no similar provision.

The conference agreement does not include House language in H.R. 3755 that would have prohibited the enforcement of Hazardous Occupation Order No. 2 with respect to incidental and occasional driving by minors on the job, unless the Secretary finds that the operation of a motor vehicle is the primary duty of the minor's employment. The Senate bill had no similar provision.

The conference agreement does not include a general provision proposed by the Senate in H.R. 3755 as reported from Committee to exempt certain work performed by prison inmates from minimum wage and overtime requirements of the Fair Labor Standards Act under certain circumstances. This would have been a permanent change in the law. The House bill had no similar provision. The conferees believe that the provision is not necessary. The courts have uniformly held that a prisoner who is required to perform labor which serves the prison institution is not an employee of the prison or of the State and is not entitled to the minimum wage.

The conference agreement includes a general provision to allow the Secretary of Labor to waive various sections of the Job Training Partnership Act to improve intergovernmental service delivery systems. This would involve a State that has executed a memorandum of understanding with several Federal agencies, including the Department of Labor. The waivers of JTPA provisions would involve such things as definitions, planning and procurement requirements, cost categories and cost limitations, and program design requirements. This provision was not included in either the House or the Senate version of H.R. 3755 but is the same as a proviso in the fiscal year 1996 appropriations act.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The conference agreement includes $3,405,019,000 instead of $3,082,190,000 as proposed by the House in H.R. 3755 and $3,213,096,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conference agreement does not include the legal citation for the Pacific Basin program as proposed by the Senate. The House bill did not include the citation. The conferees have agreed to terminate the Pacific Basin program but encourage consideration of the region's needs in other Health Resources and Services Administration (HRSA) programs, as appropriate.

The conference agreement includes the legal citation for the Native Hawaiian Health Care program as proposed by the Senate. The House bill did not include the citation. The conferees have increased funding for the consolidated health centers line in part so that health care activities funding under the Native Hawaiian Health Care program can be supported under the broader health centers line if the agency feels it is appropriate.

The conference agreement includes $828,000 for facilities renovations at the Gillis W. Long Hansen's Disease Center as proposed by the Senate rather than $2,828,000 as proposed by the House.

The conference agreement includes $198,452,000 for the family planning program as proposed by the Senate rather than $192,592,000 as proposed by the House.

The conference agreement earmarks $167,000,000 for the Ryan White Title II State AIDS drug assistance programs rather than $117,000,000 as proposed by the Senate and $75,000,000 as proposed by the House. Total funding for the Ryan White programs has been increased by $238,850,000 from the fiscal year 1996 level to a total of $996,252,000. Funding increases are included for all Ryan White titles in recognition of the costs of drug purchases, particularly the new protease inhibitors, viral load testing, caseload increases and AZT therapy for pregnant women.

The conferees are aware that the new HIV drug combination therapies have not yet been approved for pregnant women and children, and that adolescents are experiencing problems in accessing these therapies. The conferees encourage the Secretary and the pharmaceutical industry to expedite clinical trials for pregnant women and children with HIV/AIDS, and to report to the Committees on these efforts by December 31, 1996, including providing access to the new drugs for adolescents.

The conferees expect that all States receiving AIDS drug assistance funding will employ cost-saving strategies to maximize assistance to HIV patients. HRSA should assure that each State seeks the best possible price for AIDS drug purchases. Such strategies might include one or more of the following: the Veterans' Health Care Act Office of Drug Pricing Program, manufacturers' voluntary rebates and discounts to States, and pharmacy discounts.

The conference agreement includes language proposed by the Senate permitting the use of funds provided to continue operating the Council on Graduate Medical Education. The House bill had no similar provision.

The conference agreement includes language proposed by the Senate allocating up to $8,000,000 of the funds provided for consolidated health centers for loan guarantees for the construction and renovation of community and migrant health centers and, if authorized, for loans made for the costs of developing managed care networks. The House bill had no similar provision.

The conference agreement includes language designating $103,609,000 of the funds provided for the Maternal and Child Health block grant for special projects of regional and national significance (SPRANS). This designation will provide $2,857,000 more for SPRANS activities than would otherwise be the case under the statutory formula. The conferees intend that this amount be used for the traumatic brain injury State demonstration projects recently authorized under title XII of the Public Health Service Act. This provision was not included in either House or Senate bill. The Senate bill

had provided separate funding of $3,000,000 for the demonstrations.

The conferees intend that the agency may use up to $3,000,000 of the funding provided for the National Health Service Corps for State offices of rural health.

The conferees encourage HRSA to sustain its commitment to historically minority health professions institutions in the centers of excellence and health careers opportunity programs.

The conferees are aware of a pending proposal to alter current methods of allocating human livers for transplantation by the United Network for Organ Sharing (UNOS), a private non-profit organization under contract with HRSA to manage the organ procurement and transplantation network. The conferees understand that establishing equitable policies in the area of organ allocation is very complex. The conferees expect UNOS to give consideration to a number of factors. These include but are not necessarily limited to the following: regional success in increasing organ donation; the severity of illness of the patients; the impact on access to transplants for low-income patients because of transportation costs; and increasing the total number of life-years of recipients. The conferees expect UNOS to provide extensive opportunities for public comment before its board considers this issue and not to take action until Congress can be assured that any change in policy addresses the priorities described above.

The conferees are aware of a rural telemedicine network being developed within the New England and Mid-Atlantic regions by a health informatics initiative and believe that it warrants full consideration for rural health outreach support.

The conferees with the language in the Senate report stating that the Alzheimer's demonstrations should remain in HRSA rather than be transferred to the Administration on Aging.

The conference agreement includes $13,000,000 for health care facilities grants described in the Senate report, of which $4,000,000 is designated for the second phase of the women's outreach project, $4,000,000 is designated for the elder care center, $4,000,000 is designated for the regional pediatric care, research and teaching center in Portland, Oregon, and $1,000,000 is designated for new construction and rehabilitation of rural community health centers in the Midwest.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

The conference agreement includes $2,262,698,000 instead of $2,153,376,000 as proposed by the House in H.R. 3755 and $2,168,948,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conference agreement includes $30,553,000 for Centers for Disease Control and Prevention (CDC) buildings and facilities instead of $7,553,000 as proposed by the Senate and $8,353,000 as proposed by the House. This total includes $23,000,000 requested by the Administration as part of its anti-terrorism budget amendment to enhance security at CDC's headquarters and to better protect laboratories containing dangerous infectious agents against possible attacks. Consistent with the Administration request, the $23,000,000 for anti-terrorism activities has been designated in the bill as an emergency expenditure.

The conference agreement includes legal citations for mine safety and health activities and the refugee medical screening program as proposed by the Senate. The House bill did not contain these citations.

The conference agreement modifies language proposed by the Senate to earmark $32,000,000 for mine safety and health activities and make those funds available until September 30, 1998. Senate language had made the funds available until expended; the House bill had no similar provision.

The conference agreement designates $48,400,000 to be available to the National Center for Health Statistics under the Public Health Service one percent evaluation set-aside as proposed by the House instead of $53,063,000 as proposed by the Senate.

The conference agreement includes language proposed by the Senate which provides authority to transfer funds available from the sale of surplus vaccine from the vaccine stockpile to other activities within the jurisdiction of CDC. The House bill had no similar provision.

The conference agreement includes language proposed by the Senate which transfers authority for the mine safety and health functions previously funded in the Department of the Interior appropriations bill to the Secretary of Health and Human Services. The House bill had no similar provision.

The conference agreement includes an additional $41,000,000 for violence against women programs financed from the Violent Crime Reduction Trust Fund as proposed by the Senate instead of $33,642,000 as proposed by the House.

The conference agreement includes sufficient funds to support the chronic and environmental disease prevention program priorities identified for increased funding in both the House and Senate reports. The conferees intend that combined urban and rural projects in the mild mental retardation program be supported.

The conferees are pleased with the recent initiative by CDC to convene a panel of experts on chronic fatigue and immune dysfunction syndrome (CFIDS) for the purpose of examining CDC's current CFIDS program and directions for future research. The conferees urge CDC to consider implementing the review panel's recommendations, particularly in the areas of brain tissue repositories and etiology studies.

The conferees concur in the recommendation of the Senate report that CDC initiate a trans-department public education campaign to foster more effective communication between consumers and physicians on *H. pylori* and its link to ulcer disease. The conferees expect this effort to include a collaboration between the public and private sectors, including the pharmaceutical industry. The conferees request a report within 120 days regarding CDC's plans to conduct such an effort and the appropriate design of the campaign.

The conference agreement includes $43,198,000 for injury control activities, which is $2,600,000 above the amount provided by both the House and Senate. The conferees intend that the $2,600,000 be used to initiate traumatic brain injury education and prevention research activities recently authorized under title III of the Public Health Service Act. The Senate bill had provided separate funding of $3,000,000 for these activities.

The conferees have included $5,000,000 for the National Institute for Occupational Safety and Health to implement a national plan for childhood agricultural injury prevention initiatives, including research, public education, professional training, community and family services, and policy enforcement.

The conference agreement includes $2,400,000 within the epidemic services program to directly support the costs of the refugee medical screening program rather than as a reimbursement from the Office of Refugee Resettlement.

The conferees concur with the House report language regarding risk assessment within the epidemic services program.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

The conference agreement includes $2,382,532,000 instead of $2,385,741,000 as proposed by the House in H.R. 3755 and $2,102,949,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conferees concur in the Senate report language identifying funding for the National Action Plan on Breast Cancer at the fiscal year 1996 level, which the conferees understand is $14,750,000. The conferees understand that these funds will be coordinated by the Office of Women's Health within the Office of the Secretary.

NATIONAL HEART, LUNG AND BLOOD INSTITUTE

The conference agreement includes $1,433,001,000 instead of $1,438,265,000 as proposed by the House in H.R. 3755 and $1,344,742,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF DENTAL RESEARCH

The conference agreement includes $195,997,000 instead of $195,596,000 as proposed by the House in H.R. 3755 and $177,701,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The conference agreement includes $815,982,000 instead of $819,224,000 as proposed by the House in H.R. 3755 and $787,473,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The conference agreement includes $726,746,000 instead of $725,478,000 as proposed by the House in H.R. 3755 and $683,721,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a potion of which would be transferred to this account.

It has been brought to the conferees' attention that the promise of gamma knife stereotactic radiosurgery warrants further research. The conferees urge the Institute to enhance its support of investigations to evaluate the radiobiological response and clinical outcomes associated with gamma knife therapy, and to identify techniques or agents that enhance outcomes or reduce risks. Associated research efforts may investigate drugs or agents that provide target sensitization of the surrounding tissue, tumor radiobiology, and animal model development.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The conference agreement includes $1,257,234,000 instead of $1,256,149,000 as proposed by the House in H.R. 3755 and $595,016,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The conference agreement includes $998,470,000 instead of $1,003,722,000 as proposed by the House in H.R. 3755 and

$953,214,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The conference agreement includes $631,703,000 instead of $631,989,000 as proposed by the House in H.R. 3755 and $554,251,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conferees encourage the Institute to conduct research in the area of nutrition and children's developmental health, including such areas as nutrition's impact on children's organ systems, brain function, and immunology.

NATIONAL EYE INSTITUTE

The conference agreement includes $332,735,000 instead of $333,131,000 as proposed by the House in H.R. 3755 and $315,948,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The conference agreement includes $308,819,000 instead of $308,258,000 as proposed by the House in H.R. 3755 and $294,745,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE ON AGING

The conference agreement includes $486,047,000 instead of $484,375,000 as proposed by the House in H.R. 3755 and $470,256,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conferees concur with the Senate report language regarding additional Alzheimer's disease research centers.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The conference agreement includes $257,111,000 instead of $257,637,000 as proposed by the House in H.R. 3755 and $247,731,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

The conference agreement includes $188,422,000 instead of $189,243,000 as proposed by the House in H.R. 3755 and $182,693,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF NURSING RESEARCH

The conference agreement includes $59,743,000 instead of $59,715,000 as proposed by the House in H.R. 3755 and $52,936,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The conference agreement includes $212,004,000 instead of $212,079,000 as proposed by the House in H.R. 3755 and $195,891,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL INSTITUTE ON DRUG ABUSE

The conference agreement includes $489,373,000 instead of $487,341,000 as proposed by the House in H.R. 3755 and $317,936,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conferees concur with Senate report language regarding the promise magnetic imaging may hold for understanding and treating drug abuse and mental illness and are supportive of extramural clinical research in this area.

NATIONAL INSTITUTE OF MENTAL HEALTH

The conference agreement includes $701,585,000 instead of $701,247,000 as proposed by the House in H.R. 3755 and $589,187,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL CENTER FOR RESEARCH RESOURCES

The conference agreement includes $415,145,000 instead of $416,523,000 as proposed by the House in H.R. 3755 and $324,844,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provides a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The agreement also designates $20,000,000 for the construction and renovation of extramural facilities instead of $37,000,000 as proposed by the House and $10,000,000 as proposed by the Senate. These funds are to be competitively awarded. Of the $20,000,000 provided for extramural facility construction, the conferees intend that $2,500,000 be reserved for construction and renovation projects as qualified regional primate centers. The conferees also concur with Senate report language highlighting the importance of facilities needs in the area of genetic research.

The conferees concur with the Senate report language regarding funding for the IDeA program and general clinical research centers, as well as with the language in both House and Senate reports regarding support of the National High Magnetic Field Laboratory.

The conferees encourage the National Center for Research Resources and the other NIH Institutes and centers to assist in enhancing and strengthening the Research Infrastructure in Minority Institutions (RIMI), to help make the program available to qualified institutions.

NATIONAL CENTER FOR HUMAN GENOME RESEARCH

The conference agreement includes $189,657,000 instead of $189,267,000 as proposed by the House in H.R. 3755 and $180,807,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

JOHN E. FOGARTY INTERNATIONAL CENTER

The conference agreement includes $26,586,000 instead of $26,707,000 as proposed by the House in H.R. 3755 and $16,838,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

NATIONAL LIBRARY OF MEDICINE

The conference agreement includes $151,103,000 instead of $150,093,000 as proposed by the House in H.R. 3755 and $142,070,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conferees are aware of efforts to improve the quality of health care training and delivery in Haiti. Through a successful collaboration with a regionally based medical school, Haiti's efforts to improve its health care delivery system are being realized. The conferees encourage the National Library of Medicine to give consideration to supporting this collaborative effort.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $287,206,000 instead of $275,423,000 as proposed by the House in H.R. 3755 and $243,319,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The Senate bill provided a separate appropriation for AIDS research, a portion of which would be transferred to this account.

The conference agreement includes an earmark of $35,589,000 of the total provided for the operations of the Office of AIDS Research. This designation was not included in either House or Senate bill.

The conference agreement includes language proposed by the Senate identifying up to $200,000 for the National Foundation for Biomedical Research as authorized by section 499 of the Public Health Service Act. The House bill had no similar provision.

The conferees concur with Senate report language regarding funding levels for a pediatric and a neurodegenerative diseases research initiative, the Office of Rare Disease Research, and an Institute of Medicine review of the status of research into cancer among minorities and the medically underserved. The conferees intend that the Office of Alternative Medicine be funded at a level fifty percent higher than that described in the Senate report.

The conferees concur with House report language regarding the definition of administrative costs and the restriction of fiscal year 1997 administrative costs to the fiscal year 1996 level.

The conferees encourage the Office of Research on Women's Health to support research in the fields of cardiovascular and metabolic disease affecting minority women and the relationship of immune function and sex hormones in women throughout the life cycle.

The conferees urge the Office of Research on Minority Health to establish a standing advisory committee to guide and advise the Office in its continuing efforts to improve the health of minorities and to address disparities through supporting research and increasing the diversity of the research workforce. The conferees expect a report to the Committees on progress in this area by March 31, 1997.

The conferees note the importance of publicizing new and developing health advances researched by NIH, and encourage NIH to contribute to the production of a national television program focusing on biomedical research and public health issues.

BUILDINGS AND FACILITIES

The conference agreement includes $200,000,000 as proposed by the House in H.R. 3755 instead of $180,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement also designates $90,000,000 for construction of the NIH clinical center as proposed by the House instead of $70,000,000 as proposed by the Senate.

OFFICE OF AIDS RESEARCH

(INCLUDING TRANSFER OF FUNDS)

The conference agreement does not include a separate appropriation of $1,460,312,000 for the Office of AIDS Research (OAR) as proposed by the Senate. Instead, funding for AIDS research is included within the appropriation for each Institute, center and division as proposed by the House. The conference agreement also includes a general provision not included in either the House or Senate bill which directs that the funding for AIDS research as determined by the Directors of the National Institutes of Health (NIH) and OAR be allocated directly to the OAR for distribution to the Institutes consistent with the AIDS research plan.

The Directors of NIH and the OAR have indicated that within the total provided in the conference agreement for NIH, they expect to allocate $1,501,720,000 for AIDS research. The conferees understand that this total may be modified depending on changing scientific opportunities and the recommendations of various advisory bodies. The conference agreement includes a general provision permitting the Directors of NIH and the OAR to shift up to three percent of AIDS research funding between Institutes and centers throughout the year if needs change or unanticipated opportunities arise.

The conference agreement provides an earmark of $35,589,000 for the operations of the OAR within the Office of the Director appropriation.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The conference agreement provides $2,134,743,000 for the Substance Abuse and Mental Health Services Administration (SAMHSA) instead of $1,849,235,000 as proposed by the House in H.R. 3755 and $1,873,943,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within this total, the conference agreement makes available $58,032,000 for the mental health knowledge development and application (KDA) program, $69,927,000 for the children's mental health program, $1,310,107,000 for the substance abuse performance partnership, $156,000,000 for the substance abuse treatment KDA program, and $168,800,000 for the substance abuse prevention KDA program.

The agreement includes a provision proposed by the Senate in H.R. 3755 as reported from Committee to require that of the amount provided for SAMHSA, at least $5,000,000 be expended for projects serving rural and Native American populations. No similar provision was included in H.R. 3755 as passed by the House.

The conferees agree that SAMHSA should comply with the directives in the House and Senate reports accompanying H.R. 3755. The conferees have provided $1,500,000 for child care wrap around services for a continuing grantee under the Pregnant and Postpartum Women and Children program. The conferees expect these funds to be awarded as a competitive supplement.

The conferees have included sufficient funds for university-based evaluations of public and private collaborations which provide year-round, school-based, early prevention and transition programs, which include middle school transition programs.

The conferees have provided sufficient funds to continue existing programs serving rural communities in Hawaii.

The conference agreement includes a provision not included in H.R. 3755 as passed by the House or H.R. 3755 as reported from the Senate Committee to provide $12,800,000 within the substance abuse KDA to continue community schools grants initiated in fiscal year 1995 and to initiate projects referenced in the Senate report accompanying H.R. 3755.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

The conference agreement includes $96,175,000 instead of $90,469,000 as proposed by the House in H.R. 3755 and $83,463,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conference agreement designates $47,412,000 to be available to the Agency for Health Care Policy Research (AHCPR) under the Public Health Service one percent evaluation set-aside instead of $34,700,000 as proposed by the House and $60,124,000 as proposed by the Senate.

The conferees are aware of a proposal being developed to introduce and expand state-of-the-art medical information services among community health centers in the mid-Atlantic region, and urge its full consideration.

The conferees encourage AHCPR to examine the impact of changing referral patterns among primary care and specialist physicians on clinical outcomes and costs. In particular, the agency is urged to conduct research on potential cost-savings derived from direct access by patients to specialists such as cardiologists.

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

The conference agreement makes available $1,735,125,000 instead of $1,733,125,000 as proposed by the House in H.R. 3755 and $1,729,584,000 as proposed by the Senate in H.R. 3755 as reported from Committee. An additional appropriation of $440,000,000 was provided for this activity in the Health Insurance Portability and Accountability Act of 1996.

The conferees strongly encourage the Health Care Financing Administration (HCFA) to follow the guidance in the Senate report pertaining to a demonstration to train retirees as educators in the detection of Medicare fraud; a comprehensive health care information managed care system; a project to explore new approaches to meeting the needs of vulnerable populations in an urban low-income setting; health advisory services programs; and the use of commercially available software to detect Medicare billing abuse.

While supportive of allocating resources to the development of the Medicare Transaction System, the conferees expect HCFA to provide adequate funding for the current claims processing functions of the Medicare contracts.

The conferees understand that because of delays in completing Part B enrollment and Medicare payment status changes from secondary to primary payer that filing limits cannot be met for some Medicare claims. The conferees encourage HCFA to authorize Medicare contractors to grant extensions of current timely filing limits in those situations where enrollment and payment status changes have not been completed.

The conferees understand that there are currently two forms of calcitriol available for the management of hypocalcemia and the resultant metabolic bone disease in patients undergoing chronic renal dialysis. The conferees encourage HCFA to conduct a demonstration project to evaluate the cost-effectiveness of reimbursing the oral form of calcitriol versus the intravenous formulation for which HCFA currently reimburses.

The conferees encourage HCFA to conduct a demonstration program that will evaluate the best approaches for a community health center to provide services through a health care network. The conferees understand that such networks have been established in Missouri.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FAMILY SUPPORT PAYMENTS TO STATES

The conference agreement provides such sums as may be necessary for welfare payments, instead of $13,301,000,000 for family support payments to States as proposed by the House in H.R. 3755 and the Senate in H.R. 3755 as reported from Committee. In addition, the conference agreement provides $2,158,000,000 to remain available until expended and $607,000,000 for the first quarter of fiscal year 1998 for child support enforcement and related activities, instead of $4,700,000,000 for the first quarter of fiscal year 1998 as proposed by the House in H.R. 3755.

The conference agreement includes a provision making available such sums as may be necessary for welfare payments only for activities authorized prior to the effective date of P.L. 104–193 in each State.

LOW INCOME HOME ENERGY ASSISTANCE

The conference agreement provides $1,000,000,000 for fiscal year 1997 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $900,000,000 as proposed by the House in H.R. 3755. In addition, the conference agreement provides $1,000,000,000 for fiscal year 1998 as proposed by the Senate in H.R. 3755 as reported from Committee. H.R. 3755 as passed by the House did not provide funding for fiscal year 1998.

The conferees intend that up to $25,000,000 of the amounts appropriated for LIHEAP for fiscal year 1997 be used for the leveraging incentive fund, which will provide a percentage match to States for private or non-Federal public resources allocated to low-income energy benefits. Of the fiscal year 1998 advance appropriation, up to $25,000,000 is also for the leveraging fund.

REFUGEE AND ENTRANT ASSISTANCE

The conference agreement provides $412,076,000 as proposed by the House in H.R. 3755, instead of $385,609,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conferees agree that within the amount provided for social services, $19,000,000 is available for assistance to serve communities affected by the Cuban and Haitian entrants and refugees whose arrivals in recent years have increased. The conferees have set aside $11,079,000 for increased support to communities with large concentrations of refugees whose cultural differences make assimilation especially difficult justifying a more intense level and longer duration of Federal assistance.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

The conference agreement includes $956,120,000 as proposed by the Senate in H.R. 3755 as reported from Committee instead of $950,000,000 as proposed by the House in H.R. 3755. The agreement provides that $937,000,000 of the total is an advance appropriation for FY 1998 as proposed by the Senate instead of a current year appropriation that would be obligated late in the fiscal year as proposed by the House. In addition, $19,120,000 of the total will become available on October 1, 1996 for child care resource and referral and school-age child care activities, of which $6,120,000 will be derived by transfer from funds appropriated in the Welfare Reform Bill, as proposed by the Senate, instead of $13,000,000 to become available on October 1, 1996 as proposed by the House.

SOCIAL SERVICES BLOCK GRANT

The conference agreement provides $2,500,000,000, instead of $2,480,000,000 as proposed by the House in H.R. 3755 and

$2,240,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement supersedes P.L. 104–193, the Welfare and Medicaid Reform Act, which provides $2,380,000,000 for the social services block grant in fiscal year 1997.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

The conference agreement includes $5,383,569,000, instead of $4,883,793,000 as proposed by the House in H.R. 3755 and $4,888,434,000 as proposed by the Senate in H.R. 3755 as reported from Committee. In addition, the agreement includes rescissions of prior appropriations of $27,000,000 as proposed by the Senate. The House bill included no rescissions. The agreement includes $3,981,000,000 for the Head Start program and $489,600,000 for the Community Services Block Grant.

Within the social services and income maintenance research activity, the conferees are in agreement with the Senate Report concerning the use of funds for the completion of current family support center grants. The conference agreement also includes sufficient funding within this activity to carry out activities authorized by section 413(h)(3) of the Social Security Act involving demonstrations of innovative strategies which would include funding for successful programs that move people from welfare to work. The Secretary is urged to provide funding that is fully adequate to carry out this section.

The conferees expect the Department to contribute, from resources provided for social services research, to the Residential Energy Consumption Survey and the Census Bureau March current population survey to assure that the low-income household component is included in the survey.

The conferees concur in the Senate Report language concerning the job creation demonstration authorized under section 505 of the Family Support Act of 1988 and the language concerning the Alaska Federation of Natives.

The agreement includes language as proposed by the Senate requiring the Secretary to use up to one percent of CSBG funds in FY 1997 to correct allocation errors that occurred in FY 1995 and FY 1996 to ensure that the minimum allotment to each State for each of those years would be $2,222,460. The House bill had no similar provision.

The agreement includes language as proposed by the Senate requiring that no more than one-half of one percent of CSBG funds shall be used to carry out section 674(a) of the Community Services Block Grant Act. This section deals with training and technical assistance, evaluation and data collection. The House bill had no similar provision.

The agreement inserts several legal citations proposed by the Senate modified to cite the Social Security Act instead of the Welfare Reform Act, deletes a citation for the community schools program under the Crime Trust Fund proposed by the Senate and deletes the earmarking for individual programs within the Crime Trust Fund proposed by the Senate.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

The conference agreement includes $830,168,000 as proposed by the Senate in H.R. 3755 as reported from Committee instead of $810,545,000 as proposed by the House in H.R. 3755.

The agreement includes a legislative provision as proposed by the Senate that would prevent any State from having its administrative costs under title III of the Older Americans Act reduced by more than five percent below the FY 1995 level. The House had no similar provision.

The agreement includes a legislative provision as proposed by the Senate that requires the Assistant Secretary for Aging when considering grant applications for nutrition services for elder Indian recipients to provide maximum flexibility to applicants who seek to take into account certain factors that are appropriate to the unique cultural, regional and geographic needs of the American Indian, Alaskan and Hawaiian native communities to be served. The House had no similar provision.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The conference agreement includes $174,523,000, instead of $148,999,000 as proposed by the House in H.R. 3755 and $153,837,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement includes language proposed by the House and stricken by the Senate that earmarks $11,500,000 under title XVII of the Public Health Service Act for extramural construction. In addition, the agreement includes language proposed by the Senate to earmark funds for prevention services demonstrations and abstinence education grants under the adolescent family life program modified to change the dollar amounts. The House bill had no similar provision. The agreement designates $5,775,000 of the total amount as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act. These funds are provided for anti-terrorism purposes.

The conference agreement includes $11,500,000 for extramural construction grants in the Office of Minority Health as proposed by the House, including $7,500,000 for the Morehouse School of Medicine, $2,500,000 for Spelman College and $1,500,000 for the University of Arkansas at Pine Bluff, an historically black institution, for the purpose of upgrading health-related facilities and equipment.

The conferees concur with the Senate Report language identifying $500,000 for an asthma attack avoidance program.

Sufficient funds have been included by the conferees for the continuation of the existing human services transportation technical assistance program at the fiscal year 1996 funding level.

Within the amount recommended for the Office of Minority Health, the conferees have included funds for a community-based program to increase the number of disadvantaged, inner-city individuals in the health and allied health sciences.

The conferees agree that $14,750,000 shall be used to fund the National Action plan on Breast Cancer. Sufficient funds have been provided within the NCI for this expenditure. The conferees further agree that this plan shall be coordinated by the PHS Office on Women's Health and shall be used for implementation of the plan's activities and other cross-cutting Federal and private sector initiatives on breast cancer.

The conferees concur with the Senate report directing that the Adolescent Family Life program be transferred from the Office of Population Affairs to the Office of the Administrator of the Health Resources and Services Administration.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $32,999,000, instead of $29,399,000 as proposed by the House in H.R. 3755 and $29,399,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conferees endorse the language in the House Report concerning quarterly reporting on actual savings resulting from the Inspector General's efforts and on ''funds put to better use''.

The conferees direct the HHS Inspector General to perform all of the necessary audit and investigative work with respect to the Medicare contract of the Railroad Retirement Board. In the past, this work has been done by the Board's Inspector General. This conference agreement prohibits the Board's IG from doing the work in fiscal year 1997. The conferees believe that it makes sense for the HHS IG to perform this Medicare work, particularly in light of the significant funding increase that it received for Medicare work in the Health Insurance Portability and Accountability Act of 1996.

OFFICE FOR CIVIL RIGHTS

The conference agreement includes $19,530,000, instead of $19,380,000 as proposed by the House in H.R. 3755 and $19,680,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

POLICY RESEARCH

The conference agreement includes $18,500,000 instead of $9,000,000 as proposed by both the House in H.R. 3755 and by the Senate in H.R. 3755 as reported from Committee. The conference agreement includes $9,500,000 to be available for a period of two years for the General Accounting Office to contract for a study of the effects of medical savings accounts in the small group market on selection, health costs, use of preventive care and other variables. This study was mandated in the Health Insurance Portability and Accountability Act of 1996. Depending upon the progress of the study, the conferees will consider additional funding requirements in fiscal year 1998.

GENERAL PROVISIONS

The conference agreement includes a provision in the House bill that was deleted in the Senate bill providing authority to the Directors of the National Institutes of Health and the Office of AIDS Research to transfer up to three percent of funds they designate for AIDS research between Institutes and centers. This transfer authority can be used throughout the fiscal year.

The conference agreement deletes a provision included in the House bill but deleted in the Senate bill that would permit NIH funding of Small Business Innovation Research (SBIR) grants only to the extent that the median priority score for the pool of SBIR grants was equal to or better than the median score for regular research (RO–1) grants.

The conferees understand that the Director of NIH has taken a series of specific program management steps to improve the quality of research applications supported by the SBIR program. These efforts will ensure that Institutes and centers across the NIH will have a broader range of high quality SBIR applications available to fund, generally those in the upper half of the priority score range, and will result in a leveling out of inconsistencies in the quality of SBIR grants which have occurred in the past. In addition, the conferees understand that NIH is expanding a streamlined application process for the SBIR program which NIH hopes will attract a wider talent pool of applications. Because the conferees support the SBIR program and its contributions, they encourage NIH to convene a conference to discuss further improvements that could be made to address the quality concerns raised by some in the biomedical community. This conference should include a broad range of representatives, including the biotechnology and small business communities and the research societies as well as other Federal agencies which support SBIR grants.

The conference agreement includes a general provision not included in either the

House or Senate bill which directs that the funding for AIDS research as determined by the Directors of the National Institutes of Health and the Office of AIDS Research (OAR) be allocated directly to the OAR for distribution to the Institutes consistent with the AIDS research plan.

The conference agreement deletes a provision in the House bill that was deleted in the Senate bill extending until December 31, 2000 an expired moratorium on the designation of a particular provider in the State of Michigan as an institution for mental disease for the purpose of Medicaid payments.

The conference agreement deletes a provision included in the House bill but deleted in the Senate bill transferring the Gillis W. Long Hansen's disease facility in Carville, Louisiana to the State of Louisiana. The conferees remain interested in pursuing a transfer of the facility, but were unable to resolve several issues in time to include an agreement in the fiscal year 1997 bill.

The conference agreement deletes a provision that was included in the House bill but deleted in the Senate bill codifying current regulatory requirements pertaining to income guidelines for clients receiving family planning services.

The conference agreement deletes a general provision proposed by the House in H.R. 3755 that would reduce funds available in the Department of Health and Human Services for congressional and legislative affairs, public affairs and intergovernmental affairs activities by $2,000,000. The Senate bill had no similar provision. The agreement includes a reduction of $2,000,000 for all agencies in the bill for these activities in title V of the bill.

The conference agreement includes a provision in the Senate bill directing the Secretary of the Department of Health and Human Services to submit a report describing a method and schedule for restoring Medicare coverage of lung volume reduction surgery. The House bill had no similar provision.

The conference agreement includes a general provision as proposed by the Senate in H.R. 3755 as reported from Committee that would amend the Family Violence Prevention and Services Act by raising the small State minimum allotment from $200,000 to $400,000. The House bill had no similar provision.

The conference agreement modifies a provision in the Senate bill which would name the new National Institutes of Health clinical research and patient care center for Senator Mark O. Hatfield. The agreement deletes the reference in the name to patient care. The House bill had no similar provision.

The conference agreement includes a general provision that amends the welfare reform act to make a technical correction in section 345 of that act with respect to the Federal Parent Locator System. This provision was not included in either the House or the Senate bills.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

The conference agreement includes $691,000,000 for Education Reform, instead of the $175,000,000 included in the House in H.R. 3755 and $535,000,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. Included in this amount is $491,000,000 for the Goals 2000: Educate America Act and $200,000,000 for School-to-Work programs. Total funding for School-to-Work including portions funded in the Departments of Labor and Education is $400,000,000.

EDUCATION FOR THE DISADVANTAGED

The conference agreement includes $7,698,469,000 for Education for the Disadvantaged, instead of the $7,225,130,000 included in the House in H.R. 3755 and $7,225,249,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. Of the funds made available, $1,298,386,000 becomes available on October 1, 1997 for the academic year 1997–98. It is the intent of the conferees to work toward providing all funding for title I for the 1998–99 school year through the appropriation for fiscal year 1998. The conferees intend that the Committee work to adjust the fiscal year 1998 602(b) allocation such that title I can be returned to a normal appropriation and obligation pattern.

The agreement includes $7,194,099,000 for Grants to State and Local Education Agencies. Included in this account is $6,191,350,000 for basic State grants and $999,249,000 for concentration grants.

The conference agreement also includes $41,119,000 for Capital Expenses for Private School Children, the same level as reported by the Senate and $21,119,000 above the level provided in the House version of H.R. 3755.

IMPACT AID

The conference agreement provides $730,000,000, instead of $728,000,000 as proposed by the House in H.R. 3755 and $703,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within the total amount, the conference agreement provides $615,500,000 for basic support payments, $52,000,000 for payments to heavily impacted districts, $40,000,000 for payments on behalf of children with disabilities, $5,000,000 for construction, and $17,500,000 for payments for Federal property (formerly section 2).

SCHOOL IMPROVEMENT PROGRAMS

The conference agreement includes $1,425,631,000 for School Improvement Programs, instead of the $1,237,383,000 included in the House in H.R. 3755 and $1,318,631,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. Included within this level are:

$310,000,000 for the Eisenhower Professional Development program, $35,000,000 above the amount provided in the Senate reported bill. The House provided no funding for this program;

$310,000,000 for Innovative Education Program Strategies, $296,517,000 below the amounts provided in the House bill and $35,000,000 above the amounts provided in the Senate reported bill.

$555,978,000 for Safe and Drug Free Schools and Communities, $115,000,000 above the amounts provided in the House bill. The amount provided by the conferees is the same amount provided in the Senate reported bill. The conferees have provided an additional $25,000,000 for the state grant portion of this account and have provided no funds for national programs. This decision was based on the view that the best use of federal substance abuse prevention funds is in the classroom. There are a broad range of other sources of funding for national programs, research, demonstration, dissemination and technical assistance programs that the Secretary can use to fund these activities. If, however, the Secretary feels that these activities are of sufficient importance, the Committees will consider a reprogramming request. The conferees urge the Department to limit any such reprogramming request to the minimum amount needed, consistent with the conferees' desire to assure maximum resources go directly to the classroom.

In the House bill, funding increases for Innovative Educational Program Strategies were achieved by consolidating the Eisenhower Professional Development, Foreign Language Assistance and Star Schools. The House bill contained a provision guaranteeing that states would receive the same proportion of funding under the consolidated program as they received under the individual programs. The conference agreement deletes this provision.

BILINGUAL AND IMMIGRANT EDUCATION

The conference agreement includes $261,700,000 for Bilingual and Immigrant Education, instead of the $167,190,000 included in the House in H.R. 3755 and $185,000,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. The conferees provided no funding for support services and professional development activities. If the Secretary feels that these activities are of sufficient importance the Committees will consider a reprogramming request. The conferees urge the Department to limit any such reprogramming request to the minimum amount needed, consistent with the conferees desire to assure maximum resources go directly to the students.

SPECIAL EDUCATION

The conference agreement includes $4,036,000,000 for Special Education, instead of the $3,246,315,000 included in the House in H.R. 3755 and $3,262,315,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. Included in these funds is $3,107,522,000 for Grants to the States, $783,685,000 above the amounts provided in the House bill and $773,685,000 above the amounts in the Senate reported bill. At this level federal funds will equal 8.4% of the excess cost of educating disabled children—a substantial increase over the 6% appropriated in fiscal year 1996.

The conference agreement includes the Senate provisions which provides for (a.) continuing eligibility of the Republic of the Marshall Islands, and the Federated States of Micronesia for funding under part B of the IDEA, (b.) distributing of funds for these grantees in accordance with P.L. 104–134 and (c.) waiving new competitions for continuation grants.

The conferees concur in the provisions of the Senate reprot indicating that the funding levels for Media and Captioning Services includes an increase of $900,000 for Recordings for the Blind, Inc.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The conference agreement includes $2,509,447,000 for Rehabilitation Services and Disability Research, the same amount included in the House in H.R. 3755 and $7,000,000 below the amounts proposed by the Senate in H.R. 3755 as reported from the Committee.

VOCATIONAL AND ADULT EDUCATION

The conference agreement includes $1,486,531,000 for Vocational and Adult Education instead of the $1,329,669,000 included in the House in H.R. 3755 and $1,341,752,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. For Vocational Education basic state grants, the conferees provide $1,029,050,000, $56,300,000 above the amounts provided in the House bill and the level in H.R. 3755 as reported in the Senate. For Adult Education the conferees provide $354,562,000, $100,562,000 above the amounts provided in the House bill and $92,979,000 above the level in H.R. 3755 as reported in the Senate.

The conferees have provided no funding for national programs. The conference agreement, however, directs that the Secretary allocate $4,500,000 from the State grant program for the National Center on Research in Vocational Education. If the Secretary feels that it is necessary to transfer additional funds for national activities, the conference agreement permits him to transfer up to $9,000,000 from state grants for these activities. In making such transfers, the Secretary shall provide the Committees with notification 30 days in advance of the transfer.

The conferees have also included language which provides that a State shall be deemed as having met maintenance of effort provisions of the Carl D. Perkins Vocational and Applied Technology Act.

STUDENT FINANCIAL ASSISTANCE

The conference agreement provides $7,560,407,000, instead of $6,630,407,000 as proposed by the House in H.R. 3755 and $6,642,830,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within the total, the conference agreement provides a maximum Pell Grant of $2,700. In addition, the conference agreement provides $830,000,000 for the work study program, $158,000,000 for Perkins Loans capital contributions, and $50,000,000 for the state student incentive grant program. The conference agreement includes $1,500,000 to carry out the provisions of section 448(f) of the Higher Education act which includes a separate authorization of appropriations for ''work colleges.''

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

The conference agreement provides $46,572,000, instead of $29,977,000 as proposed by the House in H.R. 3755 and the Senate in H.R. 3755 as reported from Committee.

HIGHER EDUCATION

The conference agreement includes $879,054,000,000, instead of $829,497,000 as proposed by the House in H.R. 3755 and $852,269,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The agreement includes a provision as proposed by the Senate in H.R. 3755 as reported from Committee and not included in H.R. 3755 as passed by the House permitting the award of new Javits fellowships for school year 1997–1998. The conferees agree that no new Javits fellowships will be awarded in future years pending consolidation of the Javits fellowships with the Graduate Assistance in Areas of National Need program in legislation to reauthorize higher education programs. The agreement includes a further provision as proposed by the Senate in H.R. 3755 as reported from Committee and not included in H.R. 3755 as passed by the House requiring the Department of Education to prorate downward the amounts of new and continuing Byrd scholarships in order to award the same number of new scholarships in school year 1997–1998 as were awarded in school year 1996–1997. The agreement also includes provisions as proposed by the Senate in H.R. 3755 as reported from Committee and not included in H.R. 3755 as passed by the House providing $3,000,000 each for the George Bush Fellowship program and the Edmund Muskie Foundation endowment, provided these programs are authorized by April 1, 1997. The agreement also provides $3,000,000 for the Pell Institute for International Relations and $1,000,000 for the Calvin Coolidge Memorial Foundation to conduct education, archival and preservation activities of the Foundation if authorized by April 1, 1997. Neither H.R. 3755 as passed by the House or H.R. 3755 as reported by the Senate Committee contained these provisions. The conference agreement includes a provision not included in either H.R. 3755 as passed by the House or H.R. 3755 as reported from the Senate Committee providing $2,000,000 for the Pennsylvania Educational Telecommunications Exchange Network to implement a resource-sharing video conferencing network.

The conferees direct the Department to comply with the directives in the House report accompanying H.R. 3755 regarding measuring and reporting the success of programs in meeting program and performance goals.

The conferees have provided sufficient funds within the Fund for the Improvement of Postsecondary Education to initiate a demonstration of Hispanic serving Institutions to improve research and training capacity in science and technology. The conferees encourage collaboration with the Department of Energy in funding this effort.

If funds are not authorized for the Muskie Foundation, the George Bush Fellowship Program, the Pell Institute for International Relations, or the Calvin Coolidge Memorial Foundation by April 1, 1997, the Committee directs the Department to use these moneys to fund activities within the fund for the improvement of postsecondary education.

HOWARD UNIVERSITY

The conference agreement provides $196,000,000, instead of $187,348,000 as proposed by the House in H.R. 3755 and $189,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within the total amount, the agreement provides $166,511,000 for the academic program.

Consistent with the policy established in P.L. 104–134 the conference agreement provides Howard with a single appropriation. The conferees believe that Howard should have the discretion to use these funds as the university administration and Board of Trustees see fit. The conferees not that the authority under which funds are appropriated for Howard permits expenditures for academic services, financial support of students, contributions to the university endownment or construction.

The conferees are concerned that the University failed to submit necessary information to the Congress in a timely and complete fashion during the fiscal year 1997 hearing process. The conferees direct the University to correct this deficiency during subsequent budget cycles.

EDUCATION RESEARCH, STATISTICS AND IMPROVEMENT

The conference agreement includes $598,350,000 for Education Research, Statistics and Improvements, instead of the $317,264,000 included in the House in H.R. 3755 and $350,788,000 as proposed by the Senate in H.R. 3755 as reported from the Committee. The conference agreement includes $305,000,000 for Education Technology, an increase of $257,000,000 over the amounts provided in the House bill and $226,525,000 over the amounts recommended in the Senate reported version of H.R. 3755.

The conferees are concerned over the ability of the Department of Education to manage the over 500% increase in the Educational Technology program. This concern is heightened by the fact that the Department, in hearings before the House Subcommittee, was unable to determine total education funding already committed to technology or to identify specific, measurable improvements in student performance as a result of increased expenditures. In concurring with the President's request, the conferees want to assure that funding for Education Technology leads to the achievement of measurable goals. These goals should be aimed at enabling all students to become technologically literate and to develop critical communication, math, science and critical thinking skills needed in the 21st century. The conferees therefore direct the Secretary to:

Within 60 days of the enactment of this bill, provide the House and Senate Committees on Appropriations with a description of all programs within his jurisdiction supporting the purchase of education technology, the amounts spent in fiscal year 1995 and projections for spending in fiscal years 1996 and 1997;

Within 60 days of the enactment of this bill, provide the House and Senate Committees with specific, measurable goals for improvements in student knowledge and achievement that are to be achieved as a result of this increased spending and a statement of how the Department will collect this information;

Within 60 days of the enactment of this bill, provide the House and Senate Committees with an operating plan for the technology funds provided in this account including the expected quarterly obligations for these funds and projections of outlays, on a quarterly basis; and

Provide the House and Senate Committees with quarterly reports on the obligation and outlays of funds provided for technology equipment, software, training, etc. in this account, comparing the actual obligations and outlays with those projected in the operating plan.

The conferees urge the Secretary to include the student performance measures identified as a result of activities required above in his reports required under the Government Performance and Results Act.

The conferees have provided funds for an existing public-private partnership to develop maritime history learner-based software and provide teacher training.

The conferees have included $2,000,000 for the Southeastern Pennsylvania Consortium for Higher Education. These funds will establish local and wide area computer networks which allow student access to faculty, other student and instructional resources. Interactive video classrooms will permit faculty from the consortium of colleges to teach students at all eight sites simultaneously, resulting in increased course options at the advanced level. Funds will also be used for pilot projects linking elementary and secondary school teachers in five countries for the purpose of training teachers in new technologies.

The conferees have also included language to continue the Iowa Communications Network state-wide fiber optics demonstration project at the fiscal year 1996 level.

The conferees agree that included in the Fund for the Improvement of Education is $125,000 for the National Student and Parent Mock Election.

Within the Fund for the Improvement of Education, the conferees have included funds for the continuation of support for the expansion and dissemination of and innovative program through which local community-based organizations are collaborating formally with local schools to provide music education and infuse music into core curricula.

LIBRARIES

The conference agreement includes $136,369,000 for Library Programs, instead of the $108,000,000 included in the House in H.R. 3755 and $128,369,000 included by the Senate in H.R. 3755 as reported from the Committee.

The conference agreement includes $1,000,000 within the Research and Demonstration account, to be competitively awarded to a non-profit social tolerance resource center. These funds would be used to operate a national training program, and develop educational materials, on prejudice reduction. Included in the program would be educators, students, health care providers, and others involved in community relations.

The conferees also included within the research and demonstration account $1,000,000 for completion of a catalog conversion effort by research and doctoral institutions initiated under fiber optics demonstrations begun in 1993 and for a continuation of the local library networking component.

The conference agreement also includes $1,500,000 within the research and demonstration account for the expansion of the Portland Area Library Network System (PORTALS).

The agreement also provides $500,000 for the establishment of a history project for the development of teaching and library materials focused on the history of the Columbia River Basin.

DEPARTMENTAL MANAGEMENT

The conference agreement provides $412,000,000, instead of $378,543,000 as proposed by the House in H.R. 3755 and $402,314,000 as proposed by the Senate in H.R. 3755 as reported from Committee. The conferees direct the Department to comply with the directives in the House report accompanying H.R. 3755.

The conference agreement deletes a provision included in both the House and Senate bills that would have permitted the Department of Education Office of Inspector General to retain a share of funds from the forfeiture of property in investigations in which the Office participated.

The conferees are extremely disturbed to learn that the Office of Legislation and Congressional Affairs has inconsistently notified congressional offices of grant awards. The conferees direct the Office to notify all affected congressional offices of grant awards on the same day by the same means of communication.

It has been brought to the conferees' attention that several public urban schools around this Nation are experiencing very serious overcrowding conditions. These schools are forced to jam classrooms to overcapacity due to their districts' limited budgets and engage in expensive capital campaigns for the construction of new schools. Private and parochial schools in these urban areas may have more than adequate space available to help public schools alleviate the overcrowding situation and could provide educational services, in some instances, for $1,000 per student. The conferees direct the Department of Education to provide to the Appropriations Committees by September 1, 1997, a feasibility study outlining the benefits of using private and parochial schools as alternatives to alleviate the overcrowding in public schools and barriers to using public school dollars for tuition reimbursement. The study should address the constitutional issues surrounding the use of these dollars among public, private and parochial entities as well as other statutory or regulatory impediments.

The conferees are concerned that the establishment of the Grand Staircase-Escalante National Monument could result in significant revenue losses because of the inclusion of the 200,000 acres of lands owned by the Utah State School Trust. The conferees are also concerned about the future Federal funding obligations that such an action could have. These lands were granted to the State of Utah, by the Federal Government with the express purpose of generating education revenue. Therefore, the conferees direct the Secretary of Education to report to the Committees by May 15, 1997, in making recommendations for Federal remedies to mitigate the impact to education funding caused by the inclusion of this land. The conferees further direct the Department to work with the State of Utah in drafting these recommendations.

GENERAL PROVISIONS

The conference agreement includes provisions limiting total expenditures for administration of the Federal Direct Student Loan (FDSL) program as authorized by section 458 of the Higher Education Act to $491,000,000 in fiscal year 1997, instead of $595,000,000 as provided in such section, $420,000,000 as proposed by the House in H.R. 3755, and $440,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee. In addition, the agreement includes provisions proposed by the Senate in H.R. 3755 as reported from Committee requiring the Department to pay $80,000,000 in administrative cost allowances for fiscal year 1996 and not to exceed $70,000,000 for administrative cost allowances in fiscal year 1997 to be paid on the basis of 0.85 percent of the total principal amount of loans upon which insurance is issued up to the first $8,200,000,000 in new loans. H.R. 3755 as passed by the House required the payment of $134,000,000 for administrative cost allowances for fiscal years 1996 and 1997. The conference agreement modifies a provision in H.R. 3755 as passed by the House and H.R. 3755 as reported from the Senate Committee to prohibit the use of funds for advertising activities related to direct loans until January 1, 1997.

The conference agreement includes a provision prohibiting the use of funds for the Advisory Board for the Academy of Science, Space, and Technology. In H.R. 3755 as reported from Committee, the Senate proposed prohibiting the use of funding for the Advisory Board, the Historically Black Colleges and Universities Capital Financing Advisory Board, and Jacob J. Javits Fellows Program Fellowship Board. In H.R. 3755, the House proposed prohibiting the use of funds for the Advisory Board, the HBCU Board, the Javits Board and the National Board of the Fund for the Improvement of Postsecondary Education.

The conference agreement includes a provision as proposed by the House in H.R. 3755 amending the section 8003(f) of the Elementary and Secondary Education Act to clarify the procedure for calculating payments for heavily impacted districts. H.R. 3755 as reported from the Senate Committee did not include this provision.

The conference agreement does not include a provision proposed by the Senate in H.R. 3755 as reported from Committee and not included in H.R. 3755 as passed by the House to amend the student loan Quality Assurance Demonstration program authorized by section 487A of the Higher Education Act regarding the purposes for which grants may be made and regarding regulatory exemptions available to grantees. The conferees believe that the intend of Congress in establishing the Experimental Sites Authority under Section 487A of the Higher Education Act was to limit that authority only to the verification of student aid application data. Nevertheless, the conference agreement allows all experimental sites approved by the Department as of September 15, 1996 to continue. However, the conferees direct that the Department notify the Chairmen and Ranking Members of the relevant authorizing Committees and Appropriations Subcommittees of the House and Senate at least 30 days prior to approval of any demonstrations subsequent to September 15, 1996, pursuant to section 487A of the Higher Education Act.

The conference agreement includes a provision amending section 485(e) of the Higher Education Act to change the annual reporting period for information on athletically-related student aid from the one year period ending June 30, of the preceding year to the one year period ending August 30 of the preceding year. Neither H.R. 3755 as passed by the House nor H.R. 3755 as reported by the Senate Committee contained a similar provision.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

The conference includes $56,204,000 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $53,184,000 as proposed by the House in H.R. 3755.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

The conference agreement provides $213,969,000 instead of $203,969,000 as proposed by the House in H.R. 3755 and the Senate in H.R. 3755 as reported from Committee. The conference agreement provides $77,812,000 for the Foster Grandparents program.

CORPORATION FOR PUBLIC BROADCASTING

The conferees are extremely concerned about the continuing broadcast by CPB grantees of anti-Semitic and racist programming. The conferees direct CPB to report to Congress not later than February 1, 1997, on its investigation of such broadcasts and actions taken by the Board to reduce or eliminate such programming and to reduce or eliminate Federal funding for such programming and for grantees broadcasting such programming.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

The conference agreement provides $897,000 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $812,000 as proposed by the House in H.R. 3755.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

The conference agreement provides $1,793,000 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $1,757,000 as proposed by the House in H.R. 3755.

The conferees are concerned that the Council failed to submit complete and responsive information to the Congress during the fiscal year 1997 hearing process. The conferees direct the Council to correct this problem during subsequent budget cycles.

NATIONAL EDUCATION GOALS PANEL

The conference agreement provides $1,500,000, as proposed by the Senate in H.R. 3755, instead of $974,000 as proposed by the House in H.R. 3755.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

The conference agreement provides $175,000,000 instead of $144,692,000 as proposed by the House in H.R. 3755 and $170,266,000 as proposed by the Senate in H.R. 3755 as reported from Committee.

The conferees are concerned that the Board failed to submit necessary information to the Congress in a timely fashion during the fiscal year 1997 hearing process. The conferees direct the Board to correct this deficiency during subsequent budget cycles.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

The conference agreement provides $8,300,000 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $7,656,000 as proposed by the House in H.R. 3755. The agreement includes a provision making available unobligated balances for Presidential Emergency Boards for one additional year for other statutory purposes. H.R. 3755 as reported by the Senate Committee included a provision making all unobligated funds available indefinitely. H.R. 3755 as passed by the House included no similar provision.

PHYSICIAN PAYMENT REVIEW COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $3,263,000 as proposed by the Senate in H.R. 3755 as reported from Committee, instead of $2,920,000 as proposed by the House in H.R. 3755.

SOCIAL SECURITY ADMINISTRATION

SUPPLEMENTAL SECURITY INCOME PROGRAM

The conference agreement provides $19,372,010,000 instead of $19,422,115,000 as proposed by the House in H.R. 3755 and $19,357,010,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within the total, the conference agreement provides $1,946,015,000 for SSI administration. The conference agreement provides an additional $19,895,000 for the automation initiative. The conferees direct that the Social Security Administration comply with the directive in the House report accompanying H.R. 3755 regarding the use of funding for research and demonstrations.

In addition to the amount provided for the regular supplemental security income program appropriation, the conference agreement provides $175,000,000 as proposed by the Senate in H.R. 3755 as reported from Committee for the processing of continuing disability reviews as authorized by P.L. 104–121, the Senior Citizens' Right to Work Act and P.L. 104–193, the welfare reform Act. As passed by the House prior to enactment of P.L. 104–193, H.R. 3755 provided $25,000,000 for the processing of continuing disability reviews as authorized by P.L. 104–121.

The conference agreement includes a technical provision adding the words ''as amended'' to the citation of the law as proposed by the Senate in H.R. 3755 as reported from Committee.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement provides $5,873,382,000, instead of $5,899,797,000 as proposed by the House in H.R. 3755 and $5,820,907,000 as proposed by the Senate in H.R. 3755 as reported from Committee. Within the total amount, the conference agreement provides $3,080,000,000 from the OASDI trust funds and $1,268,000 for the Social Security Advisory Board. The conference agreement provides an additional $234,895,000 for the automation initiative.

The conferees agree that the amount provided for operation of the Social Security Advisory Board is sufficient to enable this independent, bipartisan board to fulfill its mandate to provide the Congress, the President, and the Commissioner of Social Security with recommendations on policy issues related to the Social Security and Supplemental Security Income programs.

In addition to the regular limitation on administration, the conference agreement provides an additional $310,000,000 for the processing of continuing disability reviews as proposed by the Senate in H.R. 3755 as reported from Committee and as authorized by P.L. 104–121, the Senior Citizens' Right to Work Act and P.L. 104–193, the welfare reform Act. As passed by the House prior to enactment of P.L. 104–193, H.R. 3755 provided $160,000,000 for the processing of continuing disability reviews as authorized by P.L. 104–121.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $37,424,000, instead of $27,424,000 as proposed by the House in H.R. 3755 and the Senate in H.R. 3755 as reported from Committee. The conferees believe this additional funding is necessary to provide for the hiring of up to 115 additional FTEs, particularly investigative agents, to adequately protect the Social Security Trust Funds from fraud and criminal abuse.

The conferees believe that all of the Inspectors General need to do a better job of accounting for and tracking the savings that they claim to generate by their efforts. More attention must be paid to how much money is actually collected each year and paid back to the Federal government. The conferees direct the Inspector General to report to the Committees each quarter on:

(1) the actual payments, as a result of fines, restitutions, or forfeitures, made to the United States Government as a result of his activities; and

(2) how ''funds put to better use'' were used; this report must identify funds made available for use by management and the programs, projects, and activities that were increased as a result of these funds.

RAILROAD RETIREMENT BOARD

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

The conference agreement provides $5,404,000, instead of $5,268,000 as proposed by the House in H.R. 3755 and $5,540,000 as proposed in H.R. 3755 as reported from Committee. The conference agreement includes provisions proposed by the House in H.R. 3755 prohibiting the transfer of funds provided in the Act to the Office of Inspector General from the Department of Health and Human Services and prohibiting the use of funds for any audit, investigation, or review of the Medicare program.

The conferees believe that all of the Inspectors General need to do a better job of accounting for and tracking the savings that they claim to generate by their efforts. More attention must be paid to how much money is actually collected each year and paid back to the Federal government. The conferees direct the Inspector General to report to the Committees each quarter on:

(1) the actual payments, as a result of fines, restitutions, or forfeitures, made to the United States Government as a result of his activities; and

(2) how ''funds put to better use'' were used; this report must identify funds made available for use by management and the programs, projects, and activities that were increased as a result of these funds.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

The conferees are concerned that the Institute failed to submit necessary information to the Congress in a timely fashion during the fiscal year 1997 hearing process. The conferees direct the Institute to correct this deficiency during subsequent budget cycles.

TITLE V—GENERAL PROVISIONS

The conference agreement includes a revision to section 503 as proposed by the Senate in H.R. 3755 as reported from Committee. The language would include State legislatures in the section's provision prohibiting use of funds in the bill for activities designed to influence legislation pending before the Congress. Funds in the bill could not be used to attempt to influence a State legislature with respect to pending legislation. The House bill had no similar provision.

The conference agreement includes a revision to section 507 as proposed by the Senate in H.R. 3755 as reported from Committee. The House bill would require all Federal grantees to disclose the dollar amount of Federal funds and the percentage of Federal funds involved in a program or project when the grantee is issuing press releases, statements, requests for proposals, bid solicitations and other documents related to the program or project. The agreement changes the House language by limiting the disclosure provisions to only grantees receiving Federal funds from the Labor-HHS-Education appropriations bill, rather than all Federal grantees.

The conference agreement deletes a provision proposed by the House in H.R. 3755 prohibiting the use of funds by the National Labor Relations Board to exert jurisdiction over any labor dispute involving an employer that does not meet the statutory jurisdictional thresholds for the agency as updated for inflation. H.R. 3755 as reported by the Senate Committee did not include a similar provision.

The conference agreement does not include section 514 as proposed by the House in H.R. 3755 which would prohibit the use of funds in the bill to assist any illegal alien, except for emergency medical assistance, benefits mandated by the Federal courts or public health assistance for immunizations, testing and treatment for communicable diseases. The Senate bill had no similar provision.

The conference agreement does not include section 515 as proposed by the House in H.R. 3755 which would have prohibited the Department of Labor from closing or relocating any mine safety and health technology center until after submission of a report to the House Committee on Appropriations detailing any cost savings anticipated and the effect on services. The Senate bill had no similar provision.

The conference agreement includes a limitation on the use of funds for any educational institution which prohibits the maintaining, establishing, or operation of a unit of the Senior Reserve Officer Training Corps. The conference agreement includes a provision prohibiting the use of funds for any educational institution which prevents the entry to campuses for military recruiting or which prevents access to certain student information to military recruiters. The conference agreement also includes a provision denying funds to entities which have failed to comply with certain reporting requirements administered by the Department of Labor.

The conferees intend that the limitations on the use of funds relating to ROTC and military recruiting not apply to any individual institution of higher education that is part of a single university system and that does not bar military recruiters or ROTC on campus even though another campus of the same system does prohibit recruiters or ROTC on campus.

The conferees do not wish to impose an unreasonable administrative burden on institutions of higher education to comply with these provisions. The conferees direct the Secretary of Defense to include in regulations implementing these provisions mechanisms to ensure that institutions of higher education are not subjected to unreasonable requests for student information.

The conference agreement does not include section 520 as proposed by the House in H.R. 3755 which would have prohibited the enforcement of an OSHA regulation that requires that workers wear long pants if such requirement would cause workers to experience extreme discomfort because of heat. The Senate bill had no similar provision.

The conference agreement deletes without prejudice a provision proposed by the House in H.R. 3755 but deleted by the Senate prohibiting the use of funds to order, direct, enforce, or compel an employer to pay backpay to any employee for any period during which the employee was not lawfully entitled to be present and employed in the United States. The conferees agree that this is a serious matter which needs to be addressed, but believe it should be dealt with by the appropriate authorizing committees.

The conference agreement does not include a provision proposed by the House in H.R. 3755 and not included in H.R. 3755 as reported from the Senate Committee which prohibits the use of trust funds to compensate employees of the Social Security Administration for union activity conducted on official time.

The conference agreement includes a provision in the House bill that was deleted in the Senate bill prohibiting the funding of family planning grantees unless the grantee

certifies that it encourages family participation in the decision of a minor to seek family planning services.

The conference agreement modifies a provision as proposed by the Senate in H.R. 3755 as reported from Committee to require a reduction of $30,500,000 in amounts otherwise available for salaries and expenses, and in addition, the conference agreement requires a reduction of $2,000,000 in resources otherwise available for congressional, legislative, and public affairs activities. The conference agreement does not include a provision proposed by the Senate in H.R. 3755 as reported from Committee to require a cap on cash performance awards of 1% of salaries for each agency.

The conference agreement includes a provision proposed by the Senate in H.R. 3755 as reported from Committee and not included in H.R. 3755 as passed by the House permitting the Railroad Retirement Board to offer voluntary separation incentives to its employees.

The conference agreement includes a provision that was not contained in H.R. 3755 as passed by the House or reported by the Senate Committee that corrects the effective date of the Health Centers Consolidation Act of 1996 so that the legislation will be effective for fiscal year 1997.

TITLE VI

COMMISSION ON RETIREMENT INCOME POLICY

The conference agreement does not include title VI of the bill as proposed by the Senate in H.R. 3755 as reported from Committee. The proposed title VI was the text of a separate Senate authorizing bill which would have authorized and established a Commission on Retirement Income Policy. The House bill had no similar provision.

TITLE VII—MUSEUM AND LIBRARY SERVICES ACT OF 1996

The conference agreement includes a new title VII of the bill which was not included either in H.R. 3755 as passed by the House or reported by the Senate Committee. This title amends the Museum Services Act to transfer all library programs from the Department of Education to the Institute of Museum and Library Services.

CONFERENCE AGREEMENT

The following table displays the amounts agreed to for each program, project or activity with appropriate comparisons:

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SUMMARY									
Title I - Department of Labor:									
Federal Funds	7,976,741	9,059,601	7,973,792	8,021,538	8,743,893	+767,152	+770,101	+722,355	
Trust Funds	(3,380,133)	(3,674,428)	(3,504,434)	(3,380,771)	(3,435,973)	(+55,840)	(-68,461)	(+55,202)	
Title II - Department of Health and Human Services:									
Federal Funds	197,401,625	220,807,182	218,873,913	214,854,883	218,101,929	+20,700,304	-771,984	+3,247,046	
Current year	(166,446,275)	(186,007,189)	(185,073,920)	(184,754,890)	(187,394,936)	(+20,948,661)	(+2,321,016)	(+2,640,046)	
1998 advance	(30,955,350)	(34,799,993)	(33,799,993)	(30,099,993)	(30,706,993)	(-248,357)	(-3,093,000)	(+607,000)	
Trust Funds	(2,154,893)	(2,230,547)	(1,742,290)	(1,738,749)	(1,744,290)	(-410,603)	(+2,000)	(+5,541)	
Title III - Department of Education:									
Federal Funds	25,230,349	28,034,009	25,228,875	25,812,646	28,797,235	+3,566,886	+3,568,360	+2,984,589	
Title IV - Related Agencies:									
Federal Funds	29,479,805	31,490,674	30,729,339	30,844,119	30,873,853	+1,394,048	+144,514	+29,734	
Current year	(19,799,805)	(21,365,674)	(20,629,339)	(20,744,119)	(20,773,853)	(+974,048)	(+144,514)	(+29,734)	
1998 advance	(9,430,000)	(9,850,000)	(9,850,000)	(9,850,000)	(9,850,000)	(+420,000)	---	---	
1999 advance	(250,000)	(275,000)	(250,000)	(250,000)	(250,000)	---	---	---	
Trust Funds	(5,988,137)	(6,707,767)	(6,430,308)	(6,478,251)	(6,549,194)	(+561,057)	(+118,886)	(+70,943)	
Title V - 1% Cap on performance awards	---	---	---	-30,500	-30,500	-30,500	-30,500	---	
Total, all titles:									
Federal Funds	260,088,520	289,391,466	282,805,919	279,502,686	286,486,410	+26,397,890	+3,680,491	+6,983,724	
Current year	(219,453,170)	(244,466,473)	(238,905,926)	(239,302,693)	(245,679,417)	(+26,226,247)	(+6,773,491)	(+6,376,724)	
1998 advance	(40,385,350)	(44,649,993)	(43,649,993)	(39,949,993)	(40,556,993)	(+171,643)	(-3,093,000)	(+607,000)	
1999 advance	(250,000)	(275,000)	(250,000)	(250,000)	(250,000)	---	---	---	
Trust Funds	(11,523,163)	(12,612,742)	(11,677,032)	(11,597,771)	(11,729,457)	(+206,294)	(+52,425)	(+131,686)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
BUDGET ENFORCEMENT ACT RECAP									
Federal Funds (all years)	260,088,520	289,391,466	282,805,919	279,502,686	286,486,410	+26,397,890	+3,680,491	+6,983,724	
Mandatory, total in bill	202,222,040	223,293,463	222,894,463	217,961,463	219,754,463	+17,532,423	-3,140,000	+1,793,000	
Less advances for subsequent years	-40,385,350	-43,649,993	-43,649,993	-38,949,993	-39,556,993	+828,357	+4,093,000	-607,000	
Plus advances provided in prior years	38,687,717	40,385,350	40,385,350	40,385,350	40,385,350	+1,697,633	---	---	
Adjustment for savings related to CDRs	---	---	-100,000	-100,000	-100,000	-100,000	---	---	
Education: Rehab services, tech assistance	---	39,249	---	---	---	---	---	---	
Total, mandatory, current year	200,524,407	220,068,069	219,529,820	219,296,820	220,482,820	+19,958,413	+953,000	+1,186,000	
Discretionary, total in bill	57,866,480	66,098,003	59,911,456	61,541,223	66,731,947	+8,865,467	+6,820,491	+5,190,724	
Less advances for subsequent years	-250,000	-1,275,000	-250,000	-1,250,000	-1,250,000	-1,000,000	-1,000,000	---	
Plus advances provided in prior years	1,274,997	260,000	260,000	260,000	260,000	-1,014,997	---	---	
Scorekeeping adjustments:									
Trust funds considered budget authority	6,500,730	6,914,503	6,055,469	6,054,255	6,114,862	-385,868	+59,393	+60,607	
Child care advance funding, FY 1998	---	---	---	-937,000	-937,000	-937,000	-937,000	---	
Child care welfare reform rescission	---	---	---	-6,120	-6,120	-6,120	-6,120	---	
Education advance funding, FY 1997	-1,298,239	1,298,239	1,298,239	1,298,239	1,298,239	+2,596,478	---	---	
Education advance funding, FY 1998	---	---	-1,298,239	-670,597	-1,298,239	-1,298,239	---	-627,642	
LIHEAP 1997 contingency	---	300,000	300,000	---	300,000	+300,000	---	+300,000	
Howard University	---	2	---	---	---	---	---	---	
Education: Rehab services, tech assistance	---	-39,249	---	---	---	---	---	---	
Adjustment to balance with FY96 bill	-27,687	---	---	---	---	+27,687	---	---	
HEAL loan limitation	-6,983	---	---	---	---	+6,983	---	---	
Emergency designations	---	-28,575	---	---	-28,575	-28,575	-28,575	-28,575	
Direct loan administration limitation	-114,000	---	-269,000	-252,000	-218,000	-104,000	+51,000	+34,000	
JOBS rescission	-10,000	---	---	---	---	+10,000	---	---	
Dept of Labor working capital fund	3,900	---	---	---	---	-3,900	---	---	
Advances to the ESA account of the Unempl TF	-56,300	---	---	---	---	+56,300	---	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Payments to UI trust fund & other funds.....	-266,000	---	---	---	---	+266,000	---	---	
Adjustment for leg cap on Title XX SSBGs.....	-419,000	---	100,000	-140,000	120,000	+539,000	+20,000	+260,000	
Medicaid psychiatric hospitals.....	50,000	---	---	---	---	-50,000	---	---	
* Total, discretionary, current year.....	63,247,898	73,527,923	66,107,925	65,898,000	71,087,114	+7,839,216	+4,979,189	+5,189,114	
* Crime trust fund.....	53,000	90,381	61,000	123,000	61,000	+8,000	---	-62,000	
* General purposes.....	63,194,898	73,437,542	66,046,925	65,775,000	71,026,114	+7,831,216	+4,979,189	+5,251,114	
Total amount provided in this bill.....	260,088,520	289,391,466	282,805,919	279,502,686	286,486,410	+26,397,890	+3,680,491	+6,983,724	
Total 602(b) adjustments.....	3,683,785	4,204,526	2,831,826	5,692,134	5,083,524	+1,399,739	+2,251,698	-608,610	
Grand total, current year.....	263,772,305	293,595,992	285,637,745	285,194,820	291,569,934	+27,797,629	+5,932,189	+6,375,114	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
DISTRIBUTION OF BILL TOTALS BY AGENCY									
(BUDGET ENFORCEMENT ACT SCOREKEEPING)									
Title I - Department of Labor	7,976,741	9,059,601	7,973,792	8,021,538	8,743,893	+767,152	+770,101	+722,355	
Trust funds considered budget authority	3,368,573	3,661,328	3,367,731	3,369,443	3,424,645	+56,072	+56,914	+55,202	
Total	11,345,314	12,720,929	11,341,523	11,390,981	12,168,538	+823,224	+827,015	+777,557	
Mandatory	1,930,462	1,918,500	1,918,500	1,918,500	1,918,500	-11,962	---	---	
Discretionary	6,046,279	7,141,101	6,055,292	6,103,038	6,825,393	+779,114	+770,101	+722,355	
Trust funds considered budget authority	3,368,573	3,661,328	3,367,731	3,369,443	3,424,645	+56,072	+56,914	+55,202	
Dept of Labor working capital fund	3,900	---	---	---	---	-3,900	---	---	
Subtotal, discretionary	9,418,752	10,802,429	9,423,023	9,472,481	10,250,038	+831,286	+827,015	+777,557	
Total, 602(b) scorekeeping	11,349,214	12,720,929	11,341,523	11,390,981	12,168,538	+819,324	+827,015	+777,557	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Title II - Dept of Health & Human Services	166,446,275	186,007,189	185,073,920	184,754,890	187,394,936	+20,948,661	+2,321,016	+2,640,046	
Prior year advances	32,447,717	30,955,350	30,955,350	30,955,350	30,955,350	-1,492,367	---	---	
Trust funds considered budget authority	2,154,893	2,230,547	1,742,290	1,738,749	1,744,290	-410,603	+2,000	+5,541	
Total	201,048,885	219,193,086	217,771,560	217,448,989	220,094,576	+19,045,691	+2,323,016	+2,645,587	
Mandatory	140,294,672	157,275,239	156,955,239	156,715,239	157,908,239	+17,613,567	+953,000	+1,193,000	
Prior year advances	31,447,717	30,955,350	30,955,350	30,955,350	30,955,350	-492,367	---	---	
Adjustment for savings related to CDRs	---	---	-100,000	-100,000	-100,000	-100,000	---	---	
Subtotal, mandatory	171,742,389	188,230,589	187,810,589	187,570,589	188,763,589	+17,021,200	+953,000	+1,193,000	
Discretionary	26,151,603	28,731,950	28,118,681	28,039,651	29,486,697	+3,335,094	+1,368,016	+1,447,046	
Prior year advances	999,997	---	---	---	---	-999,997	---	---	
Trust funds considered budget authority	2,154,893	2,230,547	1,742,290	1,738,749	1,744,290	-410,603	+2,000	+5,541	
Child Care advance funding, FY 1998	---	---	---	-937,000	-937,000	-937,000	-937,000	---	
Emergency designations	---	-28,575	---	---	-28,575	-28,575	-28,575	-28,575	
Child care welfare reform rescission	---	---	---	-6,120	-6,120	-6,120	-6,120	---	
HEAL loan limitation	-6,983	---	---	---	---	+6,983	---	---	
Adjustment for leg cap on Title XX SSBGs	-419,000	---	100,000	-140,000	120,000	+539,000	+20,000	+260,000	
LIHEAP 1997 contingency	---	300,000	300,000	---	300,000	+300,000	---	+300,000	
Subtotal, discretionary	28,880,510	31,233,922	30,260,971	28,695,280	30,679,292	+1,798,782	+418,321	+1,984,012	
Total, 602(b) scorekeeping	200,622,899	219,464,511	218,071,560	216,265,869	219,442,881	+18,819,982	+1,371,321	+3,177,012	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Title III - Department of Education	25,230,349	28,034,009	25,228,875	25,812,646	28,797,235	+3,566,886	+3,568,360	+2,984,589	
Mandatory	2,419,983	2,473,338	2,473,338	2,480,338	2,473,338	+53,355	---	-7,000	
Education: Rehab services, tech assistance	---	39,249	---	---	---	---	---	---	
Subtotal, mandatory	2,419,983	2,512,587	2,473,338	2,480,338	2,473,338	+53,355	---	-7,000	
Discretionary	22,810,366	25,560,671	22,755,537	23,332,308	26,323,897	+3,513,531	+3,568,360	+2,991,589	
Education advance funding, FY 1997	-1,298,239	1,298,239	1,298,239	1,298,239	1,298,239	+2,596,478	---	---	
Education advance funding, FY 1998	---	---	-1,298,239	-670,597	-1,298,239	-1,298,239	---	-627,642	
Education: Rehab services, tech assistance	---	-39,249	---	---	---	---	---	---	
Subtotal, discretionary	21,512,127	26,819,661	22,755,537	23,959,950	26,323,897	+4,811,770	+3,568,360	+2,363,947	
Total, 602(b) scorekeeping	23,932,110	29,332,248	25,228,875	26,440,288	28,797,235	+4,865,125	+3,568,360	+2,356,947	
Title IV - Related Agencies	19,799,805	21,365,674	20,629,339	20,744,119	20,773,853	+974,048	+144,514	+29,734	
Prior year advances	7,515,000	9,690,000	9,690,000	9,690,000	9,690,000	+2,175,000	---	---	
Trust funds considered budget authority	977,264	1,022,628	945,448	946,063	945,927	-31,337	+479	-136	
Total	28,292,069	32,078,302	31,264,787	31,380,182	31,409,780	+3,117,711	+144,993	+29,598	
Mandatory	17,191,573	17,976,393	17,897,393	17,897,393	17,897,393	+705,820	---	---	
Prior year advances	7,240,000	9,430,000	9,430,000	9,430,000	9,430,000	+2,190,000	---	---	
Subtotal, mandatory	24,431,573	27,406,393	27,327,393	27,327,393	27,327,393	+2,895,820	---	---	
Discretionary	2,608,232	3,389,281	2,731,946	2,846,726	2,876,460	+268,228	+144,514	+29,734	
Prior year advances	275,000	260,000	260,000	260,000	260,000	-15,000	---	---	
Trust funds considered budget authority	977,264	1,022,628	945,448	946,063	945,927	-31,337	+479	-136	
Subtotal, discretionary	3,860,496	4,671,909	3,937,394	4,052,789	4,082,387	+221,891	+144,993	+29,598	
Total, 602(b) scorekeeping	28,292,069	32,078,302	31,264,787	31,380,182	31,409,780	+3,117,711	+144,993	+29,598	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Title V - 1% Cap on performance awards	---	---	---	-30,500	-30,500	-30,500	-30,500	---	
Scorekeeping adjustments:									
Howard University	---	2	---	---	---	---	---	---	
Adjustment to balance with FY96 bill	-27,687	---	---	---	---	+27,687	---	---	
Direct loan administration limitation	-114,000	---	-269,000	-252,000	-218,000	-104,000	+51,000	+34,000	
Medicaid psychiatric hospitals	50,000	---	---	---	---	-50,000	---	---	
JOBS rescission	-10,000	---	---	---	---	+10,000	---	---	
Advances to the ESA account of the Unempl TF	-56,300	---	---	---	---	+56,300	---	---	
Payments to UI trust fund & other funds	-266,000	---	---	---	---	+266,000	---	---	
Total, current year, all titles	263,772,305	293,595,992	285,637,745	285,194,820	291,569,934	+27,797,629	+5,932,189	+6,375,114	
Mandatory	161,836,690	179,682,719	179,144,470	178,911,470	180,097,470	+18,260,780	+953,000	+1,186,000	
Prior year advances	38,687,717	40,385,350	40,385,350	40,385,350	40,385,350	+1,697,633	---	---	
Subtotal, mandatory, current year	200,524,407	220,068,069	219,529,820	219,296,820	220,482,820	+19,958,413	+953,000	+1,186,000	
Discretionary	55,472,171	66,353,420	59,792,456	59,583,745	64,712,252	+9,240,081	+4,919,796	+5,128,507	
Prior year advances	1,274,997	260,000	260,000	260,000	260,000	-1,014,997	---	---	
Trust funds considered budget authority	6,500,730	6,914,503	6,055,469	6,054,255	6,114,862	-385,868	+59,393	+60,607	
Subtotal, discretionary current year	63,247,898	73,527,923	66,107,925	65,898,000	71,087,114	+7,839,216	+4,979,189	+5,189,114	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
TITLE I - DEPARTMENT OF LABOR									
EMPLOYMENT AND TRAINING ADMINISTRATION									
TRAINING AND EMPLOYMENT SERVICES 1/									
Grants to States:									
Adult training	850,000	947,000	845,000	845,000	895,000	+45,000	+50,000	+50,000	D
Youth training	126,672	126,672	126,672	126,672	126,672	---	---	---	D
Summer youth employment and training program 3/	625,000	871,000	625,000	625,000	871,000	+246,000	+246,000	+246,000	D
Dislocated worker assistance:									
Forward funding	1,097,500	1,293,000	1,100,000	1,100,000	1,293,000	+195,500	+193,000	+193,000	D
Current funding 3/	2,500	---	---	---	---	-2,500	---	---	D
Subtotal	1,100,000	1,293,000	1,100,000	1,100,000	1,293,000	+193,000	+193,000	+193,000	
Federally administered programs:									
Native Americans	52,502	50,000	50,000	52,502	52,502	---	+2,502	---	D
Migrants and seasonal farmworkers	69,285	65,000	65,000	70,285	69,285	---	+4,285	-1,000	D
Job Corps:									
Operations	972,475	1,064,824	1,064,824	1,064,824	1,064,824	+92,349	---	---	D
Construction and renovation 2/	121,467	88,685	73,861	73,861	88,685	-32,782	+14,824	+14,824	D
Subtotal, Job Corps	1,093,942	1,153,509	1,138,685	1,138,685	1,153,509	+59,567	+14,824	+14,824	
Veterans' employment	7,300	7,300	7,300	7,300	7,300	---	---	---	D

1/ Forward funded except where noted.

2/ 3 year availability.

3/ Current funded.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
National activities:									
Pilots and demonstrations	27,140	23,717	15,000	33,000	27,140	---	+12,140	-5,860	D
Research, demonstration and evaluation	6,196	10,196	6,196	6,196	6,196	---	---	---	D
Opportunity areas for youth	---	250,000	---	---	---	---	---	---	D
Jobs for residents	---	50,000	---	---	---	---	---	---	D
Incumbent worker demonstrations	---	15,000	---	---	---	---	---	---	D
Other	13,489	8,019	8,019	13,489	13,489	---	+5,470	---	D
Subtotal, National activities	46,825	356,932	29,215	52,685	46,825	---	+17,610	-5,860	
Subtotal, Federal activities	1,269,854	1,632,741	1,290,200	1,321,457	1,329,421	+59,567	+39,221	+7,964	
Total, Job Training Partnership Act	3,971,526	4,870,413	3,986,872	4,018,129	4,515,093	+543,567	+528,221	+496,964	
Glass Ceiling Commission 1/	142	---	---	---	---	-142	---	---	D
Women in apprenticeship 1/	610	647	610	610	610	---	---	---	D
Skills Standards	4,000	9,000	4,000	4,000	4,000	---	---	---	D
Total, National activities, TES (non-add)	(51,577)	(366,579)	(33,825)	(57,295)	(51,435)	(-142)	(+17,610)	(-5,860)	
School-to-work 2/	170,000	200,000	175,000	180,000	200,000	+30,000	+25,000	+20,000	D
Total, Training and Employment Services	4,146,278	5,080,060	4,166,482	4,202,739	4,719,703	+573,425	+553,221	+516,964	
Subtotal, forward funded	(3,518,026)	(4,208,413)	(3,540,872)	(3,577,129)	(3,848,093)	(+330,067)	(+307,221)	(+270,964)	

1/ Current funded.

2/ 15-month availability.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS 1/..	373,000	350,000	373,000	373,000	463,000	+90,000	+90,000	+90,000	D
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES									
Trade adjustment.....	279,600	276,100	276,100	276,100	276,100	-3,500	---	---	M
NAFTA activities.....	66,500	48,400	48,400	48,400	48,400	-18,100	---	---	M
Total.....	346,100	324,500	324,500	324,500	324,500	-21,600	---	---	
STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS									
Unemployment Compensation (Trust Funds):									
State Operations.....	(2,080,520)	(2,224,974)	(2,076,735)	(2,119,475)	(2,119,475)	(+38,955)	(+42,740)	---	TF*
National Activities.....	(10,000)	(10,000)	(8,500)	(10,000)	(10,000)	---	(+1,500)	---	TF*
Contingency.....	(216,333)	(260,573)	(260,573)	(216,333)	(216,333)	---	(-44,240)	---	TF*
Contingency bill language (OMB estimate).....	---	(67,800)	---	---	---	---	---	---	NA
Portion treated as budget authority.....	---	(67,800)	---	---	---	---	---	---	TF*
Subtotal, Unemployment Comp (trust funds)...	(2,306,853)	(2,563,347)	(2,345,808)	(2,345,808)	(2,345,808)	(+38,955)	---	---	

1/ Request proposes transfer of these funds to the Administration on Aging in the Dept of HHS.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Employment Service:									
Allotments to States:									
Federal funds	23,452	24,085	22,279	22,279	23,452	---	+1,173	+1,173	D
Trust funds	(738,283)	(758,217)	(701,369)	(701,369)	(738,283)	---	(+36,914)	(+36,914)	TF*
Subtotal	761,735	782,302	723,648	723,648	761,735	---	+38,087	+38,087	
National Activities:									
Federal funds	1,876	1,927	---	---	---	-1,876	---	---	D
Trust funds 2/	(57,058)	(63,949)	(42,735)	(52,559)	(62,735)	(+5,677)	(+20,000)	(+10,176)	TF*
Subtotal, Emp. Serv., National Activities	58,934	65,876	42,735	52,559	62,735	+3,801	+20,000	+10,176	
Subtotal, Employment Service	820,669	848,178	766,383	776,207	824,470	+3,801	+58,087	+48,263	
Federal funds	25,328	26,012	22,279	22,279	23,452	-1,876	+1,173	+1,173	
Trust funds	(795,341)	(822,166)	(744,104)	(753,928)	(801,018)	(+5,677)	(+56,914)	(+47,090)	
One-stop Career Centers	110,000	150,000	110,000	110,000	150,000	+40,000	+40,000	+40,000	D
Total, State Unemployment	3,237,522	3,561,525	3,222,191	3,232,015	3,320,278	+82,756	+98,087	+88,263	
Federal Funds	135,328	176,012	132,279	132,279	173,452	+38,124	+41,173	+41,173	
Trust Funds	(3,102,194)	(3,385,513)	(3,089,912)	(3,099,736)	(3,146,826)	(+44,632)	(+56,914)	(+47,090)	
ADVANCES TO UNEMPLOYMENT TRUST FUND & OTHER FUNDS 1/.	369,000	373,000	373,000	373,000	373,000	+4,000	---	---	M
ADVANCES TO THE ESA ACCOUNT OF THE UNEMPLOYMENT TRUST FUND	(-56,300)	---	---	---	---	(+56,300)	---	---	NA
PAYMENTS TO UI TRUST FUND AND OTHER FUNDS	(-266,000)	---	---	---	---	(+266,000)	---	---	NA

1/ 2 year availability.

2/ Senate includes $10,000,000 and conference includes $20,000,000 for administration of the work opportunity tax credit program.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM ADMINISTRATION									
Adult employment and training	25,619	26,091	25,107	25,107	25,107	-512	---	---	D
Trust funds	(2,283)	(2,354)	(2,237)	(2,237)	(2,237)	(-46)	---	---	TF*
Youth employment and training	29,441	29,990	28,852	28,852	28,852	-589	---	---	D
Employment security	6,057	6,323	5,936	5,936	5,936	-121	---	---	D
Trust funds	(37,167)	(37,274)	(36,424)	(36,424)	(36,424)	(-743)	---	---	TF*
Apprenticeship services	16,129	16,689	15,806	15,806	15,806	-323	---	---	D
Executive direction	5,808	5,614	5,692	5,692	5,692	-116	---	---	D
Trust funds	(1,343)	(1,346)	(1,316)	(1,316)	(1,316)	(-27)	---	---	TF*
Total, Program Administration	123,847	125,681	121,370	121,370	121,370	-2,477	---	---	
Federal funds	83,054	84,707	81,393	81,393	81,393	-1,661	---	---	
Trust funds	(40,793)	(40,974)	(39,977)	(39,977)	(39,977)	(-816)	---	---	
Total, Employment & Training Administration	8,595,747	9,814,766	8,580,543	8,626,624	9,321,851	+726,104	+741,308	+695,227	
Federal funds	5,452,760	6,388,279	5,450,654	5,486,911	6,135,048	+682,288	+684,394	+648,137	
Trust funds	(3,142,987)	(3,426,487)	(3,129,889)	(3,139,713)	(3,186,803)	(+43,816)	(+56,914)	(+47,090)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
PENSION AND WELFARE BENEFITS ADMINISTRATION									
SALARIES AND EXPENSES 1/									
Enforcement and compliance	51,712	67,430	50,978	56,678	61,669	+9,957	+10,691	+4,991	D
Policy, regulation and public service	11,831	14,261	11,594	11,594	11,831	---	+237	+237	D
Program oversight	3,583	3,758	3,511	3,511	3,583	---	+72	+72	D
Total, PWBA	67,126	85,449	66,083	71,783	77,083	+9,957	+11,000	+5,300	
PENSION BENEFIT GUARANTY CORPORATION									
Program Administration subject to limitation (Trust Funds)	(10,557)	(12,043)	(135,720)	(10,345)	(10,345)	(-212)	(-125,375)	---	TF
Services related to terminations not subject to limitations (non-add)	(127,933)	(128,496)	---	(125,375)	(125,375)	(-2,558)	(+125,375)	---	NA
Total, PBGC	(138,490)	(140,539)	(135,720)	(135,720)	(135,720)	(-2,770)	---	---	

1/ Budget requests $9 million to remain available through Sept. 30, 1998.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement of wage and hour standards	99,751	118,704	102,756	101,506	118,704	+18,953	+15,948	+17,198	D
Office of Labor-Management Standards	23,992	29,084	23,512	23,512	25,564	+1,572	+2,052	+2,052	D
Federal contractor EEO standards enforcement	56,171	65,460	55,048	55,048	59,058	+2,887	+4,010	+4,010	D
Federal programs for workers' compensation	73,159	80,222	71,696	71,696	75,710	+2,551	+4,014	+4,014	D
Trust funds	(1,003)	(1,057)	(983)	(983)	(983)	(-20)	---	---	TF
Program direction and support	10,622	11,386	10,410	10,410	11,386	+764	+976	+976	D
Total, salaries and expenses	264,698	305,913	264,405	263,155	291,405	+26,707	+27,000	+28,250	
Federal funds	263,695	304,856	263,422	262,172	290,422	+26,727	+27,000	+28,250	
Trust funds	(1,003)	(1,057)	(983)	(983)	(983)	(-20)	---	---	
SPECIAL BENEFITS									
Federal employees compensation benefits	214,000	209,000	209,000	209,000	209,000	-5,000	---	---	M
Longshore and harbor workers' benefits	4,000	4,000	4,000	4,000	4,000	---	---	---	M
Total, Special Benefits	218,000	213,000	213,000	213,000	213,000	-5,000	---	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
BLACK LUNG DISABILITY TRUST FUND									
Benefit payments and interest on advances	949,494	961,665	961,665	961,665	961,665	+12,171	---	---	M
Employment Standards Admin., salaries & expenses	27,193	26,071	26,071	26,071	26,071	-1,122	---	---	M
Departmental Management, salaries and expenses	19,621	19,621	19,621	19,621	19,621	---	---	---	M
Departmental Management, inspector general	298	287	287	287	287	-11	---	---	M
Subtotal, Black Lung Disablty. Trust Fund, apprn	996,606	1,007,644	1,007,644	1,007,644	1,007,644	+11,038	---	---	
Treasury administrative costs (indefinite)	756	356	356	356	356	-400	---	---	M
Total, Black Lung Disability Trust Fund	997,362	1,008,000	1,008,000	1,008,000	1,008,000	+10,638	---	---	
Total, Employment Standards Administration	1,480,060	1,526,913	1,485,405	1,484,155	1,512,405	+32,345	+27,000	+28,250	
Federal funds	1,479,057	1,525,856	1,484,422	1,483,172	1,511,422	+32,365	+27,000	+28,250	
Trust funds	(1,003)	(1,057)	(983)	(983)	(983)	(-20)	---	---	
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Safety and health standards	8,374	18,066	8,207	8,207	12,000	+3,626	+3,793	+3,793	D
Enforcement:									
Federal Enforcement	120,890	122,386	117,125	118,525	126,208	+5,318	+9,083	+7,683	D
State programs	68,295	73,315	66,929	66,929	77,354	+9,059	+10,425	+10,425	D
Technical Support	17,815	20,445	17,459	17,459	17,459	-356	---	---	D
Compliance Assistance:									
Federal Assistance	34,822	51,970	34,822	34,822	37,440	+2,618	+2,618	+2,618	D
State Consultation Grants	32,479	33,064	32,479	32,479	34,560	+2,081	+2,081	+2,081	D
Safety and health statistics	14,465	14,647	14,176	14,176	14,176	-289	---	---	D
Executive direction and administration	6,670	6,958	6,537	6,537	6,537	-133	---	---	D
Total, OSHA	303,810	340,851	297,734	299,134	325,734	+21,924	+28,000	+26,600	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
MINE SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement:									
Coal	106,090	108,723	103,968	106,090	107,594	+1,504	+3,626	+1,504	D
Metal/nonmetal	41,412	44,997	40,584	41,412	41,994	+582	+1,410	+582	D
Standards development	1,008	1,303	988	1,008	1,008	---	+20	---	D
Assessments	3,497	3,840	3,427	3,497	3,497	---	+70	---	D
Educational policy and development	14,782	14,800	14,486	14,782	14,782	---	+296	---	D
Technical support	21,268	21,950	20,843	21,268	21,268	---	+425	---	D
Program administration	7,667	8,569	7,514	7,667	7,667	---	+153	---	D
Total, Mine Safety and Health Administration	195,724	204,182	191,810	195,724	197,810	+2,086	+6,000	+2,086	
BUREAU OF LABOR STATISTICS									
SALARIES AND EXPENSES									
Employment and Unemployment Statistics	97,155	111,426	97,624	97,389	102,169	+5,014	+4,545	+4,780	D
Labor Market Information (Trust Funds)	(51,278)	(52,053)	(52,053)	(51,665)	(52,053)	(+775)	---	(+388)	TF*
Prices and cost of living	96,322	101,825	98,107	97,214	100,134	+3,812	+2,027	+2,920	D
Compensation and working conditions	53,444	55,617	56,834	55,139	56,834	+3,390	---	+1,695	D
Productivity and technology	6,974	7,263	7,180	7,077	7,263	+289	+83	+186	D
Economic growth and employment projections	4,451	4,640	4,582	4,516	4,640	+189	+58	+124	D
Executive direction and staff services	21,896	23,462	22,175	22,185	22,462	+566	+287	+277	D
Consumer Price Index Revision 1/	11,549	16,145	16,145	16,145	16,145	+4,596	---	---	D
Total, Bureau of Labor Statistics	343,069	372,431	354,700	351,330	361,700	+18,631	+7,000	+10,370	
Federal Funds	291,791	320,378	302,647	299,665	309,647	+17,856	+7,000	+9,982	
Trust Funds	(51,278)	(52,053)	(52,053)	(51,665)	(52,053)	(+775)	---	(+388)	

1/ 2 year availability.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
SALARIES AND EXPENSES									
Executive direction	18,641	19,368	20,268	20,268	20,268	+1,627	---	---	D
Legal services	58,072	61,510	56,911	56,911	59,911	+1,839	+3,000	+3,000	D
Trust funds	(303)	(303)	(297)	(297)	(297)	(-6)	---	---	TF*
International labor affairs	9,900	9,465	6,000	9,465	9,465	-435	+3,465	---	D
Administration and management	13,904	13,916	13,626	13,626	13,626	-278	---	---	D
Adjudication	20,500	20,895	20,090	20,090	20,090	-410	---	---	D
Promoting employment of people with disabilities	4,358	4,389	4,271	4,358	4,358	---	+87	---	D
Women's Bureau	7,743	7,751	7,588	7,743	7,743	---	+155	---	D
Civil Rights Activities	4,535	4,541	4,444	4,444	4,444	-91	---	---	D
Chief Financial Officer	4,394	4,399	4,306	4,306	4,306	-88	---	---	D
Commission on Retirement Income Policy	---	---	---	1,000	---	---	---	-1,000	D
Total, Salaries and expenses	142,350	146,537	137,801	142,508	144,508	+2,158	+6,707	+2,000	
Federal funds	142,047	146,234	137,504	142,211	144,211	+2,164	+6,707	+2,000	
Trust funds	(303)	(303)	(297)	(297)	(297)	(-6)	---	---	
VETERANS EMPLOYMENT AND TRAINING									
State Administration: Disabled Veterans Outreach Program	(76,913)	(81,993)	(81,993)	(79,453)	(81,993)	(+5,080)	---	(+2,540)	TF*
Local Veterans Employment Program	(71,386)	(75,125)	(75,125)	(73,255)	(75,125)	(+3,739)	---	(+1,870)	TF*
Subtotal, State Administration	(148,299)	(157,118)	(157,118)	(152,708)	(157,118)	(+8,819)	---	(+4,410)	
Federal Administration	(19,419)	(21,752)	(22,831)	(19,517)	(22,831)	(+3,412)	---	(+3,314)	TF*
National Veterans Training Institute	(2,672)	---	(2,000)	(2,000)	(2,000)	(-672)	---	---	TF*
Total, Trust Funds	(170,390)	(178,870)	(181,949)	(174,225)	(181,949)	(+11,559)	---	(+7,724)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
REINVENTION INVESTMENT FUND	---	3,900	---	---	---	---	---	---	D
OFFICE OF THE INSPECTOR GENERAL									
Program activities	37,622	38,117	36,270	36,270	36,270	-1,352	---	---	D
Trust funds	(3,615)	(3,615)	(3,543)	(3,543)	(3,543)	(-72)	---	---	TF*
Executive Direction and Management	6,804	6,355	6,668	6,668	6,668	-136	---	---	D
Total, Office of the Inspector General	48,041	48,087	46,481	46,481	46,481	-1,560	---	---	
Federal funds	44,426	44,472	42,938	42,938	42,938	-1,488	---	---	
Trust funds	(3,615)	(3,615)	(3,543)	(3,543)	(3,543)	(-72)	---	---	
Total, Departmental Management	360,781	377,394	366,231	363,214	372,938	+12,157	+6,707	+9,724	
Federal funds	186,473	194,606	180,442	185,149	187,149	+676	+6,707	+2,000	
Trust funds	(174,308)	(182,788)	(185,789)	(178,065)	(185,789)	(+11,481)	---	(+7,724)	
Total, Labor Department	11,356,874	12,734,029	11,478,226	11,402,309	12,179,866	+822,992	+701,640	+777,557	
Federal funds	7,976,741	9,059,601	7,973,792	8,021,538	8,743,893	+767,152	+770,101	+722,355	
Trust funds	(3,380,133)	(3,674,428)	(3,504,434)	(3,380,771)	(3,435,973)	(+55,840)	(-68,461)	(+55,202)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Consolidated health centers	758,132	---	802,124	778,000	802,124	+43,992	---	+24,124	D
Health Centers Cluster (proposed legislation)	---	757,124	---	---	---	---	---	---	D
Subtotal, Health Centers Activities	758,132	757,124	802,124	778,000	802,124	+43,992	---	+24,124	
National Health Service Corps:									
Field placements	37,244	---	37,244	37,244	37,244	---	---	---	D
Recruitment	75,189	---	78,189	78,189	78,189	+3,000	---	---	D
Subtotal, National Health Service Corps	112,433	---	115,433	115,433	115,433	+3,000	---	---	

Note: All HHS accounts are current funded unless otherwise noted.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Health Professions									
Grants to communities for scholarships	474	---	532	474	532	+58	---	+58	D
Health professions data system	212	---	238	212	238	+26	---	+26	D
Research on certain Health Profession issues	---	---	---	450	450	+450	+450	---	D
Nurse loan repayment for shortage area service	1,962	---	2,197	2,197	2,197	+235	---	---	D
Workforce Development Cluster (proposed leg)	---	117,205	---	---	---	---	---	---	D
Centers of excellence	22,072	---	24,718	22,072	24,718	+2,646	---	+2,646	D
Health careers opportunity program	23,918	---	26,785	23,918	26,785	+2,867	---	+2,867	D
Exceptional financial need scholarships	10,120	---	11,333	10,120	11,333	+1,213	---	+1,213	D
Faculty loan repayment	947	---	1,061	947	1,061	+114	---	+114	D
Fin assistance for disadvantaged HP students	5,999	---	6,718	5,999	6,718	+719	---	+719	D
Scholarships for disadvantaged students	16,677	---	18,676	16,677	18,676	+1,999	---	+1,999	D
Minority / Disadvantaged Cluster (proposed leg)	---	64,085	---	---	---	---	---	---	D
Family medicine training / departments	44,002	---	49,277	44,002	49,277	+5,275	---	+5,275	D
General internal medicine and pediatrics	15,741	---	17,628	15,741	17,628	+1,887	---	+1,887	D
Physician assistants	5,697	---	6,380	5,697	6,380	+683	---	+683	D
Public health and preventive medicine	7,148	---	8,005	7,148	8,005	+857	---	+857	D
Health administration traineeships / projects	978	---	1,095	978	1,095	+117	---	+117	D
Primary Care Medicine and Public Health Cluster (proposed legislation)	---	80,000	---	---	---	---	---	---	D

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Area health education centers	23,123	---	28,495	26,000	28,495	+5,372	---	+2,495	D
Border health training centers	3,350	---	3,752	3,350	3,752	+402	---	+402	D
General dentistry residencies	3,381	---	3,786	3,381	3,786	+405	---	+405	D
Allied health special projects	3,424	---	3,834	3,424	3,834	+410	---	+410	D
Geriatric education centers and training	7,933	---	8,884	7,933	8,884	+951	---	+951	D
Rural interdisciplinary traineeships	3,709	---	4,154	4,154	4,154	+445	---	---	D
Podiatric medicine	605	---	678	605	678	+73	---	+73	D
Chiropractic demonstration grants	916	---	1,026	916	1,026	+110	---	+110	D
Enhanced Area Health Education Cluster (proposed legislation)	---	35,000	---	---	---	---	---	---	D
Advanced nurse education	11,134	---	12,469	11,134	12,469	+1,335	---	+1,335	D
Nurse practitioners / nurse midwives	15,460	---	17,588	17,588	17,588	+2,128	---	---	D
Special projects	9,436	---	10,567	9,436	10,567	+1,131	---	+1,131	D
Nurse disadvantaged assistance	3,453	---	3,867	3,867	3,867	+414	---	---	D
Professional nurse traineeships	14,235	---	15,942	14,235	15,942	+1,707	---	+1,707	D
Nurse anesthetists	2,469	---	2,765	2,469	2,765	+296	---	+296	D
Nurse Education / Practice Initiatives Cluster (proposed legislation)	---	70,000	---	---	---	---	---	---	D
Undistributed reduction	---	-8,335	---	---	---	---	---	---	D
Subtotal, Health professions	258,575	357,955	292,450	265,124	292,900	+34,325	+450	+27,776	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Other HRSA Programs:									
Hansen's disease services	17,094	15,998	17,094	17,094	17,094	---	---	---	D
Maternal & child health block grant	678,204	676,061	681,061	678,204	681,061	+2,857	---	+2,857	D
Healthy start	92,816	74,838	---	96,000	96,000	+3,184	+96,000	---	D
Organ transplantation	2,069	2,244	2,400	2,296	2,296	+227	-104	---	D
Health teaching facilities interest subsidies	411	290	297	297	297	-114	---	---	D
Bone marrow program	15,272	14,983	15,272	15,272	15,272	---	---	---	D
Rural outreach grants	27,797	29,566	4,000	27,797	27,797	---	+23,797	---	D
Emergency medical services for children	10,755	---	12,500	12,500	12,500	+1,745	---	---	D
Emergency Medical Services (EMS) Cluster (proposed legislation)	---	9,121	---	---	---	---	---	---	D
Black lung clinics	3,811	---	3,900	4,000	4,000	+189	+100	---	D
Alzheimers demonstration grants	3,980	---	6,000	6,000	6,000	+2,020	---	---	D
Payment to Hawaii, treatment of Hansen's Disease	2,045	---	2,045	2,045	2,045	---	---	---	D
Pacific Basin initiative	1,200	---	---	1,000	---	-1,200	---	-1,000	D
Special Populations Cluster (proposed legislation)	---	7,315	---	---	---	---	---	---	D
Brain injury demonstration grants	---	---	---	3,000	---	---	---	-3,000	D

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Ryan White AIDS Programs:									
Emergency assistance	391,700	423,943	401,700	401,700	449,943	+58,243	+48,243	+48,243	D
Comprehensive care programs	260,847	349,954	290,847	332,847	416,954	+156,107	+126,107	+84,107	D
Early intervention program	56,918	64,568	61,918	61,918	69,568	+12,650	+7,650	+7,650	D
Pediatric demonstrations	29,000	34,000	34,000	34,000	36,000	+7,000	+2,000	+2,000	D
AIDS dental services	6,937	6,937	7,500	7,500	7,500	+563	---	---	D
Education and training centers	12,000	16,287	16,287	16,287	16,287	+4,287	---	---	D
Subtotal, Ryan White AIDS programs	757,402	895,689	812,252	854,252	996,252	+238,850	+184,000	+142,000	
Family planning	192,592	198,452	192,592	198,452	198,452	+5,860	+5,860	---	D
Rural health research	9,353	7,705	7,884	9,553	8,719	-634	+835	-834	D
Health care facilities	20,000	1,954	---	13,000	13,000	-7,000	+13,000	---	D
Buildings and facilities	741	809	2,828	828	828	+87	-2,000	---	D
National practitioner data bank	6,000	6,000	6,000	6,000	6,000	---	---	---	D
User fees	-6,000	-6,000	-6,000	-6,000	-6,000	---	---	---	D
Program management	112,058	110,379	112,058	112,949	112,949	+891	+891	---	D
Total, Health resources and services	3,076,740	3,160,483	3,082,190	3,213,096	3,405,019	+328,279	+322,829	+191,923	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
MEDICAL FACILITIES GUARANTEE AND LOAN FUND:									
Interest subsidy program	8,000	7,000	7,000	7,000	7,000	-1,000	---	---	M
HEALTH EDUCATION ASSISTANCE LOANS PROGRAM (HEAL):									
New loan subsidies	126	477	477	477	477	+351	---	---	M
Liquidating account (non-add)	---	(14,481)	(14,481)	(14,481)	(14,481)	(+14,481)	---	---	NA
HEAL loan limitation (non-add)	(210,000)	(140,000)	(140,000)	(140,000)	(140,000)	(-70,000)	---	---	NA
Program management	2,688	2,695	2,688	2,688	2,688	---	---	---	D
Total, HEAL	2,814	3,172	3,165	3,165	3,165	+351	---	---	
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:									
Post - FY88 claims (trust fund)	56,721	56,721	56,721	56,721	56,721	---	---	---	M
HRSA administration (trust fund)	3,000	3,000	3,000	3,000	3,000	---	---	---	M
Subtotal, Vaccine injury compensation trust fund	59,721	59,721	59,721	59,721	59,721	---	---	---	
VACCINE INJURY COMPENSATION:									
Pre - FY89 claims (appropriation)	110,000	110,000	110,000	110,000	110,000	---	---	---	M
Total, Vaccine injury	169,721	169,721	169,721	169,721	169,721	---	---	---	
Total, Health Resources & Services Admin	3,257,275	3,340,376	3,262,076	3,392,982	3,584,905	+327,630	+322,829	+191,923	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
CENTERS FOR DISEASE CONTROL									
DISEASE CONTROL, RESEARCH AND TRAINING									
Preventive Health Services Block Grant	145,229	145,229	157,000	136,081	154,000	+8,771	-3,000	+17,919	D
Prevention centers	8,099	7,106	7,106	8,099	8,099	---	+993	---	D
CDC/HCFA vaccine program:									
Immunization partnership grant (proposed leg)	---	176,656	---	---	---	---	---	---	D
Childhood immunization	467,890	311,237	467,890	467,890	467,890	---	---	---	D
HCFA vaccine purchase (non-add)	(409,759)	(523,952)	(523,952)	(523,952)	(523,952)	(+114,193)	---	---	NA
Subtotal, CDC/HCFA vaccine program level	(877,649)	(1,011,845)	(991,842)	(991,842)	(991,842)	(+114,193)	---	---	
1995 Vaccine rescission (non-add)	(-53,000)	---	---	---	---	(+53,000)	---	---	NA
HIV partnership grant (proposed legislation)	---	297,875	---	---	---	---	---	---	D
Acquired Immune Deficiency Syndrome (AIDS)	584,080	319,106	599,080	589,080	616,981	+32,901	+17,901	+27,901	D
Subtotal	584,080	616,981	599,080	589,080	616,981	+32,901	+17,901	+27,901	
STD/TB partnership grant (proposed legislation)	---	182,290	---	---	---	---	---	---	D
Tuberculosis	119,303	16,404	119,303	119,303	119,303	---	---	---	D
Sexually transmitted diseases	105,299	24,578	105,299	106,299	106,299	+1,000	+1,000	---	D
Subtotal	224,602	223,272	224,602	225,602	225,602	+1,000	+1,000	---	
Chronic diseases:									
Chronic diseases partnership grant (proposed leg)	---	117,351	---	---	---	---	---	---	D
Chronic and environmental disease prevention	143,744	106,156	155,000	155,000	167,000	+23,256	+12,000	+12,000	D
Breast and cervical cancer screening	124,670	44,677	134,670	139,670	139,670	+15,000	+5,000	---	D
Subtotal, Chronic diseases	268,414	268,184	289,670	294,670	306,670	+38,256	+17,000	+12,000	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Infectious disease	62,153	87,820	82,153	86,153	87,820	+25,667	+5,667	+1,667	D
Lead poisoning prevention	36,188	36,188	38,188	36,188	38,188	+2,000	---	+2,000	D
Injury control	43,198	43,198	40,598	40,598	43,198	---	+2,600	+2,600	D
Occupational Safety and Health (NIOSH)	128,623	136,584	128,623	136,584	141,584	+12,961	+12,961	+5,000	D
Mine safety and health	---	32,000	---	32,000	32,000	+32,000	+32,000	---	D
Traumatic Brain Injury	---	---	---	3,000	---	---	---	-3,000	D
Epidemic services	67,410	67,413	67,413	69,813	69,813	+2,403	+2,400	---	D
National Center for Health Statistics:									
Program operations	37,398	18,400	40,063	33,000	37,663	+265	-2,400	+4,663	D
1% evaluation funds (non-add)	(40,063)	(70,063)	(48,400)	(53,063)	(48,400)	(+8,337)	---	(-4,663)	NA
Subtotal, health statistics	(77,461)	(88,463)	(88,463)	(86,063)	(86,063)	(+8,602)	(-2,400)	---	
Buildings and facilities 1/	4,353	31,853	8,353	7,553	30,553	+26,200	+22,200	+23,000	D
Program management	2,637	2,637	2,637	2,637	2,637	---	---	---	D
Subtotal, Centers for Disease Control	2,080,274	2,204,758	2,153,376	2,168,948	2,262,698	+182,424	+109,322	+93,750	
Crime Bill Activities:									
Rape prevention and education	28,542	35,000	28,642	35,000	35,000	+6,458	+6,358	---	D
Domestic violence community demonstrations	3,000	6,000	5,000	6,000	6,000	+3,000	+1,000	---	D
Crime victim study	100	---	---	---	---	-100	---	---	D
Subtotal, Crime bill activities	31,642	41,000	33,642	41,000	41,000	+9,358	+7,358	---	
Total, Disease Control	2,111,916	2,245,758	2,187,018	2,209,948	2,303,698	+191,782	+116,680	+93,750	

1/ FY 1997 request and conference amounts include $23,000,000 that is declared emergency spending for the purposes of the Budget Act.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
NATIONAL INSTITUTES OF HEALTH									
National Cancer Institute	2,248,000	2,060,392	2,385,741	2,102,949	2,382,532	+134,532	-3,209	+279,583	D
Transfer, Office of AIDS Research	---	(220,539)	---	(223,147)	---	---	---	(-223,147)	NA
Subtotal	(2,248,000)	(2,280,931)	(2,385,741)	(2,326,096)	(2,382,532)	(+134,532)	(-3,209)	(+56,436)	
National Heart, Lung, and Blood Institute	1,354,946	1,320,555	1,438,265	1,344,742	1,433,001	+78,055	-5,264	+88,259	D
Transfer, Office of AIDS Research	---	(58,115)	---	(58,815)	---	---	---	(-58,815)	NA
Subtotal	(1,354,946)	(1,378,670)	(1,438,265)	(1,403,557)	(1,433,001)	(+78,055)	(-5,264)	(+29,444)	
National Institute of Dental Research	182,923	174,463	195,596	177,701	195,997	+13,074	+401	+18,296	D
Transfer, Office of AIDS Research	---	(12,318)	---	(12,483)	---	---	---	(-12,483)	NA
Subtotal	(182,923)	(186,781)	(195,596)	(190,184)	(195,997)	(+13,074)	(+401)	(+5,813)	
National Institute of Diabetes and Digestive and Kidney Diseases	770,582	772,975	819,224	787,473	815,982	+45,400	-3,242	+28,509	D
Transfer, Office of AIDS Research	---	(11,948)	---	(12,109)	---	---	---	(-12,109)	NA
Subtotal	(770,582)	(784,923)	(819,224)	(799,582)	(815,982)	(+45,400)	(-3,242)	(+16,400)	
National Institute of Neurological Disorders and Stroke	680,902	671,148	725,478	683,721	726,746	+45,844	+1,268	+43,025	D
Transfer, Office of AIDS Research	---	(23,950)	---	(24,238)	---	---	---	(-24,238)	NA
Subtotal	(680,902)	(695,098)	(725,478)	(707,959)	(726,746)	(+45,844)	(+1,268)	(+18,787)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
National Institute of Allergy and Infectious Diseases.	1,168,483	584,362	1,256,149	595,016	1,257,234	+88,751	+1,085	+662,218	D
Transfer, Office of AIDS Research.....	---	(624,368)	---	(633,993)	---	---	---	(-633,993)	NA
Subtotal.....	(1,168,483)	(1,208,730)	(1,256,149)	(1,229,009)	(1,257,234)	(+88,751)	(+1,085)	(+28,225)	
National Institute of General Medical Sciences.....	946,896	936,573	1,003,722	953,214	998,470	+51,574	-5,252	+45,256	D
Transfer, Office of AIDS Research.....	---	(27,050)	---	(27,408)	---	---	---	(-27,408)	NA
Subtotal.....	(946,896)	(963,623)	(1,003,722)	(980,622)	(998,470)	(+51,574)	(-5,252)	(+17,848)	
National Institute of Child Health and Human Development.....	594,547	543,441	631,989	554,251	631,703	+37,156	-286	+77,452	D
Transfer, Office of AIDS Research.....	---	(60,209)	---	(60,993)	---	---	---	(-60,993)	NA
Subtotal.....	(594,547)	(603,650)	(631,989)	(615,244)	(631,703)	(+37,156)	(-286)	(+16,459)	
National Eye Institute.....	313,933	310,072	333,131	315,948	332,735	+18,802	-396	+16,787	D
Transfer, Office of AIDS Research.....	---	(9,135)	---	(9,204)	---	---	---	(-9,204)	NA
Subtotal.....	(313,933)	(319,207)	(333,131)	(325,152)	(332,735)	(+18,802)	(-396)	(+7,583)	
National Institute of Environmental Health Sciences...	288,378	289,114	308,258	294,745	308,819	+20,441	+561	+14,074	D
Transfer, Office of AIDS Research.....	---	(6,028)	---	(6,108)	---	---	---	(-6,108)	NA
Subtotal.....	(288,378)	(295,142)	(308,258)	(300,853)	(308,819)	(+20,441)	(+561)	(+7,966)	
National Institute on Aging.....	453,541	461,541	484,375	470,256	486,047	+32,506	+1,672	+15,791	D
Transfer, Office of AIDS Research.....	---	(1,824)	---	(1,818)	---	---	---	(-1,818)	NA
Subtotal.....	(453,541)	(463,365)	(484,375)	(472,074)	(486,047)	(+32,506)	(+1,672)	(+13,973)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
National Institute of Arthritis and Musculoskeletal and Skin Diseases	242,655	243,169	257,637	247,731	257,111	+14,456	-526	+9,380	D
Transfer, Office of AIDS Research	---	(3,972)	---	(4,029)	---	---	---	(-4,029)	NA
Subtotal	(242,655)	(247,141)	(257,637)	(251,760)	(257,111)	(+14,456)	(-526)	(+5,351)	
National Institute on Deafness and Other Communication Disorders	176,383	179,090	189,243	182,693	188,422	+12,039	-821	+5,729	D
Transfer, Office of AIDS Research	---	(1,726)	---	(1,744)	---	---	---	(-1,744)	NA
Subtotal	(176,383)	(180,816)	(189,243)	(184,437)	(188,422)	(+12,039)	(-821)	(+3,985)	
National Institute of Nursing Research	55,814	51,951	59,715	52,936	59,743	+3,929	+28	+6,807	D
Transfer, Office of AIDS Research	---	(5,015)	---	(5,078)	---	---	---	(-5,078)	NA
Subtotal	(55,814)	(56,966)	(59,715)	(58,014)	(59,743)	(+3,929)	(+28)	(+1,729)	
National Institute on Alcohol Abuse and Alcoholism	198,401	192,280	212,079	195,891	212,004	+13,603	-75	+16,113	D
Transfer, Office of AIDS Research	---	(10,334)	---	(10,450)	---	---	---	(-10,450)	NA
Subtotal	(198,401)	(202,614)	(212,079)	(206,341)	(212,004)	(+13,603)	(-75)	(+5,663)	
National Institute on Drug Abuse	458,112	312,014	487,341	317,936	489,375	+31,263	+2,034	+171,439	D
Transfer, Office of AIDS Research	---	(154,311)	---	(156,200)	---	---	---	(-156,200)	NA
Subtotal	(458,112)	(466,325)	(487,341)	(474,136)	(489,375)	(+31,263)	(+2,034)	(+15,239)	
National Institute of Mental Health	660,514	578,149	701,247	589,187	701,585	+41,071	+338	+112,398	D
Transfer, Office of AIDS Research	---	(93,056)	---	(94,188)	---	---	---	(-94,188)	NA
Subtotal	(660,514)	(671,205)	(701,247)	(683,375)	(701,585)	(+41,071)	(+338)	(+18,210)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
National Center for Research Resources	390,298	309,344	416,523	324,844	415,145	+24,847	-1,378	+90,301	D
Transfer, Office of AIDS Research	---	(68,255)	---	(71,008)	---	---	---	(-71,008)	NA
Subtotal	(390,298)	(377,599)	(416,523)	(395,852)	(415,145)	(+24,847)	(-1,378)	(+19,293)	
National Center for Human Genome Research	169,768	177,788	189,267	180,807	189,657	+19,889	+390	+8,850	D
Transfer, Office of AIDS Research	---	(2,087)	---	(1,030)	---	---	---	(-1,030)	NA
Subtotal	(169,768)	(179,875)	(189,267)	(181,837)	(189,657)	(+19,889)	(+390)	(+7,820)	
John E. Fogarty International Center	25,327	15,790	26,707	16,838	26,586	+1,259	-121	+9,748	D
Transfer, Office of AIDS Research	---	(9,757)	---	(9,869)	---	---	---	(-9,869)	NA
Subtotal	(25,327)	(25,547)	(26,707)	(26,707)	(26,586)	(+1,259)	(-121)	(-121)	
National Library of Medicine	140,936	143,268	150,093	142,070	151,103	+10,167	+1,010	+9,033	D
Transfer, Office of AIDS Research	---	(3,311)	---	(3,094)	---	---	---	(-3,094)	NA
Subtotal	(140,936)	(146,579)	(150,093)	(145,164)	(151,103)	(+10,167)	(+1,010)	(+5,939)	
Office of the Director	260,072	226,913	275,423	243,319	287,206	+27,134	+11,783	+43,887	D
Office of AIDS research (non-add)	(26,598)	(24,600)	(34,491)	(33,306)	(35,589)	(+8,991)	(+1,098)	(+2,283)	NA
Transfer, Office of AIDS Research	---	(24,600)	---	(33,306)	---	---	---	(-33,306)	NA
Subtotal	(260,072)	(251,513)	(275,423)	(276,625)	(287,206)	(+27,134)	(+11,783)	(+10,581)	
Buildings and facilities	146,151	390,261	200,000	180,000	200,000	+53,849	---	+20,000	D
Office of AIDS Research	---	1,431,908	---	1,460,312	---	---	---	-1,460,312	D
Total N.I.H.	11,927,562	12,376,561	12,747,203	12,414,580	12,747,203	+819,641	---	+332,623	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION									
Mental Health:									
Knowledge development and application	38,032	62,133	38,032	38,032	58,032	+20,000	+20,000	+20,000	D
Mental health performance partnership	275,420	275,420	275,420	275,420	275,420	---	---	---	D
Children's mental health	59,927	59,958	59,927	59,927	69,927	+10,000	+10,000	+10,000	D
Grants to States for the homeless (PATH)	20,000	---	20,000	20,000	20,000	---	---	---	D
Protection and advocacy	19,850	21,957	21,957	21,957	21,957	+2,107	---	---	D
Subtotal, mental health	413,229	419,468	415,336	415,336	445,336	+32,107	+30,000	+30,000	
Substance Abuse Treatment:									
Knowledge development and application	89,777	176,043	101,333	110,000	156,000	+66,223	+54,667	+46,000	D
Substance abuse performance partnership (BA)	1,234,107	1,271,957	1,184,107	1,184,107	1,310,107	+76,000	+126,000	+126,000	D
P.L. 104-121 funding (non-add)	---	(50,000)	(50,000)	(50,000)	(50,000)	(+50,000)	---	---	NA
Subtotal, Substance Abuse Treatment (BA)	1,323,884	1,448,000	1,285,440	1,294,107	1,466,107	+142,223	+180,667	+172,000	
Program level	(1,323,884)	(1,498,000)	(1,335,440)	(1,344,107)	(1,516,107)	(+192,223)	(+180,667)	(+172,000)	
Substance Abuse Prevention:									
Knowledge development and application 1/	89,799	176,043	93,959	110,000	168,800	+79,001	+74,841	+58,800	D
Program management	56,188	54,500	54,500	54,500	54,500	-1,688	---	---	D
Total, Substance Abuse and Mental Health (BA)	1,883,100	2,098,011	1,849,235	1,873,943	2,134,743	+251,643	+285,508	+260,800	
Program level	(1,883,100)	(2,148,011)	(1,899,235)	(1,923,943)	(2,184,743)	(+301,643)	(+285,508)	(+260,800)	

1/ Conference agreement includes $12,800,000 to continue community school grants initiated in 1995.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS									
Retirement payments	129,808	136,421	136,421	136,421	136,421	+6,613	---	---	M
Survivors benefits	9,208	11,001	11,001	11,001	11,001	+1,793	---	---	M
Dependent's medical care	25,108	26,414	26,414	26,414	26,414	+1,306	---	---	M
Military Services Credits	2,801	2,556	2,556	2,556	2,556	-245	---	---	M
Total, Retirement pay and medical benefits	166,925	176,392	176,392	176,392	176,392	+9,467	---	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
AGENCY FOR HEALTH CARE POLICY AND RESEARCH									
Research on Health Care Systems Cost & Access:									
Research	7,019	29,132	39,239	22,992	35,704	+28,685	-3,535	+12,712	D
1% evaluation funding (non-add)	(45,124)	(19,284)	---	(25,424)	(12,712)	(-32,412)	(+12,712)	(-12,712)	NA
Subtotal	(52,143)	(48,416)	(39,239)	(48,416)	(48,416)	(-3,727)	(+9,177)	---	
Health Insurance & Expenditure Surveys:									
Research	---	10,000	10,000	10,000	10,000	+10,000	---	---	D
1% evaluation funding (non-add)	(15,000)	(34,700)	(34,700)	(34,700)	(34,700)	(+19,700)	---	---	NA
Subtotal	(15,000)	(44,700)	(44,700)	(44,700)	(44,700)	(+29,700)	---	---	
Research on Health Care Outcomes & Quality:									
Federal funds	55,796	42,445	39,000	48,241	48,241	-7,555	+9,241	---	D
Trust funds	---	(5,796)	---	---	---	---	---	---	TF*
Subtotal	(55,796)	(48,241)	(39,000)	(48,241)	(48,241)	(-7,555)	(+9,241)	---	
Program support	2,230	2,423	2,230	2,230	2,230	---	---	---	D
Total, Health Care Policy and Research:									
Federal Funds	65,045	84,000	90,469	83,463	96,175	+31,130	+5,706	+12,712	
Trust funds	---	(5,796)	---	---	---	---	---	---	
Total, 1% evaluation funding (non-add)	(60,124)	(53,984)	(34,700)	(60,124)	(47,412)	(-12,712)	(+12,712)	(-12,712)	
Total, Health Care Policy & Research (non-add)	(125,169)	(143,780)	(125,169)	(143,587)	(143,587)	(+18,418)	(+18,418)	---	
Total, Public Health Service:									
Federal Funds	19,411,823	20,321,098	20,312,393	20,151,308	21,043,116	+1,631,293	+730,723	+891,808	
Trust funds	---	(5,796)	---	---	---	---	---	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
HEALTH CARE FINANCING ADMINISTRATION									
GRANTS TO STATES FOR MEDICAID									
Medicaid current law benefits	91,140,563	98,141,139	98,141,139	98,141,139	98,141,139	+7,000,576	---	---	M
State and local administration	3,742,000	4,171,923	4,171,923	4,171,923	4,171,923	+429,923	---	---	M
Subtotal, Medicaid program level, FY 1996 / 1997	94,882,563	102,313,062	102,313,062	102,313,062	102,313,062	+7,430,499	---	---	
Carryover balance	-12,740,491	-1,101,094	-1,101,094	-1,101,094	-1,101,094	+11,639,397	---	---	M
Less funds advanced in prior year	-27,047,717	-26,155,350	-26,155,350	-26,155,350	-26,155,350	+892,367	---	---	M
Total, request, FY 1996 / 1997	55,094,355	75,056,618	75,056,618	75,056,618	75,056,618	+19,962,263	---	---	
New advance, 1st quarter, FY 1997 / 1998	26,155,350	27,988,993	27,988,993	27,988,993	27,988,993	+1,833,643	---	---	M
PAYMENTS TO HEALTH CARE TRUST FUNDS									
Supplemental medical insurance	55,385,000	59,456,000	59,456,000	59,456,000	59,456,000	+4,071,000	---	---	M
Hospital insurance for the uninsured	358,000	405,000	405,000	405,000	405,000	+47,000	---	---	M
Federal uninsured payment	63,000	76,000	76,000	76,000	76,000	+13,000	---	---	M
DOD adjustment	625,000	---	---	---	---	-625,000	---	---	M
SMI matching, prior year shortfall	6,737,000	---	---	---	---	-6,737,000	---	---	M
Program management	145,000	142,000	142,000	142,000	142,000	-3,000	---	---	M
Total, Payment to Trust Funds, current law	63,313,000	60,079,000	60,079,000	60,079,000	60,079,000	-3,234,000	---	---	
Net Medicare trust fund/general fund cash flow (NA)	(9,200,000)	(15,000,000)	(15,000,000)	(15,000,000)	(15,000,000)	(+5,800,000)	---	---	NA

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM MANAGEMENT									
Research, demonstration, and evaluation: Regular program, trust funds	(40,000)	(50,810)	(42,000)	(45,000)	(44,000)	(+4,000)	(+2,000)	(-1,000)	TF*
Rural hospital transition demonstrations, trust funds	(13,089)	---	---	---	---	(-13,089)	---	---	TF*
Insurance Counseling	---	(4,500)	---	---	---	---	---	---	TF*
Subtotal, research, demonstration, & evaluation	(53,089)	(55,310)	(42,000)	(45,000)	(44,000)	(-9,089)	(+2,000)	(-1,000)	
Medicare contractors (Trust Funds)	(1,597,642)	(1,614,200)	(1,207,200)	(1,207,200)	(1,207,200)	(-390,442)	---	---	TF*
H.R. 3103 funding (non-add)	---	---	(440,000)	(440,000)	(440,000)	(+440,000)	---	---	NA
Subtotal, Contractors program level	(1,597,642)	(1,614,200)	(1,647,200)	(1,647,200)	(1,647,200)	(+49,558)	---	---	
State Survey and Certification: Medicare certification, trust funds	(147,625)	(163,800)	(158,000)	(158,000)	(158,000)	(+10,375)	---	---	TF*
Federal Administration: Trust funds	(326,053)	(359,974)	(326,053)	(319,512)	(326,053)	---	---	(+6,541)	TF*
Less current law user fees	(-128)	(-132)	(-128)	(-128)	(-128)	---	---	---	TF*
Subtotal, Federal Administration	(325,925)	(359,842)	(325,925)	(319,384)	(325,925)	---	---	(+6,541)	
Total, Program management	(2,124,281)	(2,193,152)	(1,733,125)	(1,729,584)	(1,735,125)	(-389,156)	(+2,000)	(+5,541)	
Total, Health Care Financing Administration: Federal funds	144,562,705	163,124,611	163,124,611	163,124,611	163,124,611	+18,561,906	---	---	
Current year, FY 1995 / 1996	(118,407,355)	(135,135,618)	(135,135,618)	(135,135,618)	(135,135,618)	(+16,728,263)	---	---	
New advance, 1st quarter, FY 1996 / 1997	(26,155,350)	(27,988,993)	(27,988,993)	(27,988,993)	(27,988,993)	(+1,833,643)	---	---	
Trust funds	(2,124,281)	(2,193,152)	(1,733,125)	(1,729,584)	(1,735,125)	(-389,156)	(+2,000)	(+5,541)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION FOR CHILDREN AND FAMILIES									
FAMILY SUPPORT PAYMENTS TO STATES 1/									
Aid to Families with Dependent Children (AFDC).....	12,999,000	11,713,000	11,713,000	11,713,000	11,713,000	-1,286,000	---	---	M
Quality control liabilities.....	-71,121	-52,000	-52,000	-52,000	-52,000	+19,121	---	---	M
Payments to territories.....	19,428	25,000	25,000	25,000	25,000	+5,572	---	---	M
Emergency assistance.....	974,000	1,867,000	1,867,000	1,867,000	1,867,000	+893,000	---	---	M
Repatriation.....	1,000	1,000	1,000	1,000	1,000	---	---	---	M
State and local welfare administration.....	1,770,000	1,875,000	1,875,000	1,875,000	1,875,000	+105,000	---	---	M
Work activities child care.....	734,000	879,405	879,405	879,405	879,405	+145,405	---	---	M
Transitional child care.....	220,000	267,595	267,595	267,595	267,595	+47,595	---	---	M
At risk child care.....	300,000	300,000	300,000	300,000	300,000	---	---	---	M
Subtotal, Welfare payments.....	16,946,307	16,876,000	16,876,000	16,876,000	16,876,000	-70,307	---	---	
Child Support Enforcement: State and local administration.....	1,943,000	2,132,000	2,132,000	2,132,000	---	-1,943,000	-2,132,000	-2,132,000	M
Federal incentive payments.....	439,000	459,000	459,000	459,000	---	-439,000	-459,000	-459,000	M
Less federal share collections.....	-1,314,000	-1,366,000	-1,366,000	-1,366,000	---	+1,314,000	+1,366,000	+1,366,000	M
Net welfare reform child support appropriation....	---	---	---	---	2,158,000	+2,158,000	+2,158,000	+2,158,000	M
Subtotal, Child support.....	1,068,000	1,225,000	1,225,000	1,225,000	2,158,000	+1,090,000	+933,000	+933,000	
Total, Payments, FY 1996 / 1997 program level...	18,014,307	18,101,000	18,101,000	18,101,000	19,034,000	+1,019,693	+933,000	+933,000	
Less funds advanced in previous years.....	-4,400,000	-4,800,000	-4,800,000	-4,800,000	-4,800,000	-400,000	---	---	M
Total, Payments, current request, FY 1996 /1997.	13,614,307	13,301,000	13,301,000	13,301,000	14,234,000	+619,693	+933,000	+933,000	
New advance, 1st quarter, FY 1997 /1998.....	4,800,000	4,700,000	4,700,000	---	607,000	-4,193,000	-4,093,000	+607,000	M

1/ Conference welfare payment figures are estimates shown to suggest comparability. Actual appropriation is indefinite.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
JOB OPPORTUNITIES AND BASIC SKILLS (JOBS)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	---	---	---	M
LOW INCOME HOME ENERGY ASSISTANCE									
Advance from prior year (non-add)	(999,997)	---	---	---	---	(-999,997)	---	---	NA
Adjustment	-100,000	1,000,000	900,000	1,000,000	1,000,000	+1,100,000	+100,000	---	D
FY 1996 / 1997 program level	(899,997)	(1,000,000)	(900,000)	(1,000,000)	(1,000,000)	(+100,003)	(+100,000)	---	
Prior year emergency allocation	---	(300,000)	(300,000)	---	(300,000)	(+300,000)	---	(+300,000)	NA
New emergency allocation (non-add)	---	---	---	(300,000)	---	---	---	(-300,000)	NA
Advance funding (FY 1997 / 1998)	---	1,000,000	---	1,000,000	1,000,000	+1,000,000	+1,000,000	---	D
REFUGEE AND ENTRANT ASSISTANCE									
Transitional and medical services	263,267	246,502	246,502	237,202	246,502	-16,765	---	+9,300	D
Social services	80,802	80,802	110,882	99,802	110,882	+30,080	---	+11,080	D
Preventive health	2,700	4,835	4,835	2,448	4,835	+2,135	---	+2,387	D
Targeted assistance	55,397	49,397	49,857	46,157	49,857	-5,540	---	+3,700	D
Carryover (non-add)	(10,590)	---	(9,300)	(9,300)	(9,300)	(-1,290)	---	---	NA
Total, Refugee and entrant assistance (BA)	402,166	381,536	412,076	385,609	412,076	+9,910	---	+26,467	
Total program level	(412,756)	(381,536)	(421,376)	(394,909)	(421,376)	(+8,620)	---	(+26,467)	
CHILD CARE AND DEVELOPMENT BLOCK GRANT:									
Forward funded 1/	934,642	1,048,825	937,000	937,000	937,000	+2,358	---	---	D
Current funded 2/	---	---	13,000	19,120	19,120	+19,120	+6,120	---	D
Total	934,642	1,048,825	950,000	956,120	956,120	+21,478	+6,120	---	
SOCIAL SERVICES BLOCK GRANT (TITLE XX)	2,381,000	2,800,000	2,480,000	2,240,000	2,500,000	+119,000	+20,000	+260,000	M

1/ $937,000,000 is delayed until October 1, 1997 in Senate bill and conference agreement.

2/ Senate bill and conference agreement include $6,120,000 that is declared an emergency for purposes of the Budget Act.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
CHILDREN AND FAMILIES SERVICES PROGRAMS									
Programs for Children, Youth, and Families:									
Head start	3,569,329	3,981,000	3,600,000	3,600,000	3,981,000	+411,671	+381,000	+381,000	D
Consolidated runaway, homeless youth program	---	68,572	---	---	---	---	---	---	D
Runaway and homeless youth	43,653	---	43,653	43,653	43,653	---	---	---	D
Runaway youth - transitional living	14,949	---	14,949	14,949	14,949	---	---	---	D
Subtotal, runaway	58,602	68,572	58,602	58,602	58,602	---	---	---	
Teen pregnancy prevention initiative	---	30,000	---	---	---	---	---	---	D
Child abuse state grants	21,026	22,854	21,026	21,026	21,026	---	---	---	D
Child abuse discretionary activities	14,154	---	14,154	14,154	14,154	---	---	---	D
Temporary childcare/crisis nurseries	9,835	---	---	---	---	-9,835	---	---	D
Abandoned infants assistance	12,251	14,406	12,251	12,251	12,251	---	---	---	D
Child welfare services	277,389	291,989	277,389	277,389	291,989	+14,600	+14,600	+14,600	D
Child welfare training	2,000	---	4,000	4,000	4,000	+2,000	---	---	D
Child welfare innovative programs	---	39,178	---	---	---	---	---	---	D
Child welfare longitudinal study (non-add)	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)	---	---	---	NA
Welfare reform research (non-add)	---	(15,000)	(15,000)	(15,000)	(15,000)	(+15,000)	---	---	NA
Adoption opportunities	11,000	---	11,000	15,000	13,000	+2,000	+2,000	-2,000	D
Social services & income maintenance research	---	10,000	---	17,000	44,000	+44,000	+44,000	+27,000	D
Family violence 1/	32,643	32,619	35,042	---	62,000	+29,357	+26,958	+62,000	D
Community Based Resource Centers	23,000	50,569	---	32,835	32,835	+9,835	+32,835	---	D

1/ $32,643,000 funded in Senate bill under battered women's shelters with the violent crime reduction trust fund.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Developmental disabilities program:									
State councils	64,803	70,438	64,803	64,803	64,803	---	---	---	D
Protection and advocacy	26,718	26,718	26,718	26,718	26,718	---	---	---	D
Developmental disabilities special projects	5,250	5,715	---	5,715	5,250	---	+5,250	-465	D
Developmental disabilities university affiliated programs	17,461	18,979	17,461	17,461	17,461	---	---	---	D
Subtotal, Developmental disabilities	114,232	121,850	108,982	114,697	114,232	---	+5,250	-465	
Native American Programs	34,933	38,382	34,933	34,933	34,933	---	---	---	D
Community services:									
Community Services Block Grants	389,598	389,600	489,600	414,600	489,600	+100,002	---	+75,000	D
Discretionary funds:									
Community initiative program:									
Economic development	27,332	---	27,332	27,332	27,332	---	---	---	D
Rural community facilities	3,009	---	3,009	3,500	3,500	+491	+491	---	D
Subtotal, discretionary funds	30,341	---	30,341	30,832	30,832	+491	+491	---	
National youth sports	11,520	---	12,000	12,000	12,000	+480	---	---	D
Community Food and Nutrition	4,000	---	---	4,000	4,000	---	+4,000	---	D
Subtotal, Community services	435,459	389,600	531,941	461,432	536,432	+100,973	+4,491	+75,000	
Program direction	150,117	160,279	147,115	143,115	143,115	-7,002	-4,000	---	D
Rescission	---	---	---	-27,000	-27,000	-27,000	-27,000	---	D
Total, Children & Families Services Prog (BA)	4,765,970	5,251,298	4,856,435	4,779,434	5,336,569	+570,599	+480,134	+557,135	
Program level	(4,771,970)	(5,272,298)	(4,877,435)	(4,800,434)	(5,357,569)	(+585,599)	(+480,134)	(+557,135)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
VIOLENT CRIME REDUCTION PROGRAMS:									
Community schools	---	13,600	---	12,800	---	---	---	-12,800	D
Runaway Youth Prevention	5,558	8,000	2,000	8,000	8,000	+2,442	+6,000	---	D
Domestic violence hotline	400	400	400	1,200	1,200	+800	+800	---	D
Battered women's shelters	15,000	27,381	24,958	60,000	10,800	-4,200	-14,158	-49,200	D
Youth education demonstration	400	---	---	---	---	-400	---	---	D
Total, Violent crime reduction programs	21,358	49,381	27,358	82,000	20,000	-1,358	-7,358	-62,000	
FAMILY SUPPORT AND PRESERVATION	225,000	240,000	240,000	240,000	240,000	+15,000	---	---	M
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE									
Foster care	3,742,338	3,807,143	3,807,143	3,807,143	3,807,143	+64,805	---	---	M
Adoption assistance	509,900	567,888	567,888	567,888	567,888	+57,988	---	---	M
Independent living	70,000	70,000	70,000	70,000	70,000	---	---	---	M
Total, Payment to States	4,322,238	4,445,031	4,445,031	4,445,031	4,445,031	+122,793	---	---	
New advance, 1st quarter, FY 1997 /1998	---	1,111,000	1,111,000	1,111,000	1,111,000	+1,111,000	---	---	M
Total, Administration for Children and Families	32,366,681	36,328,071	34,422,900	30,540,194	32,861,796	+495,115	-1,561,104	+2,321,602	
Current year, FY 1996 / 1997	(27,566,681)	(29,517,071)	(28,611,900)	(28,429,194)	(30,143,796)	(+2,577,115)	(+1,531,896)	(+1,714,602)	
FY 1997 / 1998	(4,800,000)	(6,811,000)	(5,811,000)	(2,111,000)	(2,718,000)	(-2,082,000)	(-3,093,000)	(+607,000)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION ON AGING									
AGING SERVICES PROGRAMS									
Grants to States:									
Supportive services and centers	300,556	294,787	300,556	300,556	300,556	---	---	---	D
Ombudsman services	---	4,449	---	---	---	---	---	---	D
Prevention of elder abuse	---	4,732	---	---	---	---	---	---	D
Pension counseling	---	1,976	---	---	---	---	---	---	D
Preventive health	15,623	16,982	---	15,623	15,623	---	+15,623	---	D
Nutrition:									
Congregate meals	364,535	357,019	364,535	364,535	364,535	---	---	---	D
Home-delivered meals	105,339	94,191	105,339	105,339	105,339	---	---	---	D
Frail elderly in-home services	9,263	9,263	9,263	9,263	9,263	---	---	---	D
Grants to Indians	16,057	16,057	16,057	16,057	16,057	---	---	---	D
Aging research, training and special projects	2,850	11,666	---	4,000	4,000	+1,150	+4,000	---	D
Federal Council on Aging	---	226	---	---	---	---	---	---	D
Program administration	15,097	16,789	14,795	14,795	14,795	-302	---	---	D
Total, Administration on Aging	829,320	828,137	810,545	830,168	830,168	+848	+19,623	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE SECRETARY									
GENERAL DEPARTMENTAL MANAGEMENT:									
Federal funds	97,866	91,436	98,439	99,139	98,439	+573	---	-700	D
Trust funds	(6,628)	(9,187)	(5,851)	(5,851)	(5,851)	(-777)	---	---	TF*
1% Evaluation Funds (ASPE) (non-add)	(19,820)	(19,820)	(19,820)	(19,820)	(19,820)	---	---	---	NA
Subtotal	(124,314)	(120,443)	(124,110)	(124,810)	(124,110)	(-204)	---	(-700)	
Emergency preparedness	---	2,020	---	---	---	---	---	---	D
Population affairs: Adolescent family life	7,698	6,187	7,698	12,698	14,209	+6,511	+6,511	+1,511	D
Physical fitness and sports	1,000	1,007	1,000	1,000	1,000	---	---	---	D
Minority health	27,000	19,945	33,000	20,500	34,600	+7,600	+1,600	+14,100	D
Office of research integrity	---	3,732	---	---	---	---	---	---	D
Office of women's health	5,362	2,570	8,862	12,500	12,500	+7,138	+3,638	---	D
Office of Disease Prevention	---	4,266	---	---	---	---	---	---	D
Anti-Terrorism 1/	---	10,775	---	8,000	13,775	+13,775	+13,775	+5,775	D
Total, General Departmental Management:									
Federal funds	138,926	141,938	148,999	153,837	174,523	+35,597	+25,524	+20,686	
Trust funds	(6,628)	(9,187)	(5,851)	(5,851)	(5,851)	(-777)	---	---	
Total	(145,554)	(151,125)	(154,850)	(159,688)	(180,374)	(+34,820)	(+25,524)	(+20,686)	

1/ FY 1997 request and conference amounts include $5,775,000 that is declared emergency spending for the purposes of the Budget Act.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL:									
Federal funds	58,149	56,139	29,399	29,399	32,999	-25,150	+3,600	+3,600	D
Trust funds	(20,670)	(18,810)	---	---	---	(-20,670)	---	---	TF*
H.R. 3103 funding (non-add)	---	---	(60,000)	(60,000)	(60,000)	(+60,000)	---	---	NA
Total, Office of the Inspector General:									
Federal funds	58,149	56,139	29,399	29,399	32,999	-25,150	+3,600	+3,600	
Trust funds	(20,670)	(18,810)	---	---	---	(-20,670)	---	---	
Total (BA)	(78,819)	(74,949)	(29,399)	(29,399)	(32,999)	(-45,820)	(+3,600)	(+3,600)	
Total program level	(78,819)	(74,949)	(89,399)	(89,399)	(92,999)	(+14,180)	(+3,600)	(+3,600)	
OFFICE FOR CIVIL RIGHTS:									
Federal funds	16,066	18,188	16,066	16,366	16,216	+150	+150	-150	D
Portion treated as budget authority	(3,314)	(3,602)	(3,314)	(3,314)	(3,314)	---	---	---	TF*
Total, Office for Civil Rights:									
Federal funds	16,066	18,188	16,066	16,366	16,216	+150	+150	-150	
Trust funds	(3,314)	(3,602)	(3,314)	(3,314)	(3,314)	---	---	---	
Total	(19,380)	(21,790)	(19,380)	(19,680)	(19,530)	(+150)	(+150)	(-150)	
POLICY RESEARCH	8,968	9,000	9,000	9,000	18,500	+9,532	+9,500	+9,500	D
Total, Office of the Secretary:									
Federal funds	222,109	225,265	203,464	208,602	242,238	+20,129	+38,774	+33,636	
Trust funds	(30,612)	(31,599)	(9,165)	(9,165)	(9,165)	(-21,447)	---	---	
Total	(252,721)	(256,864)	(212,629)	(217,767)	(251,403)	(-1,318)	(+38,774)	(+33,636)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
UNDISTRIBUTED REDUCTION	---	-20,000	---	---	---	---	---	---	D
PUBLIC HEALTH & SOCIAL SERVICES EMERGENCY FUND	8,987	---	---	---	---	-8,987	---	---	D
Total, Department of Health and Human Services: Federal Funds	197,401,625	220,807,182	218,873,913	214,854,883	218,101,929	+20,700,304	-771,984	+3,247,046	
Current year, FY 1996 / 1997	(166,446,275)	(186,007,189)	(185,073,920)	(184,754,890)	(187,394,936)	(+20,948,661)	(+2,321,016)	(+2,640,046)	
FY 1997 / 1998	(30,955,350)	(34,799,993)	(33,799,993)	(30,099,993)	(30,706,993)	(-248,357)	(-3,093,000)	(+607,000)	
Trust funds	(2,154,893)	(2,230,547)	(1,742,290)	(1,738,749)	(1,744,290)	(-410,603)	(+2,000)	(+5,541)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
TITLE III - DEPARTMENT OF EDUCATION									
EDUCATION REFORM 1/									
Goals 2000: Educate America Act: State & local educ systemic improvement grants....	340,000	476,000	---	340,000	476,000	+136,000	+476,000	+136,000	D
Parental assistance.....	10,000	15,000	---	15,000	15,000	+5,000	+15,000	---	D
Subtotal, Goals 2000.....	350,000	491,000	---	355,000	491,000	+141,000	+491,000	+136,000	
School-to-work opportunities: State grants and local partnerships.....	180,000	200,000	175,000	180,000	200,000	+20,000	+25,000	+20,000	D
Total.....	530,000	691,000	175,000	535,000	691,000	+161,000	+516,000	+156,000	

1/ Forward funded with the exception of parental assistance.

NOTE: All Education accounts are current funded unless otherwise noted.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
EDUCATION FOR THE DISADVANTAGED 1/									
Grants to local education agencies:									
Basic grants, forward funded 2/	6,042,766	5,490,065	6,043,766	6,042,766	6,191,350	+148,584	+147,584	+148,584	D
Basic grants, current funded	3,500	4,000	3,500	3,500	3,500	---	---	---	D
Subtotal, Basic grants	6,046,266	5,494,065	6,047,266	6,046,266	6,194,850	+148,584	+147,584	+148,584	
Concentration grants	684,082	670,935	704,082	684,082	999,249	+315,167	+295,167	+315,167	D
Targeted grants	---	1,000,000	---	---	---	---	---	---	D
Subtotal	6,730,348	7,165,000	6,751,348	6,730,348	7,194,099	+463,751	+442,751	+463,751	
Capital expenses for private school children	38,119	20,000	20,000	41,119	41,119	+3,000	+21,119	---	D
Even start	101,997	102,000	101,997	101,997	101,997	---	---	---	D
State agency programs:									
Migrant	305,474	320,000	305,474	305,474	305,474	---	---	---	D
Neglected and delinquent / high risk youth	39,311	40,000	39,311	39,311	39,311	---	---	---	D
State school improvement	---	15,000	---	---	---	---	---	---	D
Demonstration of innovative practices	---	10,000	---	---	---	---	---	---	D
Evaluation	3,359	7,000	7,000	7,000	7,000	+3,641	---	---	D
Total, ESEA	7,218,608	7,679,000	7,225,130	7,225,249	7,689,000	+470,392	+463,870	+463,751	

1/ All programs in this account are forward funded with the exception of current funded basic grants, Title I evaluation, Demonstration of Innovative Practices, High School Equivalency Program and the the College Assistance Migrant Program.

2/ Availability of $1,298,386,000 of the FY96 funds is delayed until October 1, 1996.
In FY97, $1,298,386,000 is delayed in House bill & conference agreement & $670,597,000 in Senate bill.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Migrant education:									
High school equivalency program	7,441	---	---	---	7,441	---	+7,441	+7,441	D
College assistance migrant program	2,028	---	---	---	2,028	---	+2,028	+2,028	D
Subtotal, migrant education	9,469	---	---	---	9,469	---	+9,469	+9,469	
Total, Compensatory education programs	7,228,077	7,679,000	7,225,130	7,225,249	7,698,469	+470,392	+473,339	+473,220	
Subtotal, forward funded	(7,211,749)	(7,658,000)	(7,214,630)	(7,214,749)	(7,678,500)	(+466,751)	(+463,870)	(+463,751)	
IMPACT AID 1/									
Basic support payments	581,707	550,000	615,500	591,707	615,500	+33,793	---	+23,793	D
Payments for children with disabilities	40,000	40,000	40,000	40,000	40,000	---	---	---	D
Payments for heavily impacted districts (sec. f)	50,000	20,000	50,000	50,000	52,000	+2,000	+2,000	+2,000	D
Subtotal	671,707	610,000	705,500	681,707	707,500	+35,793	+2,000	+25,793	
Facilities maintenance (sec. 8008)	---	3,000	---	---	---	---	---	---	D
Construction (sec. 8007)	5,000	4,000	5,000	5,000	5,000	---	---	---	D
Payments for Federal property (Sec. 8002)	16,293	---	17,500	16,293	17,500	+1,207	---	+1,207	D
Total, Impact aid	693,000	617,000	728,000	703,000	730,000	+37,000	+2,000	+27,000	

1/ 1996 figures do not include $35,000,000 provided for Impact Aid basic support payments in the 1996 House National Security Appropriations Bill.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SCHOOL IMPROVEMENT PROGRAMS									
Professional development 1/	275,000	610,000	---	275,000	310,000	+35,000	+310,000	+35,000	D
Program innovation 1/	275,000	---	606,517	275,000	310,000	+35,000	-296,517	+35,000	D
Safe and drug-free schools and communities:									
State grants 1/	440,978	515,000	440,978	530,978	555,978	+115,000	+115,000	+25,000	D
National programs	24,993	25,000	---	25,000	---	-24,993	---	-25,000	D
Subtotal, Safe & drug-free schools & communities	465,971	540,000	440,978	555,978	555,978	+90,007	+115,000	---	
Inexpensive book distribution (RIF)	10,265	9,000	9,000	10,265	10,265	---	+1,265	---	D
Arts in education	9,000	10,000	9,000	9,000	9,000	---	---	---	D
Christa McAuliffe fellowships	---	2,000	---	---	---	---	---	---	D
Other school improvement programs:									
Magnet schools assistance	95,000	95,000	95,000	95,000	95,000	---	---	---	D
Educational support services for homeless children and youth 1/	23,000	29,000	23,000	23,000	25,000	+2,000	+2,000	+2,000	D
Women's educational equity 2/	---	4,000	2,000	1,000	2,000	+2,000	---	+1,000	D
Training and advisory services (Civil Rights IV-A)	7,334	14,000	7,334	7,334	7,334	---	---	---	D
Ellender fellowships/Close up 1/	1,500	---	1,000	1,500	1,500	---	+500	---	D
Education for Native Hawaiians	12,000	6,000	4,000	15,000	15,000	+3,000	+11,000	---	D
Alaska Native Education equity	---	---	---	8,000	8,000	+8,000	+8,000	---	D
Charter schools	18,000	40,000	18,000	21,000	51,000	+33,000	+33,000	+30,000	D
Subtotal, other school improvement programs	156,834	188,000	150,334	171,834	204,834	+48,000	+54,500	+33,000	

1/ Forward funded.

2/ The President's 1997 request earmarks $120,000 for an evaluation of this program.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Technical assistance for improving ESEA programs: Comprehensive regional assistance centers	21,507	45,000	21,554	21,554	25,554	+4,047	+4,000	+4,000	D
Total, School improvement programs	1,213,577	1,404,000	1,237,383	1,318,631	1,425,631	+212,054	+188,248	+107,000	
Subtotal, forward funded	(1,015,478)	(1,154,000)	(1,071,495)	(1,105,478)	(1,202,478)	(+187,000)	(+130,983)	(+97,000)	
BILINGUAL AND IMMIGRANT EDUCATION 1/									
Bilingual education: Instructional services	117,200	117,190	117,190	130,000	156,700	+39,500	+39,510	+26,700	D
Support services	9,700	14,330	---	---	---	-9,700	---	---	D
Professional development	1,100	25,180	---	---	---	-1,100	---	---	D
Immigrant education	50,000	100,000	50,000	50,000	100,000	+50,000	+50,000	+50,000	D
Foreign language assistance 2/	10,039	5,000	---	5,000	5,000	-5,039	+5,000	---	D
Total	188,039	261,700	167,190	185,000	261,700	+73,661	+94,510	+76,700	
SPECIAL EDUCATION									
State grants: 3/ Grants to States part ''b''	2,323,837	2,603,247	2,323,837	2,333,837	3,107,522	+783,685	+783,685	+773,685	D
Preschool grants	360,409	380,000	360,409	360,409	360,409	---	---	---	D
Grants for infants and families	315,754	315,632	315,754	315,754	315,754	---	---	---	D
Subtotal, State grants	3,000,000	3,298,879	3,000,000	3,010,000	3,783,685	+783,685	+783,685	+773,685	

1/ The Department reprogrammed $9.7 M and $1.1 M from Instructional Services to Support Services and Professional Development respectively for 1996.

2/ FY96 funding for foreign language assistance was provided in the School Improvement account.

3/ Forward funded.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Proposed legis: Program Support and Improvement:									
Research to practice	---	95,720	---	---	---	---	---	---	D
State improvement	---	37,076	---	---	---	---	---	---	D
Professional development	---	76,700	---	---	---	---	---	---	D
Parent training and information	---	14,534	---	---	---	---	---	---	D
Technology development and ed. media sevices	---	30,004	---	---	---	---	---	---	D
Subtotal, Proposed legislation	---	254,034	---	---	---	---	---	---	
Special purpose funds:									
Deaf-blindness	12,832	---	12,832	12,832	12,832	---	---	---	D
Serious emotional disturbance	4,147	---	4,147	4,147	4,147	---	---	---	D
Severe disabilities	10,030	---	10,030	10,030	10,030	---	---	---	D
Early childhood education	25,147	---	25,147	25,147	25,147	---	---	---	D
Secondary and transitional services	23,966	---	23,966	23,966	23,966	---	---	---	D
Postsecondary education	8,839	---	8,839	8,839	8,839	---	---	---	D
Innovation and development	14,000	---	14,000	16,000	16,000	+2,000	+2,000	---	D
Media and captioning services	19,130	---	20,030	20,030	20,030	+900	---	---	D
Technology applications	9,993	---	9,993	9,993	9,993	---	---	---	D
Special studies	3,827	---	3,827	3,827	3,827	---	---	---	D
Personnel development	91,339	---	91,339	93,339	93,339	+2,000	+2,000	---	D
Parent training	13,535	---	13,535	15,535	15,535	+2,000	+2,000	---	D
Clearinghouses	1,989	---	1,989	1,989	1,989	---	---	---	D
Regional resource centers	6,641	---	6,641	6,641	6,641	---	---	---	D
Subtotal, Special purpose funds	245,415	---	246,315	252,315	252,315	+6,900	+6,000	---	
Total, Special education	3,245,415	3,552,913	3,246,315	3,262,315	4,036,000	+790,585	+789,685	+773,685	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
REHABILITATION SERVICES AND DISABILITY RESEARCH									
Vocational rehabilitation State grants	2,118,834	2,176,038	2,176,038	2,183,038	2,176,038	+57,204	---	-7,000	M
Client assistance State grants	10,119	10,392	10,392	10,392	10,392	+273	---	---	M
Training	39,629	39,629	39,629	39,629	39,629	---	---	---	M
Special demonstration programs	27,441	18,942	18,942	18,942	18,942	-8,499	---	---	M
Migratory workers	1,421	1,850	1,850	1,850	1,850	+429	---	---	M
Recreational programs	2,596	2,596	2,596	2,596	2,596	---	---	---	M
Protection and advocacy of individual rights	7,456	7,657	7,657	7,657	7,657	+201	---	---	M
Projects with industry	22,065	22,071	22,071	22,071	22,071	+6	---	---	M
Supported employment State grants	38,152	38,152	38,152	38,152	38,152	---	---	---	M
Independent living:									
State grants	21,859	21,859	21,859	21,859	21,859	---	---	---	M
Centers	41,749	42,876	42,876	42,876	42,876	+1,127	---	---	M
Services for older blind individuals	8,952	9,952	9,952	9,952	9,952	+1,000	---	---	M
Subtotal, Independent living	72,560	74,687	74,687	74,687	74,687	+2,127	---	---	
Program improvement 1/	1,000	2,400	2,400	2,400	2,400	+1,400	---	---	M
Evaluation	1,582	1,587	1,587	1,587	1,587	+5	---	---	M
Helen Keller National Center for Deaf-Blind Youths & Adults	7,144	7,337	7,337	7,337	7,337	+193	---	---	M
National Institute on Disability & Rehabilitation Research	69,984	70,000	70,000	70,000	70,000	+16	---	---	M
Subtotal, mandatory programs	2,419,983	2,473,338	2,473,338	2,480,338	2,473,338	+53,355	---	-7,000	
Assistive technology	36,109	39,249	36,109	36,109	36,109	---	---	---	D
Total, Rehabilitation services	2,456,092	2,512,587	2,509,447	2,516,447	2,509,447	+53,355	---	-7,000	

1/ 1996 funding for this activity was provided in the Technical Assistance to States line item.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES									
AMERICAN PRINTING HOUSE FOR THE BLIND	6,680	6,495	6,680	6,680	6,680	---	---	---	D
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF:									
Consolidated account	42,180	---	43,041	43,041	43,041	+861	---	---	D
Operations	---	42,705	---	---	---	---	---	---	D
Endowment grant	---	336	---	---	---	---	---	---	D
Subtotal	42,180	43,041	43,041	43,041	43,041	+861	---	---	
GALLAUDET UNIVERSITY:									
Consolidated account	77,629	---	79,182	79,182	79,182	+1,553	---	---	D
Operations	---	79,030	---	---	---	---	---	---	D
Endowment grant	---	1,000	---	---	---	---	---	---	D
Subtotal	77,629	80,030	79,182	79,182	79,182	+1,553	---	---	
Total, Special institutions for persons with disabilities	126,489	129,566	128,903	128,903	128,903	+2,414	---	---	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
VOCATIONAL AND ADULT EDUCATION 1/									
Vocational education:									
Basic State grants	972,750	1,100,000	972,750	972,750	1,029,050	+56,300	+56,300	+56,300	D
Tech-Prep education	100,000	---	100,000	100,000	100,000	---	---	---	D
Tribally controlled postsecondary vocational institutions	2,919	2,919	2,919	2,919	2,919	---	---	---	D
State councils	---	---	---	---	---	---	---	---	D
National programs: Research	4,998	17,081	---	4,500	---	-4,998	---	-4,500	D
Subtotal, Vocational education	1,080,667	1,120,000	1,075,669	1,080,169	1,131,969	+51,302	+56,300	+51,800	
Adult education:									
State programs	250,000	290,000	250,000	252,000	345,339	+95,339	+95,339	+93,339	D
National programs:									
Evaluation and technical assistance	---	5,000	---	---	---	---	---	---	D
National Institute for Literacy	4,860	5,000	4,000	4,860	4,500	-360	+500	-360	D
Subtotal, National programs	4,860	10,000	4,000	4,860	4,500	-360	+500	-360	
Literacy programs for prisoners	4,723	---	---	4,723	4,723	---	+4,723	---	D
Subtotal, adult education	259,583	300,000	254,000	261,583	354,562	+94,979	+100,562	+92,979	
Total, Vocational and adult education	1,340,250	1,420,000	1,329,669	1,341,752	1,486,531	+146,281	+156,862	+144,779	

1/ All programs are forward funded with the exception of Tribally Controlled Postsecondary Vocational Institutions.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
STUDENT FINANCIAL ASSISTANCE									
Federal Pell Grants: Regular program	4,914,000	5,919,000	5,342,000	5,342,000	5,919,000	+1,005,000	+577,000	+577,000	D
Memo (non-add): Maximum grant	(2,470)	(2,700)	(2,500)	(2,500)	(2,700)	(+230)	(+200)	(+200)	NA
Memo (non-add): Outlay effect for FY97 1/	(1,301,000)	(1,320,000)	(1,180,000)	(1,180,000)	(1,320,000)	(+19,000)	(+140,000)	(+140,000)	NA
Federal supplemental educational opportunity grants	583,407	583,407	583,407	583,407	583,407	---	---	---	D
Federal work-study	616,508	679,000	685,000	616,508	830,000	+213,492	+145,000	+213,492	D
Federal Perkins loans:									
Capital contributions	93,297	158,000	---	67,915	158,000	+64,703	+158,000	+90,085	D
Loan cancellations	20,000	20,000	20,000	20,000	20,000	---	---	---	D
Subtotal, Federal Perkins loans	113,297	178,000	20,000	87,915	178,000	+64,703	+158,000	+90,085	
State student incentive grants	31,375	---	---	13,000	50,000	+18,625	+50,000	+37,000	D
Total, Student financial assistance	6,258,587	7,359,407	6,630,407	6,642,830	7,560,407	+1,301,820	+930,000	+917,577	
FEDERAL FAMILY EDUCATION LOANS PROGRAM (EXISTING GUARANTEED STUDENT LOANS PROGRAM)									
Federal education loans: Federal administration	29,977	46,572	29,977	29,977	46,572	+16,595	+16,595	+16,595	D
Total Outstanding Loan Volume as of 10/96 (non-add)	(71,400,000)	(71,400,000)	(71,400,000)	(71,400,000)	(71,400,000)	---	---	---	NA
FEDERAL DIRECT STUDENT LOAN PROGRAM									
Mandatory administrative costs (indefinite)	(435,652)	(595,000)	(420,000)	(440,000)	(491,000)	(+55,348)	(+71,000)	(+51,000)	NA
Total Outstanding Loan Volume as of 10/96 (non-add)	(12,200,000)	(12,200,000)	(12,200,000)	(12,200,000)	(12,200,000)	---	---	---	NA

1/ The 1996 appropriation capped participation in the 1995-1996 school year at 3,650,000 students.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
HIGHER EDUCATION									
Aid for institutional development:									
Strengthening institutions	55,450	40,000	55,450	55,450	55,450	---	---	---	D
Hispanic serving institutions	10,800	12,000	10,800	10,800	10,800	---	---	---	D
Hispanic serving institutions (Agriculture bill)	---	---	(2,000)	(2,000)	(2,000)	(+2,000)	---	---	NA
Subtotal, Hispanic serving institutions	(10,800)	(12,000)	(12,800)	(12,800)	(12,800)	(+2,000)	---	---	
Strengthening historically black colleges & univ.	108,990	108,990	108,990	108,990	108,990	---	---	---	D
Strengthening historically black grad institutions	19,606	19,606	19,606	19,606	19,606	---	---	---	D
Endowment challenge grants, HBCU set-aside	---	2,015	---	---	---	---	---	---	D
Subtotal, Institutional development	194,846	182,611	194,846	194,846	194,846	---	---	---	
Program development:									
Fund for the Improvement of Postsecondary Educ.	15,000	18,000	15,000	18,000	18,000	+3,000	+3,000	---	D
Minority teacher recruitment	2,212	2,458	2,212	2,212	2,212	---	---	---	D
Minority science improvement	5,255	5,839	5,255	5,255	5,255	---	---	---	D
International educ & foreign language studies:									
Domestic programs	50,481	52,283	53,481	52,283	53,481	+3,000	---	+1,198	D
Overseas programs	4,750	5,790	4,750	5,790	5,270	+520	+520	-520	D
Institute for International Public Policy	920	1,000	---	1,500	1,000	+80	+1,000	-500	D
Subtotal, International education	56,151	59,073	58,231	59,573	59,751	+3,600	+1,520	+178	
Law school clinical experience	5,500	---	---	---	---	-5,500	---	---	D
Urban community service	9,200	---	8,280	9,200	9,200	---	+920	---	D
Subtotal, Program development	93,318	85,370	88,978	94,240	94,418	+1,100	+5,440	+178	
Construction:									
Interest subsidy grants, prior year construction	16,712	15,673	15,673	15,673	15,673	-1,039	---	---	D

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Special grants and grants to institutions:									
Bethune Cookman College Fine Arts Center	3,680	---	---	1,400	1,400	-2,280	+1,400	---	D
Federal TRIO programs	462,993	500,000	500,000	476,993	500,000	+37,007	---	+23,007	D
Early intervention scholarships and partnerships	3,108	---	---	4,000	3,600	+492	+3,600	-400	D
Scholarships:									
Byrd honors scholarships	29,117	29,117	---	29,117	29,117	---	+29,117	---	D
Presidential honors scholarships	---	130,000	---	---	---	---	---	---	D
George H. W. Bush fellowships	---	---	---	3,000	3,000	+3,000	+3,000	---	D
Edmund S. Muskie foundation	---	---	---	3,000	3,000	+3,000	+3,000	---	D
Pell Institute International Relations	---	---	---	---	3,000	+3,000	+3,000	+3,000	D
Calvin Coolidge Memorial Foundation	---	---	---	---	1,000	+1,000	+1,000	+1,000	D
Subtotal, Scholarships	29,117	159,117	---	35,117	39,117	+10,000	+39,117	+4,000	
Graduate fellowships:									
Javits fellowships	5,931	---	---	---	---	-5,931	---	---	D
Graduate assistance in areas of national need	27,252	30,000	30,000	30,000	30,000	+2,748	---	---	D
Subtotal, Graduate fellowships	33,183	30,000	30,000	30,000	30,000	-3,183	---	---	
Total, Higher education	836,957	972,771	829,497	852,269	879,054	+42,097	+49,557	+26,785	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
HOWARD UNIVERSITY									
Academic program	152,859	162,944	157,859	159,511	166,511	+13,652	+8,652	+7,000	D
Endowment	---	3,530	---	---	---	---	---	---	D
Howard University Hospital	29,489	29,489	29,489	29,489	29,489	---	---	---	D
Total, Howard University	182,348	195,963	187,348	189,000	196,000	+13,652	+8,652	+7,000	
COLLEGE HOUSING & ACADEMIC FACILITIES LOANS PROGRAM: Federal administration	698	700	698	698	698	---	---	---	D
HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM									
Federal administration	166	104	104	104	104	-62	---	---	D

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT									
Research and statistics:									
Research	56,021	108,000	70,641	56,021	72,785	+16,764	+2,144	+16,764	D
Regional education laboratories	51,000	---	51,000	51,000	51,000	---	---	---	D
Statistics	46,227	50,000	50,000	46,227	50,000	+3,773	---	+3,773	D
Assessment:									
National assessment	29,752	29,750	29,752	29,752	29,752	---	---	---	D
National assessment governing board	2,871	3,000	2,871	2,871	2,871	---	---	---	D
Subtotal, Assessment	32,623	32,750	32,623	32,623	32,623	---	---	---	
Subtotal, Research and statistics	185,871	190,750	204,264	185,871	206,408	+20,537	+2,144	+20,537	
Fund for the Improvement of Education	37,611	40,000	40,000	40,000	40,000	+2,389	---	---	D
International education exchange (title VI)	5,000	3,000	3,000	6,000	5,000	---	+2,000	-1,000	D
21st century community learning centers	750	---	---	1,000	1,000	+250	+1,000	---	D
Civic Education	4,000	4,000	4,000	5,000	4,500	+500	+500	-500	D
Eisenhower professional development national activities	17,984	15,000	---	13,342	13,342	-4,642	+13,342	---	D
Eisenhower regional mathematics & science education consortia	15,000	15,000	15,000	15,000	15,000	---	---	---	D
Javits gifted and talented education	3,000	10,000	3,000	3,000	5,000	+2,000	+2,000	+2,000	D
National writing project	2,955	---	---	3,100	3,100	+145	+3,100	---	D

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Education technology:									
Technology for education	48,000	325,000	48,000	48,000	266,965	+218,965	+218,965	+218,965	D
Star schools	23,000	25,000	---	23,000	30,000	+7,000	+30,000	+7,000	D
Ready to learn television	6,440	7,000	---	6,440	7,000	+560	+7,000	+560	D
Telecommunications demo project for mathematics	1,035	---	---	1,035	1,035	---	+1,035	---	D
Subtotal, Education technology	78,475	357,000	48,000	78,475	305,000	+226,525	+257,000	+226,525	
Total, ERSI	350,646	634,750	317,264	350,788	598,350	+247,704	+281,086	+247,562	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
LIBRARIES									
Public libraries: Services	92,636	---	92,636	92,636	100,636	+8,000	+8,000	+8,000	D
Construction	16,369	---	---	16,369	16,369	---	+16,369	---	D
Interlibrary cooperation	18,000	---	11,864	11,864	11,864	-6,136	---	---	D
Library education and training	2,500	---	2,500	2,500	2,500	---	---	---	D
Research and demonstrations	3,000	---	1,000	5,000	5,000	+2,000	+4,000	---	D
Undistributed 1/	---	110,000	---	---	---	---	---	---	D
Total, Libraries	132,505	110,000	108,000	128,369	136,369	+3,864	+28,369	+8,000	
DEPARTMENTAL MANAGEMENT									
PROGRAM ADMINISTRATION	326,686	355,476	297,229	320,152	327,000	+314	+29,771	+6,848	D
HEADQUARTERS RENOVATION 2/	7,000	---	---	---	---	-7,000	---	---	D
OFFICE FOR CIVIL RIGHTS	55,277	60,000	54,171	54,171	55,000	-277	+829	+829	D
OFFICE OF THE INSPECTOR GENERAL	28,563	30,500	27,143	27,991	30,000	+1,437	+2,857	+2,009	D
Total, Departmental management	417,526	445,976	378,543	402,314	412,000	-5,526	+33,457	+9,686	
Total, Department of Education	25,230,349	28,034,009	25,228,875	25,812,646	28,797,235	+3,566,886	+3,568,360	+2,984,589	

1/ The President has not requested funding for library programs, but has indicated his intention to do so at a future time.

2/ Funds available for 3 years.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
TITLE IV - RELATED AGENCIES									
ARMED FORCES RETIREMENT HOME									
Operation and maintenance (trust fund limitation).....	53,829	55,772	52,752	55,772	55,772	+1,943	+3,020	---	D
Capital program (trust fund limitation).....	1,954	432	432	432	432	-1,522	---	---	D
Total, AFRH.....	55,783	56,204	53,184	56,204	56,204	+421	+3,020	---	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
Domestic Volunteer Service Programs (formerly Action):									
Volunteers in Service to America: VISTA operations.....	41,235	51,600	41,235	41,235	41,235	---	---	---	D
National Senior Volunteer Corps: Foster Grandparents Program.....	62,237	72,812	67,812	67,812	77,812	+15,575	+10,000	+10,000	D
Senior Companion Program.....	31,155	34,244	31,244	31,244	31,244	+89	---	---	D
Retired Senior Volunteer Program.....	34,949	37,708	35,708	35,708	35,708	+759	---	---	D
Subtotal, Senior Volunteers.....	128,341	144,764	134,764	134,764	144,764	+16,423	+10,000	+10,000	
Program Administration.....	28,541	29,745	27,970	27,970	27,970	-571	---	---	D
Total, Domestic Volunteer Service Programs.....	198,117	226,109	203,969	203,969	213,969	+15,852	+10,000	+10,000	
Corporation for Public Broadcasting: FY99 (current request) with FY98 comparable.....	250,000	275,000	250,000	250,000	250,000	---	---	---	D
1998 advance (non-add) with FY97 comparable.....	(260,000)	(250,000)	(250,000)	(250,000)	(250,000)	(-10,000)	---	---	NA
1997 advance (non-add) with FY96 comparable.....	(275,000)	(260,000)	(260,000)	(260,000)	(260,000)	(-15,000)	---	---	NA

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
Federal Mediation and Conciliation Service	32,815	32,579	32,579	32,579	32,579	-236	---	---	D
Federal Mine Safety and Health Review Commission	6,184	6,332	6,060	6,060	6,060	-124	---	---	D
National Commission on Libraries and Information Science	829	897	812	897	897	+68	+85	---	D
National Council on Disability	1,793	1,793	1,757	1,793	1,793	---	+36	---	D
National Education Goals Panel	994	2,785	974	1,500	1,500	+506	+526	---	D
National Labor Relations Board	170,266	181,134	144,692	170,266	175,000	+4,734	+30,308	+4,734	D
National Mediation Board	7,812	8,300	7,656	8,300	8,300	+488	+644	---	D
Occupational Safety and Health Review Commission	8,081	7,753	7,753	7,753	7,753	-328	---	---	D
Physician Payment Review Commission (trust funds)	(2,920)	(4,000)	(2,920)	(3,263)	(3,263)	(+343)	(+343)	---	TF*
Prospective Payment Assessment Commission (trust funds)	(3,263)	(3,902)	(3,263)	(3,263)	(3,263)	---	---	---	TF*
RAILROAD RETIREMENT BOARD									
Dual benefits payments account	239,000	223,000	223,000	223,000	223,000	-16,000	---	---	D
Less income tax receipts on dual benefits	-17,000	-9,000	-9,000	-9,000	-9,000	+8,000	---	---	D
Subtotal, Dual Benefits	222,000	214,000	214,000	214,000	214,000	-8,000	---	---	
Federal payment to the Railroad Retirement Account	300	300	300	300	300	---	---	---	M
Limitation on administration: Consolidated account	---	(90,558)	(87,898)	(87,898)	(87,898)	(+87,898)	---	---	TF*
Retirement	(72,955)	---	---	---	---	(-72,955)	---	---	TF*
Unemployment	(16,737)	---	---	---	---	(-16,737)	---	---	TF*
Subtotal, administration	(89,692)	(90,558)	(87,898)	(87,898)	(87,898)	(-1,794)	---	---	
Special management improvement fund	(657)	---	---	---	---	(-657)	---	---	TF*
Total, limitation on administration	(90,349)	(90,558)	(87,898)	(87,898)	(87,898)	(-2,451)	---	---	
Inspector General	(5,656)	(5,750)	(5,268)	(5,540)	(5,404)	(-252)	(+136)	(-136)	TF*

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SOCIAL SECURITY ADMINISTRATION									
PAYMENTS TO SOCIAL SECURITY TRUST FUNDS.....	22,641	20,923	20,923	20,923	20,923	-1,718	---	---	M
ADDITIONAL ADMINISTRATIVE EXPENSES 1/.....	10,000	10,000	10,000	10,000	10,000	---	---	---	M
SPECIAL BENEFITS FOR DISABLED COAL MINERS									
Benefit payments.....	660,215	625,450	625,450	625,450	625,450	-34,765	---	---	M
Administration.....	5,181	4,620	4,620	4,620	4,620	-561	---	---	M
Subtotal, Black Lung, FY 1997 program level.....	665,396	630,070	630,070	630,070	630,070	-35,326	---	---	
Less funds advanced in prior year.....	-180,000	-170,000	-170,000	-170,000	-170,000	+10,000	---	---	M
Total, Black Lung, current request, FY 1997.....	485,396	460,070	460,070	460,070	460,070	-25,326	---	---	
New advances, 1st quarter FY 1997 / 1998.....	170,000	160,000	160,000	160,000	160,000	-10,000	---	---	M

1/ No-year availability for these funds related to sections 9704 & 9706 of the Internal Revenue Code of 1986.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
SUPPLEMENTAL SECURITY INCOME									
Federal benefit payments	23,548,636	26,559,100	26,559,100	26,559,100	26,559,100	+3,010,464	---	---	M
Beneficiary services	176,400	179,000	100,000	100,000	100,000	-76,400	---	---	M
Research and demonstration	8,200	7,000	7,000	7,000	7,000	-1,200	---	---	M
Administration 1/	1,817,276	2,018,973	1,961,015	1,931,015	1,946,015	+128,739	-15,000	+15,000	D
Automation investment initiative	55,000	104,927	55,000	19,895	19,895	-35,105	-35,105	---	D
Subtotal, SSI FY 1997 program level	25,605,512	28,869,000	28,682,115	28,617,010	28,632,010	+3,026,498	-50,105	+15,000	
Less funds advanced in prior year	-7,060,000	-9,260,000	-9,260,000	-9,260,000	-9,260,000	-2,200,000	---	---	M
Subtotal, regular SSI current year, FY 1996 / 1997	18,545,512	19,609,000	19,422,115	19,357,010	19,372,010	+826,498	-50,105	+15,000	
Additional CDR funding	15,000	260,000	25,000	25,000	25,000	+10,000	---	---	D
SSI reforms (welfare)	---	250,000	---	150,000	150,000	+150,000	+150,000	---	D
Total, SSI, current request, FY 1996 / 1997	18,560,512	20,119,000	19,447,115	19,532,010	19,547,010	+986,498	+99,895	+15,000	
New advance, 1st quarter, FY 1997 / 1998	9,260,000	9,690,000	9,690,000	9,690,000	9,690,000	+430,000	---	---	M

1/ Figures include amounts for the SSI disability initiative previously displayed as a separate line item.

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
LIMITATION ON ADMINISTRATIVE EXPENSES									
OASDI trust funds	(2,667,238)	(2,835,077)	(3,091,183)	(3,042,525)	(3,080,000)	(+412,762)	(-11,183)	(+37,475)	TF
HI/SMI trust funds	(864,099)	(918,418)	(846,099)	(846,099)	(846,099)	(-18,000)	---	---	TF*
SSI	(1,817,276)	(2,018,973)	(1,961,015)	(1,931,015)	(1,946,015)	(+128,739)	(-15,000)	(+15,000)	TF
Social Security Advisory Board	---	---	(1,500)	(1,268)	(1,268)	(+1,268)	(-232)	---	TF
Subtotal, regular LAE	(5,348,613)	(5,772,468)	(5,899,797)	(5,820,907)	(5,873,382)	(+524,769)	(-26,415)	(+52,475)	
DI disability initiative	(289,322)	---	---	---	---	(-289,322)	---	---	TF
OASDI automation	(112,000)	(195,073)	(195,073)	(206,396)	(215,000)	(+103,000)	(+19,927)	(+8,604)	TF
SSI automation	(55,000)	(104,927)	(55,000)	(19,895)	(19,895)	(-35,105)	(-35,105)	---	TF
Subtotal, automation initative	(167,000)	(300,000)	(250,073)	(226,291)	(234,895)	(+67,895)	(-15,178)	(+8,604)	
TOTAL, REGULAR LAE	(5,804,935)	(6,072,468)	(6,149,870)	(6,047,198)	(6,108,277)	(+303,342)	(-41,593)	(+61,079)	
Additional CDR funding	(60,000)	(260,000)	(160,000)	(160,000)	(160,000)	(+100,000)	---	---	TF
SSI reforms (welfare)	---	(250,000)	---	(150,000)	(150,000)	(+150,000)	(+150,000)	---	TF
TOTAL, LAE	(5,864,935)	(6,582,468)	(6,309,870)	(6,357,198)	(6,418,277)	(+553,342)	(+108,407)	(+61,079)	

	FY 1996 Comparable	FY 1997 Request	House	Reported Senate	Conference	Conference vs FY 1996	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF INSPECTOR GENERAL									
Federal funds	4,801	6,335	6,335	6,335	6,335	+1,534	---	---	D
Trust funds	(10,037)	(21,089)	(21,089)	(21,089)	(31,089)	(+21,052)	(+10,000)	(+10,000)	TF
Portion treated as budget authority	(10,977)	---	---	---	---	(-10,977)	---	---	TF*
Total, Office of the Inspector General:									
Federal funds	4,801	6,335	6,335	6,335	6,335	+1,534	---	---	
Trust funds	(21,014)	(21,089)	(21,089)	(21,089)	(31,089)	(+10,075)	(+10,000)	(+10,000)	
Total	(25,815)	(27,424)	(27,424)	(27,424)	(37,424)	(+11,609)	(+10,000)	(+10,000)	
Total, Social Security Administration:									
Federal funds	28,513,350	30,466,328	29,794,443	29,879,338	29,894,338	+1,380,988	+99,895	+15,000	
Current year FY 1996 / 1997	(19,083,350)	(20,616,328)	(19,944,443)	(20,029,338)	(20,044,338)	(+960,988)	(+99,895)	(+15,000)	
New advances, 1st quarter FY 1997 / 1998	(9,430,000)	(9,850,000)	(9,850,000)	(9,850,000)	(9,850,000)	(+420,000)	---	---	
Trust funds	(5,885,949)	(6,603,557)	(6,330,959)	(6,378,287)	(6,449,366)	(+563,417)	(+118,407)	(+71,079)	
Trust funds considered BA	(875,076)	(918,418)	(846,099)	(846,099)	(846,099)	(-28,977)	---	---	
United States Institute of Peace	11,481	11,160	11,160	11,160	11,160	-321	---	---	D
Total, Title IV, Related Agencies:									
Federal Funds (all years)	29,479,805	31,490,674	30,729,339	30,844,119	30,873,853	+1,394,048	+144,514	+29,734	
Current year, FY 1996 / 1997	(19,799,805)	(21,365,674)	(20,629,339)	(20,744,119)	(20,773,853)	(+974,048)	(+144,514)	(+29,734)	
FY 1997 / 1998	(9,430,000)	(9,850,000)	(9,850,000)	(9,850,000)	(9,850,000)	(+420,000)	---	---	
FY 1998 / 1999	(250,000)	(275,000)	(250,000)	(250,000)	(250,000)	---	---	---	
Trust funds	(5,988,137)	(6,707,767)	(6,430,308)	(6,478,251)	(6,549,194)	(+561,057)	(+118,886)	(+70,943)	
Trust funds considered BA	(977,264)	(1,022,628)	(945,448)	(946,063)	(945,927)	(-31,337)	(+479)	(-136)	
TITLE V									
1% Cap on performance awards	---	---	---	-30,500	-30,500	-30,500	-30,500	---	D

Section 101(f)

TREASURY, POSTAL SERVICE, AND GENERAL APPROPRIATIONS ACT, 1997

The conferees on H.R. 3610 agree with the matter inserted in this subsection of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House and Senate versions of H.R. 3756, the Treasury, Postal Service, and General Appropriations Act, 1997, by members of the appropriations subcommittee of both the House and Senate with jurisdiction over H.R. 3756.

The conference agreement on the Treasury, Postal Service, and General Government Appropriations Act, 1997, incorporates some of the language and allocations set forth in House Report 104–660 and Senate Report 104–330. The language in these reports should be complied with unless specifically addressed in the following description of the conference agreement.

REPROGRAMMINGS

The conferees are concerned about the timing of various reprogramming requests submitted by agencies for Congressional review. As stated in both the House and Senate reports accompanying H.R. 3756, agencies are reminded that, except in extraordinary circumstances, reprogramming proposals will not be approved by the Committees 45 days prior to the end of the fiscal year. Agencies are urged to take into consideration periods of non-legislative business in the calculation of the 45 day time period; as a practical matter, reprogramming requests may only be considered by the Committees during legislative business days.

TITLE I: DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

RECOMMENDATION

The conference agreement provides $111,760,000. Within this amount, the Department shall ensure that the travel budget is reduced by $654,000; and that the privatization study is funded at $300,000.

FIRE AT THE MAIN TREASURY BUILDING

The Conferees understand that the total requirement for expenses related to the June 26, 1996 fire at the Main Treasury building is $32,207,000. Of this amount, $9,463,000 is for Salaries and Expenses and $2,215,000 is for Automatic Data Processing (ADP). These requirements, totaling $11,678,000, were accommodated by reprogramming Internal Revenue Service (IRS) fiscal year 1995 unobligated balances. Additional funds of $20,529,000 for repairs and restoration due to the fire damage are provided in the Treasury Buildings Annex Repair and Restoration Account.

DEBT COLLECTION ACTIVITIES

The conferees support the Administration's intention to issue regulations limiting the offset to not more than 15 percent.

TREASURY LAW ENFORCEMENT EMPLOYMENT

The fiscal year 1996 conference report for the Treasury, Postal Service Appropriations Act directed the Office of the Secretary of the Treasury to report on the regulatory and statutory options that could make recruiting, hiring, firing, promotions, demotions and lateral moves of Treasury law enforcement personnel more efficient. The Administration responded with a report that describes the current status of Treasury law enforcement personnel systems, along with some options for reforming them. However, the report failed to provide detail on the costs and benefits of each option or recommended a particular course of action.

In response to the Treasury report, the House Committee on Appropriations expressed continuing concern regarding the disparate hiring practices at different Federal law enforcement agencies. In House Report 104–660, the Committee directed the Secretary of the Treasury and the Director of the Office of Personnel Management to implement measures to assure that all criminal investigator positions are subject to hiring, conversion and retention procedures similar to those currently in place for the United States Secret Service. Certain parts of the Administration have expressed opposition to this directive, noting that Secret Service hiring practices are unique and may not be appropriate for other Treasury bureaus.

Nevertheless, the conferees remain concerned by continued reports that Treasury law enforcement bureaus are not able to promote and hire as easily as other Federal law enforcement agencies, or that some Treasury agencies have better practices than others. The conferees therefore direct the Secretary of the Treasury to commission an outside study with an organization having expertise in both Federal personnel law and law enforcement management as a follow-on to the Treasury report. Specifically, the second report should focus on (1) the steps that Treasury enforcement bureaus may take under current laws and regulations to facilitate hiring, firing, promotions and demotions, and (2) the feasibility, costs and benefits of converting Treasury law enforcement positions to the excepted service or of creating a new personnel system for criminal investigators. This report should be submitted by May 1, 1997.

INTERGOVERNMENTAL INFORMATION TECHNOLOGY ENTERPRISE PANEL

The conferees agree to drop the requirement contained in House Report 104–660 which directs that $750,000 of available funds be used to support the Intergovernmental Information Technology Enterprise Panel. The Department of Treasury is no longer the lead agency for this panel and therefore should not be required to provide such funds.

AUTOMATION ENHANCEMENT

INTERNATIONAL TRADE DATA SYSTEM

The conferees are concerned by the lack of cooperation between Treasury's Office of the Secretary and the Customs Service in developing the International Trade Data System (ITDS). The conferees have heard reports that the Customs Service has been uncooperative with the many Federal agencies who will use the data gathered by ITDS and have held discussions with private industry representatives without taking the data needs of any other Federal agency into account. In addition, the conferees understand that the Office of the Secretary has shown little to no interest in minimizing the reporting burden to be placed on private industry by implementation ITDS.

The conferees are concerned that bureaucratic rivalries have jeopardized this important project. For ITDS to succeed, it will require the cooperation of not only Customs and Treasury, but also importers and a number of other Federal agencies. The conferees have agreed to place the ITDS office within the Customs Service, which will have the responsibility for developing the system, for interacting with outside groups, and for collecting data to be entered into the system. The Office of the Under Secretary for Enforcement shall chair the interagency committee that oversees ITDS development and shall coordinate ITDS development within the Federal government. The conferees direct that the Customs Service obtain the concurrence of the Office of the Under Secretary and the interagency committee for all major decisions related to ITDS development. The Office of the Assistant Secretary for Management shall advise both the Customs Service and the Under Secretary's office on technical aspects of systems development.

The conferees direct the Secretary of the Treasury to develop a progress report on ITDS implementation and submit it to the House and Senate Committees on Appropriations no later than June 1, 1997.

AUTOMATED COMMERCIAL ENVIRONMENT (ACE)

The conferees are concerned with a May, 1996 GAO report concerning Customs' modernization efforts. GAO found that the Customs Service did not: (1) conduct the requisite cost-benefit analyses, (2) redesign its import and other business processes before the agency selected the hardware for ACE and other systems, (3) manage ACE as an investment, and (4) designate strict accountability for ensuring that Customs incorporates all functions mandated by the National Customs Automation Program.

In response, the Customs Service accepted GAO's recommendations and began corrective action. Customs has assigned responsibility for implementing the National Customs Automation Program (NCAP), has established an information technology investment review committee, has developed a security plan, and has initiated a variety of evaluations of specific sub-projects.

Because of the good faith efforts by the Customs Service to comply with GAO's recommendations, the conferees agree to make $11,525,000 available for the Automated Commercial Environment immediately upon enactment of this Act, which should be sufficient to fund ACE development through the first two quarters of fiscal year 1997. The final $3,475,000 shall be withheld pending consultation with the House and Senate Committees on Appropriations.

REPORT BY THE GENERAL ACCOUNTING OFFICE ON ACE

The conferees direct the General Accounting Office to review Customs progress in implementing GAO recommendations on ACE and report its findings to the House and Senate Committees on Appropriations no later than February 1, 1997.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement provides $29,736,000 for the Office of Inspector General.

INDEPENDENT LEGAL COUNSEL

The conferees agree with the House position with regard to providing the Inspector General with independent legal counsel and request that the Secretary of the Treasury resolve this long standing issue.

OFFICE OF PROFESSIONAL RESPONSIBILITY

SALARIES AND EXPENSES

The conference agreement provides a direct appropriation of $1,500,000 for the creation of an Office of Professional Responsibility.

OFFICE OF INSPECTOR GENERAL AND OFFICE OF PROFESSIONAL RESPONSIBILITY

The conferees are concerned that no duplication of effort take place between the Office of Professional Responsibility (OPR) and the Office of Inspector General (OIG).The conferees direct the Under Secretary for Enforcement to work closely with the Inspector General to ensure no such overlap occurs.

TREASURY BUILDINGS AND ANNEX REPAIR AND RESTORATION

The conference agreement provides $28,213,000 for additional costs related to the fire at the Main Treasury building and to accommodate the President's original request of $7,684,000. Funding for the Bureau of Alcohol, Tobacco and Firearms (ATF) and the Secret Service are addressed within the ATF

Laboratory Facilities and the Secret Service's Acquisition, Construction, Improvement, and Related Expenses appropriations.

FINANCIAL CRIMES ENFORCEMENT NETWORK

The conferees provide $22,387,000 for the Financial Crimes Enforcement Network, the same as the House-passed and the Senate committee levels.

DEPARTMENT OF THE TREASURY FORFEITURE FUND

The conference agreement provides $10,000,000, of which $7,500,000 shall be used for the development of a Federal law enforcement wireless communications system and $2,500,000 shall be used at the discretion of the Secretary.

VIOLENT CRIME REDUCTION PROGRAMS

INCLUDING TRANSFER OF FUNDS

The conference agreement provides $97,000,000. This amount is to be used as follows:

Bureau of Alcohol, Tobacco and Firearms:	
Training & Equipment Initiative	$29,133,000
GREAT Administration	3,000,000
CEASEFIRE Program	3,662,000
Project LEAD	800,000
Subtotal ATF	36,595,000
GREAT Program	8,000,000
Secret Service:	
White House Security	8,000,000
Child Exploitation	3,000,000
TRIP	1,000,000
Counterfeiting	5,000,000
Financial Institutions Fraud	3,000,000
Subtotal Secret Service	20,000,000
Financial Crimes Enforcement Network: Cybercash Initiative	1,000,000
Office of National Drug Control Policy: High Intensity Drug Trafficking Areas Program	13,105,000
Departmental Offices: Taggant Study	18,300,000
Total	97,000,000

BALLISTICS IMAGING EQUIPMENT

The conferees include language allowing for the purchase, maintenance and upgrading of ballistics equipment.

HIGH INTENSITY DRUG TRAFFICKING AREAS

The conference agreement provides a total of $140,207,000 for the High Intensity Drug Trafficking Areas program: $13,105,000 from the Violent Crime Reduction Trust Fund and $127,102,000 from the base appropriation. This amount is $37,207,000 greater than the Administration's fiscal year 1997 request of $103,000,000 for this program. In addition to fully funding the Administration's request, the conferees include resources for several newly-designated HIDTAs: $3,000,000 for Lake County, Indiana; $6,000,000 for the Gulf Coast states of Louisiana, Alabama and Mississippi; $8,000,000 for the Midwest states of Iowa, Missouri, Nebraska, South Dakota and Kansas to focus on methamphetamine use, production and distribution; $3,000,000 for the State of Colorado; and $3,000,000 for the Pacific Northwest. The remaining $14,207,000 shall be distributed at the discretion of the Director of the Office of National Drug Control Policy.

NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

The conference agreement includes $1,400,000 in the Crime Trust Fund for enhanced efforts of the Secret Service to target crimes against children; of this amount, $400,000 is for two additional full time employees within the Secret Service to target child exploitation and pornography; $756,000 is dedicated for a grant to the National Center for Missing and Exploited Children (NCMEC) to establish an Exploited Child Unit, and $235,000 is provided to support the training of additional volunteers through NCMEC's Project ALERT. The conference agreement assumes funds of $1.2 million through the Secret Service Salaries and Expenses appropriation for the 2nd and 3rd years of operating the Exploited Child Unit at the NCMEC and continued funding of $1.6 million through the Crime Trust Fund for the Secret Service to enhance the use of forensic technology into the investigation of missing and exploited children.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

The conference agreement provides $54,831,000. Of that amount, $3,150,000 shall be used for unforeseen basic training needs. If such amounts are not needed, they may be used for the proposed teletraining initiative. The agreement also makes $13,034,000 available for the support of basic training, which may also be reprogrammed for other uses through established reprogramming guidelines.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conference agreement provides $18,884,000. Resources over and above the Administration's request shall be used to fund a new dormitory at Glynco as well as a classroom building and a practical exercise lab building at Artesia. The conferees understand that the facilities Master Plan for these two sites is a document that FLETC has revised in the past and will continue to revise periodically to reflect the addition of new construction projects, as well as changes in priorities, cost estimates, and project realignments. The conferees direct FLETC to keep the House and Senate Committees on Appropriations apprised of any changes in Master Plan projects or priorities for master plan construction projects at Glynco, Georgia and Artesia, New Mexico.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

The conference agreement provides $196,069,000 for the Financial Management Service.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

The conference agreement provides $393,971,000. The Committees agree to the following changes from the 1996 enacted level of $377,971,000:

Termination of Aircraft Program	−$2,000,000
General Program Reduction	−3,750,000
EO 12837 Reductions	−302,000
Savings from 400 FTE Reduction	−25,534,000
Separation Incentive Payments (Buyouts)	13,408,000
Church Fire Investigations	12,011,000
Training & Equipment Initiative	12,000,000
Adjustment for Inflation	10,167,000
Total Appropriation	393,971,000

The Committees agree to allow ATF to use the $12,011,000 dedicated to church fire investigations on investigations involving explosives or any other violence directed against religious institutions.

GREAT PROGRAM

The conferees have provided $8,000,000 for the Gang Resistance Education and Training (GREAT) Program, an increase of $800,000 above the Administration's request. The conferees commend the ATF for its efforts in developing this program and directs ATF to use the additional funds provided by the conferees to establish new GREAT programs in, at least, Bellevue, Washington, and Sioux City, Iowa. ATF should also give strong consideration to establish a GREAT program within the state of Colorado.

DOWNSIZING ATF

The conferees do not believe it is possible for ATF to maintain an adequately equipped or trained force at the current levels of employment and funding. To fully equip and train an average, full-time ATF officer requires approximately $122,441, yet the fiscal year 1997 budget request was $73 million below (15 percent) the amount necessary to sustain such a level. This neglect has resulted in an agency in which pay alone represents 74 percent of the overall budget. The conferees believe this situation can no longer be ignored.

In order to operate more effectively in the contemporary law enforcement environment, the ATF must become a smaller, better trained and better equipped organization. The conferees are pleased to note that the Director of ATF feels the same. Therefore, the conferees direct ATF to develop and implement a plan to downsize toward its own ''ideal'' distribution of expenditures of 62 percent pay, 23 percent operations and 15 percent fixed costs. The conferees further recommend that ATF downsize in fiscal year 1997 by approximately 400 FTE to realize the immediate benefits of increased training and better equipment. The conferees have provided buyout authority to ease this transition and have deleted a House provision prohibiting ATF from implementing a reduction in force. Although the conferees will not micromanage this downsizing by requiring a specific reduction in FTE's in fiscal year 1997, the conferees direct that no reductions come from the explosives and arson investigative or regulatory functions and strongly recommend that downsizing be targeted toward agents at or near retirement.

REVENUE COLLECTION

At a time when the revenue collection components of the Department of the Treasury have experienced difficulty in achieving efficiencies while maintaining a high level of compliance on the part of their taxpayer universe, ATF's revenue protection program stands out as an example of sound management and successful planning. ATF's collections are at historic levels, while regulatory staffing has remained below the authorized level.

Currently, ATF's regulatory enforcement component is authorized at a level of 1,030 FTE's; actual staffing has been held to approximately 950 FTE's by effective position management. Within that framework, Regulatory Enforcement will achieve a further savings of 50 FTEs by consolidation of technical services functions.

The conferees believe that ATF should use the FTE savings in technical services functions to offset, at least in part, previous reductions taken by Regulatory Enforcement in the field positions dedicated to alcohol and tobacco revenue and consumer protection programs.

Therefore, the conferees direct that the ATF pay careful attention to position management by major program area so as to ensure that uneven attrition does not result in

untenable staffing reductions in the revenue and consumer protection activities of the ATF, and to ensure that Regulatory Enforcement is not penalized for past efficiency.

FEDERAL FIREARMS DISABILITIES

The conference agreement continues language included in the fiscal year 1996 appropriations act prohibiting ATF from acting on applications for relief from federal firearms disabilities.

BALLISTICS IMAGING SYSTEMS

The conferees are aware that the Departments of Treasury and Justice have developed separate ballistics imaging systems and are now working with state and local law enforcement agencies to deploy these systems,often with Federal subsidy assistance. Given the pressing national needs for this type of technology, the conferees remain adamant the Federal government not provide subsidy assistance for state and local law enforcement to acquire both systems. The conferees have included language prohibiting Federal assistance for the acquisition of a second system unless the state or local authorities return or fully reimburse the Federal government for the first system. The Committees also note the Department of Justice Appropriations Act will contain a similar prohibition.

The conferees have included funds in the Violent Crime Trust Fund for expansion and maintenance of this program. Should demand require, the Committee's note that the Director has in his discretion the ability to utilize funds appropriated in the Salaries and Expenses account.

TAGGANTS STUDY

Public Law 104–132, the Antiterrorism and Effective Death Penalty Act of 1996, directs the Secretary of the Treasury to conduct studies on adding taggants to explosives materials, review the feasibility and practicability of rendering certain explosive chemicals inert, and evaluate the potential of imposing controls on certain materials used to manufacture explosives. The conferees are aware that the Naval Surface Warfare Center's Indian Head Division is widely recognized as a center of excellence in energetics. The conferees urge the Secretary to explore ways to use this Division's expertise in the development and manufacture of energetic chemicals and systems in the studies funded on taggants. Participating agencies are urged to work closely with the Indian Head Division on this important effort.

CIGARETTE TAX EVASION ON INDIAN LANDS IN OKLAHOMA

The conferees are concerned about reports of businesses in Oklahoma operating on Indian lands which are evading the payment of state cigarette sales taxes. The conferees are also aware that the ATF, under 18 USC Sec. 2341–2342, has the authority to investigate and enforce state cigarette sales tax laws. The conferees direct the ATF to work closely with the Oklahoma Tax Commission on the investigation of cases of tax evasion by businesses located on Indian land in Oklahoma.

ATF AIR PROGRAM

The House transferred the ATF aviation program to the Customs Service. Nevertheless, the conferees have since learned that the Customs Service has no use for the OV–10 aircraft used by ATF, and that ATF has a letter of agreement with the Department of State to provide a portion of the OV–10 aircraft and parts for eradication of illegal coca plants in source countries. The conferees, therefore direct ATF to transfer the OV–10 aircraft to the Department of State and any excess aircraft or parts to the Department of Defense inventory.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

LABORATORY FACILITIES

The conference agreement provides $6,978,000 for the design and acquisition of the ATF National Laboratory Center and Fire Research Investigation and Development Center.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

The conference agreement provides $1,487,250,000 and up to $30,000 for official representation expenses.

The conferees agree to the following changes from the fiscal year 1996 appropriation of $1,387,153,000:

Operation Hardline	$74,000,000
Operation Gateway	28,000,000
Maintain Current Levels	39,625,000
Executive Order 12837 Reduction	−13,695,000
Transfer International Trade Data System	−5,600,000
Transfer Automated Commercial Environment	−15,000,000
Headquarters FTE Reduction	−20,596,000
Cost of Buyout	11,058,000
General Reduction	−5,000,000
Operations & Maintenance for ATF	500,000
Nogales, Arizona Fence	500,000
Honolulu Customs District	750,000
China Initiative	3,005,000
Western Hemispheric Trade Center	2,500,000
Child Pornography	50,000
Total	1,487,250,000

OPERATION GATEWAY AND OPERATION HARDLINE

The conferees agree to include statutory language designating $65,000,000 for Operation Hardline and $28,000,000 for Operation Gateway. An additional $9,000,000 shall be available to Operation Hardline for the maintenance of equipment purchased in fiscal year 1996.

MISCELLANEOUS PROVISIONS

The conferees mandate that the Customs Service begin full implementation of the General Aviation Telephonic Entry (GATE) program within 30 days of enactment of this Act, delete language proposed by the House prohibiting any reduction in force in the Customs Service, restore House language to require approval of a staffing plan by the House and Senate Committees on Appropriations prior to implementation of any separation incentive payment program, and restore language proposed by the House prohibiting Customs from providing less than 30 days notice for changes in apparel regulations.

REORGANIZATION

The conferees are concerned by a GAO report to the Ways and Means Committee (GAO/GGD–96–81R Customs Reorganization) stating that Customs had achieved only 40% of its goal of reducing headquarters full time equivalent employment from 1,800 to 1,200. The conferees direct the Customs Service to report to the House and Senate Committees on Appropriations, no later than February 1, 1997, with a streamlining plan on how it intends to achieve those reductions or with an explanation as to why such reductions are no longer advisable.

HONOLULU CUSTOMS DISTRICT

The conference agreement provides $750,000 for additional part-time and temporary positions in the Honolulu Customs District.

NOGALES, ARIZONA FENCE

The conferees provide funding to Customs for construction of a fence in Nogales, Arizona, to prevent smuggling. Work has progressed on construction of this fence, which separates the United States and Mexico. Because of the importance of this fence to anti-smuggling efforts, the conferees have included an additional $500,000 to complete this project.

NON-INTRUSIVE INSPECTION (NII)

The conferees have been made aware of a recent evaluation of NII by the Office of National Drug Control Policy (ONDCP) which concludes that deployment of advanced NII technology at land and sea border points can make a significant improvement in the effectiveness of U.S. drug interdiction efforts. The conferees commend the Customs Service (USCS) for recognizing the potential of technologies such as truck X-rays and beginning the deployment of such systems. However, the ONDCP study also suggests that high energy, rather than low energy X-ray technology, and a level one automated targeting system (ATS) represent the best investment in NII technology. The conferees direct the USCS to accelerate development and deployment of an ATS and place a moratorium on the further procurement of low energy X-ray equipment as defined in the ONDCP report. The conferees direct the USCS to reevaluate its plans with regard to ATS, low energy and high energy X-ray equipment and, no later than February 1, 1997, present the Committees on Appropriations with an integrated detection plan which responds to the recommendations made in the ONDCP evaluation.

WESTERN HEMISPHERIC TRADE CENTER

The conference agreement provides $2,500,000 for the Western Hemispheric Trade Center.

ATF AIR PROGRAM

The conference agreement provides the Customs Service an additional $500,000 for the costs associated with providing aviation support to the ATF. The conferees direct that such service be provided to ATF without reimbursement.

OPERATION RESPOND

The conferees urge the Customs Service to work with Operation Respond Institute, Incorporated, a non-profit organization, the Federal Highway Administration, and the Federal Railroad Administration in enhancing and implementing computer software to identify hazardous materials crossing the northern and southern borders of the United States.

CHILD LABOR INVESTIGATIONS

The House passed version of H.R. 3756 contained a provision that funded two additional overseas positions for Customs Service investigators in New Delhi, India and in the Sialkot region of Pakistan. These are two areas in the world where child labor is a particularly significant problem.

The conferees understand that this provision could not be included in this legislation because pending legislation which would make the import of goods produced by child labor illegal has not yet passed. Nevertheless, the conferees believe that it is important for the Administration, Congress and the people of the United States to be informed as to whether goods being imported into the United States are being produced by child labor.

The conferees expect that the Customs Service will make this information available to the full extent of its authority under current law. In addition, the conferees direct Customs to report to the Committees on Appropriations what additional legislation is needed to address the problem. This report shall be transmitted with the fiscal year 1998 budget request.

DESIGNATIONS OF PORTS OF ENTRY

The conferees are concerned that the Custom Service has not published firm criteria

for determining user fee or port of entry status for airports, leading to confusion and possible loss of revenue in at least one airport. The conferees therefore direct the Customs Service to establish firm, clear guidelines to be used in determining port of entry status and provide those criteria to the Committees on Appropriations with the fiscal year 1998 budget submission. The conferees direct that the status of no airport be changed until transmission of that report, except for changes mandated by law.

P–3AEW PROCUREMENT

The conference agreement provides $42,000,000 to convert one P–3AEW aircraft, to be financed through transfer from the Special Forfeiture Fund within the Office of National Drug Control Policy. This will be in addition to the P–3AEW funded through the Department of Defense.

BUREAU OF ENGRAVING AND PRINTING

WEB PRESS

The conferees understand that, despite fiscal year 1996 Congressional direction to suspend development of the Web Press, the Department of the Treasury and the Bureau of Engraving and Printing (BEP) have resisted compliance with the direction. BEP has instead indicated that it needs additional time to resolve performance shortfalls it has encountered with the operation of the Press.

The conferees believe that the opportunity to resolve the performance shortfalls was addressed in a December 1, 1995, letter in which the Director of BEP presented a plan to turn the Press into a ''viable piece of operating equipment'' by April of 1996. The conferees did not receive official notification as to whether or not the Director's plan was successful. However, informal communication with the BEP led the conferees to believe that the milestones presented in the December letter were not met in a cost-effective manner.

While it is unclear why the Department of the Treasury and the BEP want to continue the Web Press effort, the conferees believe the Director should be provided with sufficient authority to conduct all necessary testing to determine if the Press can produce currency in compliance with the original contractual requirements. Therefore, the conferees agree that, if the Director determines it is in the best interest of the government to conduct further testing of the Web Press, a plan to achieve resolution of the issues associated with the performance of the Press shall be submitted to the House and Senate Committees on Appropriations. The objective of the plan, which must include specific performance milestones, should be to determine if the Press can be brought into compliance with the original contract performance requirements. The plan must also include criteria to determine success or failure in meeting the established milestones. This plan shall be submitted to the Committees within 30 days of enactment of this Act. The conferees are adamant that the plan shall be implemented and conducted at no additional cost and shall have a reasonable termination date at which time either the Web Press is in compliance with the original contract requirements or is terminated.

EXEMPTION FROM PROCUREMENT REGULATIONS

The conference agreement does not include an exemption from procurement regulations for the BEP. The conferees believe it is premature to provide such exemption without first determining the effect such an exemption would have on other Treasury bureaus. While it would be beneficial for BEP to have such an exemption, it does not seem appropriate to place the organization in a position not shared by other Treasury bureaus.

UNITED STATES MINT

UNITED STATES MINT PUBLIC ENTERPRISE FUND

The conferees note that the U.S. Mint has submitted comprehensive reports concerning the implementation of the Mint Public Enterprise Fund. Since certain circulating coinage provisions will expire at the end of fiscal year 1996, the conferees request the Director of the U.S. Mint submit an overview of a plan for controlling costs and maximizing 1997 operations. This overview should be included in the next quarterly report submitted to Congress.

The conferees request the Director also submit a report, by December 1, 1996, which resolves the issue of how best to maintain separate revenue records for circulating and numismatic coins within the Mint Public Enterprise Fund. The conferees want to ensure that revenue generated by circulating coins is not merged with revenue generated by numismatic coins. The 1996 Mint Public Enterprise Fund legislation created one fund for both circulating and numismatic coin revenue, with separate recording of the revenues from these different coin programs. It was not the intent of the legislation to create separate public enterprise funds as a way of keeping revenue separate.

PERFORMANCE BASED ORGANIZATION

As part of the Vice President's National Performance Review, a proposal was made to allow federal agencies to act more ''business like'' by allowing the performance of the organization to be measured. The agency, now called a Performance Based Organization (PBO), would have established productivity and performance plans, a Chief Executive Officer (CEO), and other ''business like'' components. The pay of both the employees and the CEO would be based on performance against an established annual performance plan.

The conference agreement does not include a provision which would have established a PBO at the U.S. Mint as proposed by the House. Despite the Department of Treasury's stated position that performance measures should be used to determine funding levels, the U.S. Mint-PBO provision was opposed by the Secretary of the Treasury.

The Department has not yet responded to the Office of Management and Budget's (OMB) early-1996 request for agency participation in the Vice President's PBO concept. The Department continues to study its organization to determine which of its bureaus would be most appropriate as a PBO. The U.S. Mint, with its reliance on production-based performance measures, is obviously a viable candidate for the PBO format. The conferees strongly recommend that the Department choose the U.S. Mint as its candidate for a PBO.

The Treasury Department and the OMB should provide legislation which would establish such a PBO to the appropriate Congressional committees with the fiscal year 1998 budget request.

BUREAU OF THE PUBLIC DEBT

BUDGET ESTIMATES

The conferees agree with language contained in Senate Report 104–330 which encourages the Commissioner of the Public Debt to continue to work toward workload estimates to minimize lapsed appropriations. The conferees do not wish to infer that the large unobligated and lapsed balances which have been experienced by the Bureau of the Public Debt are the result of poor budget practices or a lack of attention by management of the Bureau. These balances are the result of unplanned cost savings. Future workload estimates should be more accurate now that the transfer of people and functions from Washington, DC, has been accomplished.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT RECOMMENDATION

The conference agreement provides $1,779,840,000. The Internal Revenue Service (IRS) requested $8,144,000 for an additional payment of 1.5% for CSRS employees in anticipation of costs associated with the implementation of pending legislation. That legislation was not finalized and therefore the Committees agree that the $8,144,000 request is no longer needed for that purpose. The conference agreement provides $8,321,000 to meet additional requirements as a result of increasing 1-800 telephone access.

TAXPAYER SERVICES AND RETURNS PROCESSING

The conference agreement provides $482,049,000 for Taxpayer Services. This amount is $34,447,000 above the fiscal year 1995 funding level for Taxpayer Services (7.7% increase) the same as the funding level provided in 1996 and $8,347,000 above (2%) the fiscal year 1997 request. The conferees have provided $829,666,000 for Returns Processing. This amount is $15,540,000 above the fiscal year 1995 funding level for Returns processing (2% increase), $56,658,000 above the funding level provided in 1996 (7% increase), and the same as requested in fiscal year 1997.

OPPORTUNITIES FOR OUTSCORING RETURNS PROCESSING

The conferees agree that IRS should study the potential costs and benefits of outsourcing certain returns processing activities. This study should be submitted to the House and Senate Committees on Appropriations by December 31, 1996.

PERFORMANCE MEASURES

Measuring the performance of the IRS, especially in the areas of taxpayer service and assistance, tax collection, and compliance, has been an ongoing concern for the House and Senate Committees on Appropriations. Since fiscal year 1995, the Committees have been stressing the need for valid performance measurement in order for IRS to justify its continued request for additional funding. To date, such performance measures have not been forthcoming. Therefore, the conferees agree with the House that the IRS should submit a strategic plan and detailed performance measures with the fiscal year 1998 budget request. This is consistent with the requirements of the Government Performance and Results Act (GPRA).

FINANCIAL MANAGEMENT

The conferees have serious concerns about the ability of the IRS to accurately account for the expenditure of appropriations. A July 1996 General Accounting Office (GAO) report on IRS financial management states that IRS has ineffective controls over safeguarding assets from loss and assuring that IRS is in compliance with laws governing the use of budget authority. Furthermore, the amounts stated by IRS as the total amount of revenue ($1.4 trillion) and the total amount of tax refunds ($122 billion) cannot be verified or reconciled to aggregate accounting records. In other words, IRS may not be collecting the revenue it states, may not be making the refunds it states, and may not be spending taxpayers money in accordance with the law. The conferees believe the IRS must correct these deficiencies. Therefore, the conferees direct the IRS to submit a report by March 1, 1997, which presents a plan to correct the deficiencies identified in the GAO's July 1996 report.

TAXPAYER SERVICES IN ALASKA AND HAWAII

Given the remote distance of Alaska and Hawaii from the U.S. mainland, the many tax compliance issues unique to the communities and geography in these states, and

their taxpayers' inability to receive needed assistance by the toll-free line, the conferees believe that the Internal Revenue Service should maintain a Problem Resolution Specialist position, current Problem Resolution positions assisting the Problem Resolution Officer, and tax examination personnel of appropriate number and grade within each of the states of Alaska and Hawaii.

NATIONAL ARCHIVES ACCESS TO RECORDS

The conferees believes that an agreement should be reached between the IRS and the National Archives and Records Administration (NARA) concerning NARA's access to certain IRS records. The conferees direct that the IRS and NARA submit a report to the Committees on Appropriations of the House and Senate on NARA's access to records. This report must include an analysis of outstanding issues and a recommendation on how the disposition of these records should proceed. The report should be submitted to the Committees by March 1, 1997.

ELECTRONIC FEDERAL TAX PAYMENT SYSTEM

The conferees understand that the IRS has determined it should delay the implementation of the Electronic Federal Tax Payment System (EFTPS) due to the concerns of small businesses. The conferees also understand that the IRS did not implement an adequate education program on the requirement for small businesses to electronically submit Federal withholding tax payments. Due to the lack of basic information on the new process, many small businesses found it impossible to comply with IRS requirements and faced stiff penalties if not in compliance.

The conferees urge the IRS to implement a major education effort on the requirements of EFTPS and to reschedule its implementation after the education effort has been successful.

FEDERAL TAX TREATMENT OF AIRCRAFT MAINTENANCE EXPENSES

The conferees are aware that, in a recent Technical Advice Memorandum (TAM), the IRS has taken the position that certain Federal Aviation Administration (FAA) mandated aircraft safety inspection and repair costs must, for tax purposes, be capitalized rather deducted as a business expense. This is a reversal of longstanding IRS and airline industry tax accounting practices which have permitted the current deduction of such costs. Additionally, this action will place a significant new tax burden on critical airline safety inspections and repairs.

The conferees believe that the IRS incorrectly applied Treasury Regulation Sec. 1.162–4 in reaching this position. The conferees are also concerned that this policy change, which affects the entire airline industry and critical airline safety policies, was implemented without apparent input from and coordination with other interested parties such as the Department of Transportation and the FAA. Therefore, the conferees urge the IRS to reverse its recent position on tax treatment of aircraft inspection and safety costs.

INTERNAL REVENUE SERVICE

TAX LAW ENFORCEMENT RECOMMENDATION

The conference agreement provides $4,104,211,000 for Tax Law Enforcement. The conference agreement also provides funds, as necessary, to meet requirements associated with downsizing the Internal Revenue Service.

CRIMINAL INVESTIGATIVE DIVISION

The conferees agree to delete the funding and staffing ''floor'' contained in House Report 104–660 for the Criminal Investigative Division (CID). This should not be interpreted as a lack of interest in the work of CID. The elimination of this ''floor'' simply provides IRS flexibility in managing under the 1997 funding levels.

INTERNAL REVENUE SERVICE

INFORMATION SYSTEMS

The conference agreement provides $1,323,075,000 for Information Systems.

TAX SYSTEMS MODERNIZATION

In July of 1996, the Committee on Appropriations of the House and Senate requested that the Department of the Treasury and the Internal Revenue Service (IRS) provide more detailed information on its request for Tax Systems Modernization (TSM) and non-TSM information systems requirements. In response to this request, IRS and the Department of the Treasury recently provided new and extensive data on these programs. The conferees appreciate the attentive attitude taken by both IRS and the Department in this endeavor. While this additional information is not a formal proposal on the part of the Department of the Treasury for a ''revamped'' TSM program, the conferees believe it is an important step toward restructuring and streamlining this troubled program.

The conferees emphatically repeat their position that there is no more imperative requirement for IRS than to modernize its antiquated information system. A modernized system is the only way to better serve the taxpayers of America and collect taxes in an efficient manner.

Since 1988, Congress has provided approximately $4,000,000,000 for the IRS-proposed strategy to modernize its information system: the TSM program. Congress provided these funds in accordance with plans and proposals for the TSM program submitted by three successive Administrations. Initially, the Administration projected TSM would be in place by the year 2001. It appears now that this timetable will not be met and it is unclear when TSM will be fully operational.

It is unfortunate that IRS is no further along with the strategy to modernize its information systems than it was in 1988. While many exemplary individual systems of the TSM program have been purchased with the $4,000,000,000 appropriated to date, it is also true that, in order for the IRS to maximize this investment, these systems must integrate with a real-time centralized database called the Corporate Account Processing System (CAPS). CAPS is a complex, although not technologically difficult, data base; a type found throughout the Federal government and industry. The conferees are concerned that, based on the most recent information provided by IRS, CAPS is being pushed off into a future development scenario. The conferees are concerned that IRS seems determined to continue to fund TSM projects that appear necessary to ''feed the beast'' at IRS, not to modernize the process. This is unfortunate.

Based on information provided by the IRS, the conferees have re-defined TSM. TSM should be considered those systems which are under development or are being prepared for deployment. Those TSM systems which have been deployed and are currently being used by the IRS to accomplish its mission are considered Operational Systems and are in addition to the Legacy systems which TSM sought to replace. The Legacy systems continue, after eight years of effort on TSM, to be the backbone of IRS information systems and are no less necessary today than in 1988. Therefore, the conferees agree that both the Operational Systems and the Legacy systems must be funded at a level to fully support the tax filing season. For Legacy systems, the conference agreement includes $758,400,000 which will fund the highest priority systems as identified by IRS. For TSM Operational Systems, the conference agreement includes $206,200,000 for all the systems identified by the IRS as necessary, including the Service Center Consolidation project.

For TSM deployment and development, which the conferees have redesignated TSM, the IRS identified $155,500,000 in programs which are necessary, but limited its most recent request to $59,100,000 for the highest priority items. The conference agreement funds TSM development and deployment at $130,075,000 which will allow the IRS to continue development of CAPS, the Workload Management System, Electronic Fraud Detection, and other systems as identified by the IRS.

The IRS has recently identified $94,100,000 in new, ''stay-in-business'' requirements. These requirements include the Year 2000 Century Date conversion, quality assurance, replacement of laptop computers for the exam staff, replacement of the Distributed Input System (DIS)/Remittance Processing System (RPS), and an interim Revenue General Ledger System (RGLS). The $5,100,000 for RGLS is needed to comply, in part, with recent General Accounting Office (GAO) criticism of IRS financial management. The $9,000,000 for DIS/RPS is necessary because the Document Processing System (DPS), a TSM system which was to replace DIS/RPS, is being terminated. The termination of DPS means that after eight years and $298,500,000 to develop this document scanning system, IRS is now re-examining its basic requirement for document processing. The century date conversion initiative is the first step in a multi-year, multi-million dollar effort to re-code the 1960's Legacy systems technology so that IRS can process tax returns after 1999. This is necessary because the IRS has not been able to replace the cobal-language database with CAPS as planned. The conference agreement includes $45,000,000 for the Century Date change requirement, understanding that this is an initial investment, and that the IRS continues to refine funding and program requirements for this effort. A total of $62,100,000 has been provided for these new ''stay in business'' requirements which IRS should use to address its highest priority requirements. Additionally, the IRS should continue to review these activities for future outsourcing opportunities.

The IRS also identified one-time costs of $21,900,000 for converting from the Consolidated Data Network (CDN) to the Treasury Communications System (TCS) and $61,000,000 for downsizing activities. The downsizing activities will provide sufficient funds for IRS to reduce its staffing level by over 900 positions. The conference agreement provides $82,900,000 for these one-time requirements, as requested.

For program infrastructure, the IRS states that its requirement is $83,400,000. Within this amount, the IRS anticipates $14,700,000 will be required for its Government Program Management Office, $2,000,000 for the Modernization Management Board, $8,200,000 for Systems Life Cycle development, $9,000,000 for Architecture development, $5,000,000 for Reengineering studies, $12,800,000 for Program Management-Associate Commissioner, and $22,800,000 for Systems Engineering and other Infrastructure. The conference agreement provides $83,400,000, as requested, and directs the IRS review these activities for future outsourcing opportunities.

The Committees direct that, should any of the amounts listed above be executed at a different level than set out in this report, the Department of the Treasury must provide notification and explanation of the changes to the Committees on Appropriations of the House and Senate.

ARCHITECTURAL BLUEPRINT

The conferees agree that continued Congressional oversight of the TSM program is

essential. In order to ensure such oversight, the Secretary of the Treasury shall submit quarterly reports on IRS' implementation of the TSM and Information Systems program. These reports must include (1) an assessment of progress in implementing all the recommendations made by the General Accounting Office in its July 1995 report; (2) performance measures which will be used by the Department of Treasury to determine progress made in implementing TSM; and, (3) a project by project funding profile.

Additionally, the Secretary shall submit to the Committees on Appropriations of the House and Senate, a complete systems architecture which has been approved by the Department of Treasury's Modernization Management Board. This architecture shall be submitted no later than May 15, 1997.

OUTSOURCING STRATEGY FOR TSM

The IRS and the Department of the Treasury have announced an outsourcing strategy for TSM which was presented by the Department of the Treasury in its May 6, 1996,'' Report to House and Senate Appropriations Committees. ''This strategy, from the perspective of the Committees, does not fully address the outsourcing of TSM until the Spring of 1998. The Treasury Department prefers the opportunity to prepare a Request for Proposal (RFP) by the Spring of 1998 which would be used to solicit competitive bids to obtain a commercial sector company as a ''Prime Contractor'' for TSM. At the point of RFP release, the Department of the Treasury would assess the performance of the current contract vehicles to determine if the release of the RFP is required. The RFP would be released if the Department determined that the current contracting arrangement was not adequate to provide progress to TSM.

The conferees do not disagree with the need to ensure that progress on TSM be monitored and that all parties, IRS and the private sector community, be held accountable for performance in accordance with established performance requirements. However, the conferees believe that this needs to be done long before the Spring of 1998. Therefore, the conference agreement includes a suspension of funding for the TSM Operational Systems on July 31, 1997, unless the Department has prepared the RFP which it could use to solicit bids for a TSM Prime Contractor. The intent of this action is to require an outsourcing decision at a date earlier than that requested by the Department of the Treasury.

With regard to the RFP, the conferees believe that the Department of the Treasury's Modernization Management Board (MMB) should have prepared a final version of the RFP by the July 31, 1999 deadline. The conferees understand that the process which the MMB must go through to get a final RFP is a long process which includes obtaining information and input from the private sector. However, the intent of the conference agreement is that the final version of the RFP be ready by July 31, 1999. Should the Department of the Treasury determine that it is unable to have ready for release a final version of the RFP, the Department should notify the Committees on Appropriations of the House and Senate before the July 31, 1999 deadline. Should there by a delay in the development of the RFP, the conferees are committed to releasing the fourth quarter apportionment when the IRS submits an explanation for the delay.

With regard to the July 31, 1997 schedule to transfer a majority of TSM to contractor, the conferees agree that the current contractor support may count toward the majority level.

The conference agreement also includes a requirement that the activities associated with the development of the RFP, the contract solicitation, and contract award shall be conducted by the Department of the Treasury's Modernization Management Board. It is the intent of the conferees that the IRS shall not be the ''lead'' on this effort and that the Department shall oversee the efforts of the Modernization Management Board with regard to these activities.

Furthermore, should the Department of the Treasury determine that it will pursue the release of an RFP to solicit bids for a new contracting arrangement, the Department of the Treasury should provide notification to the House and Senate Committees on Appropriations prior to the release of the RFP.

Additionally, should the Department determine that it will pursue a new contract with a private sector company to manage, integrate, test, and implement TSM, the Department should take into account the company's prior private and public sector experience. A private sector company's experience in managing large-scale complex computer systems, working with government revenue agencies, showing demonstrable results in reducing costs, increasing productivity, improving service, and integrating human performance factors with technological change would be most beneficial to the IRS.

CONTRACTOR SUPPORT

The conference agreement does not specify the amount of funding which should be applied to the IRS contract with IIT Research Institute, a Federally Funded Research and Development Center (FFRDC) or the Integration Support Contract (ISC). This should not be interpreted as a lack of interest in these groups, or a belief that these groups have not provided exceptional assistance to the IRS. The conference agreement simply reflects a belief that the IRS should not be required by Congress to fund any contract at any particular level.

SHIFT FROM IRS PERSONNEL TO CONTRACT PERSONNEL

While the conference agreement does not specifically address the total number of IRS personnel that should be assigned to the TSM program, the conferees are adamant that IRS reduce the number of employees assigned to both TSM development and operational systems. The conferees understand the benefit of a reassignment of some TSM technical personnel to the century date change program and, to the extent that this shifting of personnel is necessary, it should be pursued. The intent is that the number of IRS personnel assigned to TSM shall be significantly reduced and the program turned over to the private sector for management, development, implementation, and testing.

The IRS should provide quarterly reports to the House and Senate Committees on Appropriations, which address the number of FTEs funded within each of the appropriation accounts. For the Information Systems appropriation, the breakout of FTEs should be according to each activity funded.

INTERNAL REVENUE SERVICE

INFORMATION SYSTEMS

(RESCISSION)

The conference agreement provides a rescission of $174,447,000 from Information Systems appropriations.

ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

Section 103. The conference agreement includes a provision which requires the IRS to maintain the fiscal year 1995 level of service, staffing, and funding for Taxpayer services. The conferees agree that this does not mean that IRS should be required to re-hire staff or to open closed offices. The intent of the provision is to ensure that, overall, IRS maintains a level of Taxpayer Services which meets or exceeds the 1995 level of services. Additionally, the IRS should be very sensitive to the needs of the taxpayers who use walk-in service centers during the tax filing season.

Sec. 104. The conference agreement includes a provision which requires the IRS receive prior approval before obligating funds for separation agreements in accordance with section 663. Section 663 allows for voluntary separation of employees under certain circumstances. The intent of this provision is to ensure that IRS has in place a strategic plan which will be used to downsize its organization.

The conference agreement does not include the House provision requiring IRS contract with an independent accounting firm to determine revenue losses (if any) which would result from implementing H.R. 2450.

The conference agreement does not include a sense of Congress provision adopted by the Senate. The concerns of the Senate were accommodated within the funding levels provided to the IRS.

Sec. 105. The conference agreement includes a provision which permits the IRS to implement its planned field reorganization under certain conditions. The IRS may proceed with this reorganization only if it maintains the current level of taxpayer service employees that provide taxpayer education and the current level of employees that provide problem resolution on cases generated through walk-in visits. This provision is included due to concerns which have been raised about the potential effects of the proposed IRS restructuring on customer service.

The conferees direct the IRS to report to the House and Senate Committees on Appropriations no earlier than March 1, 1997, on the impact of the reorganization with respect to: (1) taxpayer services, particularly taxpayer education and walk-in customer service offices; (2) problem resolution cases; and (3) the overall cost/benefit of the proposed restructuring. This report should also address how IRS taxpayer services will ensure adequate service to taxpayers in the future.

Sec. 106. The conference agreement includes a provision which directs that funds shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 telephone assistance and that the Commissioner make this a priority.

Sec. 107. The conference agreement includes a provision which prohibits the expenditure of funds for using more than two ink colors on the printed covers of income tax packages.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

The conference agreement provides $528,262,000. The conferees provide $18,870,000 for White House security upgrades, as requested by the President, with additional funds provided in the Violent Crime Trust Fund. In addition to start up funds for the Exploited Child Unit the conferees have provided $1,200,000 for the 2nd and 3rd years of operating the Exploited Child Unit through the Salaries and Expenses appropriation, making these funds available until expended. The conference agreement also provides $3,700,000 for restoration of base operations, $2,133,000 for costs associated with replacing the mainframe computer and software systems and funds requested by the President for the replacement of vehicles in the security fleet.

UNITED STATES SECRET SERVICE

ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND RELATED EXPENSES

The conference agreement provides $37,365,000; of this amount, $8,200,000 has been

made available for activities related to the design and construction of the new Classroom Building at the Rowley Secret Service Training Center in Beltsville, Maryland. The conferees have funded replacement of the mainframe computer and related software systems in the Salaries and Expenses Account.

SECRET SERVICE RESCISSION

During fiscal year 1996, Congress provided $42,964,000 for anticipated mandatory costs of protecting candidates during the current Presidential election. The Secret Service now estimates that $7,696,000 of these funds will remain unobligated at the end of fiscal year 1996; the conferees have rescinded $7,600,000 of these funds.

GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

Section 116. The conference agreement includes a provision which amends Title 31 to prevent transfers of excess resources from the Treasury Forfeiture Fund to the Special Forfeiture Fund managed by the ONDCP after fiscal year 1996.

The conference agreement does not include language which would create a priority placement and job retraining program for employees.

Sec. 118. The conference agreement amends Title 18 to allow licensed Federal firearms dealers to transfer ''curio or relic'' firearms at any location.

TITLE II—POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE

PAYMENTS TO THE POSTAL SERVICE FUND

The conference agreement provides $85,080,000, including $61,433,000 for free mail for the blind and overseas voting and $23,617,000 for revenue forgone reimbursement.

PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

The conference agreement provides $35,536,000 for workman's compensation payments incurred by the pre-1971 Post Office Department.

POSTAL SERVICE RECYCLING HOTLINE

Both the House and the Senate reports address the matter of the Postal Service's leadership in the U.S. Environmental/Recycling Hotline. The conferees concur with the directives outlined in both reports and strongly support the Postal Service's continued leadership in this voluntary and innovative pollution prevention program. The conferees direct the Postal Service to provide regular updates on the progress being made on this public-private partnership beginning no later than December 1, 1996 to the House and Senate Committees on Appropriations.

JESSUP POST OFFICE

The conferees are aware of the intent of the Postal Service to move the Jessup Post Office from its current downtown location. The conferees direct the Postal Service to analyze the costs and benefits of such a move, and report the results of that analysis to the Congress no later than February 1, 1997. The conferees furthermore direct the Postal Service to work closely with local government and community organizations in determining a final location for the Jessup office.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

METHYLENE CHLORIDE

On November 7, 1991, the Occupational Safety and Health Administration (OSHA) proposed a revised workplace standard for methylene chloride. On March 29, 1996, the Small Business Regulatory Enforcement Fairness Act was enacted, requiring final rules adopted after June 27, 1996 to contain a final regulatory flexibility analysis assessing the requirements to be imposed on small business and describing the steps taken to minimize the economic impact on small business. On July 18, 1996, OSHA sent the final workplace standard for methylene chloride to the Office of Management and Budget for its review and approval. The conferees wish to highlight that, in reviewing the final methylene chloride workplace standard, the Office of Management and Budget must ensure that OSHA has fully complied with the Small Business Regulatory Enforcement Fairness Act in assessing the effect of the standard on small businesses, particularly in light of the fact that OSHA was not required to address these issues in detail at the time the standard was proposed. In addition, the Office of Management and Budget should ensure that OSHA's assessment of the potential health risk posed by methylene chloride is consistent with the Environmental Protection Agency's reassessment of that chemical under its proposed revised guidelines for carcinogen risk assessment, and that the workplace standard would not pose problems for compliance with Environmental Protection Agency regulation of methylene chloride emissions.

BALLISTIC IMAGING INTEROPERABILITY

The conferees reiterate their concern over the absence of interoperability between existing firearms ballistics imaging systems. The Office of Management and Budget facilitated a Memorandum of Understanding between the ATF and the Federal Bureau of Investigations as a means of achieving interoperability.

The Committees on Appropriations continue to receive reports of activities outside the scope of cooperation embodied in the MOU, wherein individual local crime lab directors and law enforcement officials are pressured to purchase one system over another. The MOU was to have eliminated such activity.

The conferees direct OMB to move the MOU process forward to a conclusion by taking a more active oversight role, and to terminate any agency efforts to create new or hybrid systems. The Director of OMB is to report to the House and Senate Appropriations Committees on the progress of activities under the MOU to date, and stipulate a timetable within which the NIST program will be completed. This report is due to the Committees no later than 60 days after the enactment of this Act.

YEAR 2000 SOFTWARE CONVERSION

The conferees are aware that, as part of OMB's preparation of the President's fiscal year 1998 budget, agencies are preparing cost estimates to ensure that information systems are year 2000 compliant. The conferees repeat their concern about the potential complexity and cost of the millennium change and direct OMB to comply with House report language requiring an assessment of the risk to Government systems on this issue. In recognition of ongoing work for the 1998 budget cycle, OMB is directed to submit this report with the President's fiscal year 1998 budget instead of by November 1, 1996.

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

INCLUDING TRANSFER OF FUNDS

The conference agreement provides $35,838,000 to the ONDCP, fully funding the Administration's request and including an additional $1,000,000 for the continuation of model state drug law conferences.

The conference agreement deletes a provision that prevents the ONDCP from obligating $2,500,000 until it reaches agreement with the House and Senate Committees on Appropriations on a fiscal year 1997 staffing plan.

The conference agreement includes House language that directs the Director of the ONDCP to transfer unobligated balances from ONDCP's Special Forfeiture Fund to the Treasury Forfeiture Fund.

UNANTICIPATED NEEDS

The conference agreement does not fund this account and instead uses these funds to support conferences on model state drugs laws through ONDCP in the upcoming fiscal year.

FEDERAL DRUG CONTROL PROGRAMS

HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM INCLUDING TRANSFER OF FUNDS

The conference agreement provides a total of $140,207,000 for the High Intensity Drug Trafficking Areas program: $13,105,000 from the Violent Crime Reduction Trust Fund and $127,102,000 from the base appropriation. This amount is $37,207,000 greater than the Administration's fiscal year 1997 request of $103,000,000 for this program. In addition to fully funding the Administration's request, this level includes resources for several newly-designated HIDTAs: $3,000,000 for Lake County, Indiana; $6,000,000 for the Gulf Coast states of Louisiana, Alabama, and Mississippi; $8,000,000 for the Midwest states of Iowa, Missouri, Nebraska, South Dakota, and Kansas to focus on methamphetamine use, production and distribution; $3,000,000 for the State of Colorado; and $3,000,000 for the Pacific Northwest. The remaining $14,207,000 shall be distributed at the discretion of the Director of the Office of National Drug Control Policy.

Of the total appropriation, $71,000,000 shall be transferred to State and local entities and $69,207,000 may be transferred to other Federal agencies.

TITLE IV—INDEPENDENT AGENCIES

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $28,165,000, restores 2 FTE to the House position, and fences $2,500,000 for computer modernization.

FULL TIME EMPLOYEE EQUIVALENTS

The conferees assume full salary and benefit increases to support 312 full time employee equivalents in fiscal year 1997, a reduction of 1 FTE from 1996. The conferees agree to allow this reduction to be taken at the discretion of the FEC and urge the FEC to be prudent in their allocation of staff so that all statutory responsibilities can be fulfilled in the upcoming fiscal year.

TUITION PAYMENTS

The conferees direct the FEC, as part of its fiscal year 1998 budget request, to submit a justification for tuition payment assistance, including a description of how these payments are relevant to FEC's statutory responsibilities.

REPROGRAMMING REQUIREMENTS

The conferees have reviewed FEC's request to address specific items contained in House Report 104–660, particularly as it relates to the fencing of $2,500,000 for computer modernization during the upcoming year. The conferees are aware that certain assumptions will require difficult choices for the FEC. Should the FEC find it difficult to fulfill its statutory responsibilities under the assumptions included in the fiscal year 1997 conference agreement, the FEC is encouraged to submit the appropriate reprogramming requests for Committee consideration.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATION ON AVAILABILITY OF REVIEW INCLUDING TRANSFER OF FUNDS

The conference agreement appropriates $400,544,000 into the Federal Building Fund. This appropriation offsets the difference between income into the Fund and expenditures from the Fund. The conference agreement makes $5,555,544,000 available from the Federal Buildings Fund for public building services, construction, and repair and alteration of Federal buildings.

The conference agreement makes $657,711,000 available from the Federal Buildings Fund for new construction and inserts a list of construction projects. The list of projects is as follows:

NEW CONSTRUCTION

California: Fresno, Federal Building and U.S. Courthouse	$6,595,000
Colorado: Denver, Rogers Federal Building-U.S. Courthouse	9,545,000
District of Columbia: U.S. Courthouse Annex	5,703,000
Florida:	
Miami, U.S. Courthouse	24,990,000
Orlando, U.S. Courthouse	9,514,000
Kentucky:	
Covington, U.S. Courthouse	17,134,000
London, U.S. Courthouse	13,732,000
Montana:	
Babb, Piegan Border Station	333,000
Sweetgrass, Border Station	1,059,000
Nevada: Las Vegas, U.S. Courthouse	83,719,000
New York: Brooklyn, U.S. Courthouse	169,000,000
Ohio:	
Cleveland, U.S. Courthouse	128,559,000
Youngstown, U.S. Courthouse	15,813,000
Oregon: Portland, Consolidated Law Federal Office Building	4,750,000
Pennsylvania:	
Erie, U.S. Courthouse Annex	3,300,000
Philadelphia, DVA-Federal Complex, Phase II	13,765,000
South Carolina: Columbia, U.S. Courthouse Annex	43,848,000
Texas: Corpus Christi, U.S. Courthouse	24,161,000
Utah: Salt Lake City, Moss U.S. Courthouse Annex and Alteration	11,474,000
Washington:	
Blaine, U.S. Border Station	13,978,000
Oroville, U.S. Border Station	1,452,000
Seattle, U.S. Courthouse	16,853,000
Sumas, U.S. Border Station (Claim)	1,177,000

The conference agreement also includes $10,000,000 for non-prospectus construction projects and $27,256,000 for security enhancements. The $27,256,000 for security enhancements is a part of the overall $240,600,000 provided in the conference agreement for enhanced building security.

U.S. COURTHOUSE CONSTRUCTION

The conference agreement reduces construction funds for each of the U.S. Courthouse and U.S. Courthouse Annex project by 10 percent. The conferees do not anticipate that this reduction will affect the construction schedule for any of these projects. However, should GSA determine that the lower funding level will adversely affect the ability of GSA to complete a specific project on time, the Administrator of General Services should submit a reprogramming for Committee consideration.

The conferees believe that there is strong evidence that, in general, courthouse facilities are not designed and built to achieve maximum efficiencies and cost savings. Congress has held a number of hearings to address the many issues associated with the construction of buildings, especially U.S. Courthouses. These hearings have produced pages of testimony which point to the lack of discipline in the process used to design and construct these facilities. This is an issue which the conferees take seriously and are determined to bring order, discipline, and reasonableness into the U.S. Courthouse construction process.

The conference agreement modifies bill language proposed by the House which required GSA to implement a 10 percent reduction in the overall cost of the U.S. Courthouse construction projects. Instead, this 10 percent reduction was applied to each U.S. Courthouse project included in the new construction program. The modified language requires a reduction in the cost of future courthouse construction through improving design efficiencies, curtailing planned interior finishes, requiring more efficient use of courthouse and library space, and by otherwise limiting space requirements.

Furthermore, the conferees agree with the House position that the U.S. Courthouse design guide be reexamined and a new design guide be developed by April 1, 1997. The conferees agree that serious action must be taken to reduce the cost of courthouses through design and construction savings. The revised design guide should include standardized courtroom utilization studies for each requested project. It is understood that these studies will be used to prepare prospectus studies which are under the authorities of the Senate Committee on Environment and Public Works and the House Committee on Transportation and Infrastructure.

U.S. COURTHOUSE SITE ACQUISITION

The conferees are concerned with the process which GSA uses to fund the acquisition of sites for new Federal office buildings and U.S. Courthouses. GSA chooses a site and then requests funding availability based on the estimated cost of acquiring the preferred site. The action of requesting a certain amount of money to purchase a piece of land almost certainly undermines the ability of the GSA to negotiate a lower price. This has prompted the conferees to take the unusual step of reducing, by 5 percent, the amount requested by GSA for site acquisition. This should be interpreted by GSA as another method which Congress can and will use to reduce the overall cost of Federal building construction.

The City of Fresno, California and the City of Las Vegas, Nevada are to be commended for stepping forward and offering free or reduced cost sites on which GSA is planning to construct new facilities. The action taken by the City of Fresno and the City of Las Vegas will save the government over $6,000,000. This type of cooperation will be necessary for the Federal government to continue its construction program.

REPAIR AND ALTERATIONS

The conference agreement makes $639,000,000 available from the Federal Buildings Fund for Repair and Alteration of existing Federal buildings and inserts a list of repair and alteration projects. The conference agreement also includes $345,000,000 for basic repairs and alterations, $23,456,000 for the chlorofluorocarbons program, $10,000,000 for the elevators program. $20,000,000 for the energy program and $2,700,000 for security enhancements. The $2,700,000 for security enhancements is a part of the overall $240,600,000 provided in the conference agreement for enhanced building security.

The conference agreement includes $8,000,000 for the renovation of the Agricultural Research Service Laboratory in Ames, Iowa, which is currently occupied by the Animal and Plant Health Inspection Service (APHIS). These funds shall only be used for biomedical safety and operational improvements for APHIS operations. The conferees direct the Administrator of General Services to submit a prospectus for providing additional adequate laboratory and office space for the APHIS in Ames, Iowa. The conferees believe this prospectus should allow for the most efficient method of providing this space, which may include the option to lease commercially available or build-to-suit space, as appropriate.

The conference agreement also includes $1,450,000 for renovations at the Pioneer Courthouse in Portland, Oregon and $6,000,000 for continuing construction activities at the U.S. Courthouse in Montgomery, Alabama.

TRANSFER OF FUNDS TO THE NATIONAL PARK SERVICE

The conference agreement includes a transfer of $1,000,000 from the Federal Buildings Fund to the Construction appropriation of the National Park Service. The conferees have been made aware of the adverse impact which construction along the 15th Street Corridor in Washington, D.C., has on the size and quality of the multi-purpose field at Wallenberg Place. After reviewing the report submitted by the Park Service in compliance with Congressional direction contained in House Report 104–537, the Conference Report which accompanied H.R. 3019, the conferees determined that funds were needed to regrade, seed, and maintain this field as a quality recreational resource in our Nation's Capital. The conference agreement includes language to transfer $100,000 and anticipates the National Park Service will use the funds as follows: $10,000 for seeding, $70,000 for regarding, and $5,000 in each of the next four fiscal years for necessary maintenance activities.

WHITE OAK ENVIRONMENTAL CLEAN-UP ACTIVITIES

The conference agreement includes $10,000,000 to initiate hazardous material clean up activities at the White Oak Naval Facility in Montgomery County, Maryland. These funds should not be expended until the GSA submits to the appropriate Congressional committees a report which addresses the overall plan and cost for environmental clean up activities at the White Oak Naval facility.

NATURAL RESOURCES BUILDING

The conferees direct GSA to study the need for a natural resources building consolidating USDA and the Department of Interior programs under one roof in Lincoln, Nebraska. The study should include the feasibility of adding federal and state research programs that address natural resources issues of importance to the Great Plains and Western Corn Belt such as water quality, shelterbelt impacts, agroforestry, soil erosion, range management and efficient water use.

RAPTOR RESEARCH CENTER

The conferees support the GSA's efforts to consolidate the Raptor Research Center at Boise State University in a building donated to the University. The conferees request that the Administrator of General Services provide a report, by February 1, 1997, on the progress made to date on this consolidation.

BUILDING OPERATIONS

The conference agreement makes available $2,343,795,000 for rental of space and $1,552,651,000 for building operations.

ELECTRONIC DATABASES

The conference agreement includes language which transfers funds from Building Operations to the Policy and Operations appropriation. Of the funds transferred to the Policy and Operations appropriation, $2,000,000 shall be used for the University of Nebraska-Lincoln sponsored demonstration project to develop electronic databases, which may be coordinated with federal on-line services.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

The conference agreement includes language to clarify Congressional intent regarding the Pennsylvania Avenue Development Corporation (PADC). The intent is to provide GSA permanent authority to perform activities necessary to implement the trade center plan at the Federal Triangle and to make payments in lieu of taxes to the District of Columbia. These authorities were previously performed by the PADC. The conference agreement also includes language clarifying GSA's authority to use funds transferred from the PADC and income derived from former PADC properties to carry out the responsibilities of the former PADC.

The intent of the conference agreement is not to expand the authorities of the GSA with regard to the functions and properties of the former PADC. The agreement simply provides GSA sufficient authority to carry out the responsibilities of the former PADC in an efficient manner.

FISCAL YEAR 1996 INTERNAL REVENUE SERVICE RENT PAYMENTS

The conferees understand that the Internal Revenue Service (IRS) was not able to pay its total fiscal year 1996 rent payment to the Federal Buildings Fund. The IRS planned to reprogram $11,500,000 in unobligated fiscal year 1995 funds to the 1996 GSA rent payment account. However, the House and Senate Committees on Appropriations directed that the $11,500,000 to be used to offset a portion of the costs associated with the June 26, 1996, fire at the Main Treasury building. The conference agreement includes $11,500,000 in the amount appropriated for building operations to cover the amount which IRS did not pay.

RENT REQUIREMENTS

The conferees agree that GSA and OMB should develop a system for identifying and informing agencies of annual rent rates and total rent estimates in an accurate and timely manner. The conferees instruct GSA, working with OMB, to submit the proposed rent system to the House and Senate Committees on Appropriations no later than March 1, 1997.

BORDER STATIONS

The conferees direct the GSA to continue working with the Department of State and the Border Inspection agencies in their review of the nation's border stations. Many of the stations on the borders are old and antiquated and have been stretched beyond their capabilities. The conferees are concerned that along with the current problem faced at the border crossings, anticipated future growth of trade will further exacerbate the problems faced in processing passenger and trade traffic.

The Administrator of General Services should provide a final assessment of its plan to upgrade, replace, or construct new facilities along the borders. The conferees believe that special attention should be given to the need of a third bridge for the Port of Laredo, Texas. This assessment should be provided to the appropriate Congressional committees.

BUILDING REQUIREMENTS OF THE SMITHSONIAN INSTITUTION

The conference agreement includes language which direct the Administrator of General Services to initiate discussions with the Smithsonian Institution on the feasibility of transferring Federal Building 10B to the Smithsonian Institution.

POST FTS2000 CONTRACT

The conference agreement provides for mandatory use of the FTS2000 contract until its expiration date of December 31, 1998.

Additionally, the conferees agree that the General Services Administration shall not release a Request for Proposal (RFP) for the Post FTS2000 contract before February 15, 1997. The conferees are, however, very concerned that the GSA has not yet responded to questions concerning the Post FTS2000 contract which have been submitted by the Senate Committee on Government Affairs and the Senate Treasury, Postal Service and General Government Subcommittee. The GSA is directed to answer these questions, as submitted, no later than December 1, 1996, and provide the details of the RFP to the appropriate House and Senate Committees, and how it will fulfill the requirements of the Information Technology Management Reform Act of 1996.

GENERAL SERVICES ADMINISTRATION

POLICY AND OPERATIONS

The conference agreement provides $110,173,000 for the Policy and Operations appropriation. Additionally, the conference agreement transfers $8,000,000 from the Building Operations account to the Policy and Operations appropriation.

IOWA COMMUNICATIONS NETWORK

The conferees direct that $10,000,000 in available funds be used to support the Iowa Communications Network (ICN).

PROPERTY ACCOUNTABILITY/ASSET MANAGEMENT

The conferees note their continuing interest in those activities which lend themselves to managing Federal agency property through automated information procedures and processes. The National Performance Review has noted the potential for cost savings through automated property management systems.

The conferees believe that, given past shortcomings in agency property management practices government-wide, continued emphasis should be placed on the use of commercial, off-the-shelf information technology including software, computer-based laminate barcode printers and readers, and information storage devices. Accordingly, the conferees strongly urge agency managers to make use of such equipment.

PRE-QUALIFICATION TESTING OF RE-TREAD TIRES

The conferees understand that GSA is planning to suspend its program of pre-qualification testing of re-tread automobile tires. The GSA no longer has a purchasing program for tires and has determined, therefore, that the pre-qualification testing program for re-tread tires is not necessary. Furthermore, GSA understood that the Department of Transportation was considering the establishment of safety standards for non-passenger re-tread tires.

The conferees believe that GSA should continue to publish the qualified product listing for re-tread tires until April 3, 1997. During this time GSA should share with the Department of Transportation its testing information to facilitate the development of the Department of Transportation standards for non-passenger re-tread tires.

GENERAL SERVICES ADMINISTRATION

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $33,863,000 for the Office of Inspector General.

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

The conference agreement does not repeal, as requested by the Administration, a previous provision which requires GSA to hire 1,000 employees as Federal Protective Service Officers.

Sec. 404. The conference agreement includes a provision which limits funding for courthouse construction if the projects do not meet standards of a capital improvement plan which has been developed by GSA, OMB, and the Judicial Conference. The provision also requires a standardized courtroom utilization study for each of the Courthouse projects included in the 1998 budget request.

The conference agreement does not include a provision which requires the Woodrow Wilson Center to pay the same rent per square foot as is paid by other Federal agencies for space it will occupy at the Ronald Reagan Federal Building.

Sec. 405. The conference agreement includes a provision which states that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay to GSA the rent amount requested by the Administration.

Sec. 406. The conference agreement includes a provision which ensures the materials used for the facade on the U.S. Courthouse Annex in Savannah, Georgia are compatible with the existing building.

Sec. 407. The conference agreement includes a provision which authorizes GSA to accept and retain income to offset the cost of flexiplace work telecommuting centers.

The conference agreement does not include a provision repealing the termination of office and staff support to former Presidents.

Sec. 408. The conference agreement includes a provision which directs the Administrator of General Services to purchase a specific site for the location of the law enforcement center in Portland, Oregon.

Sec. 409. The conference agreement includes a provision which conveys property at the Iowa Army Ammunition Plant.

The conference agreement does not include a provision which would authorize GSA to conduct a pilot program which would provide FTS2000 service to up to 10 State governments under certain conditions.

Sec. 410. The conference agreement includes a provision which conveys property located in Hopewell Township, Pennsylvania.

Sec. 411. The conference agreement includes a provision which prohibits the government condemnation of property in Denver, Colorado, without the consent of the owner.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

INCLUDING TRANSFER OF FUNDS

The conference agreement provides $23,923,000 for the salaries and expenses of the Merit Systems Protection Board including $626,000 for merit systems studies. The Committees are concerned that there is not a sufficient demand for such studies to justify a permanent staff. The conferees therefore direct that the MSPB prepare a report as to how this issue can be addressed while completing the necessary work of the board.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

The conference agreement provides $196,963,000 for operating expenses of the National Archives and Records Administration (NARA).

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

(RESCISSION)

The conference agreement includes no rescission for the National Archives and Records Administration.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES

REPAIRS AND RESTORATIONS

The conference agreement provides $16,229,000, including up to $4,000,000 for the Truman Library and up to $4,000,000 for the FDR Library.

The conferees are aware that significant funds will be needed in the future for continued maintenance and repair of Presidential Libraries. The conferees understand that private funds support, in part, each Library. However, these funds are traditionally not used to offset the cost of maintenance and repair. The NARA should pursue private sector financial assistance, which would then supplement government funding, for the repair and restoration of the Presidential Libraries. The conferees request the Archivist report to the House and Senate Committees on Appropriations on the establishment of such an arrangement for the Truman and Roosevelt libraries before funds are expended for these facilities.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

The conference agreement provides $5,000,000 for the NHPRC grants program.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

INCLUDING TRANSFER OF TRUST FUNDS

The conference agreement provides $87,076,000 and designates $1,000,000 for health promotion and disease prevention programs; provides $94,736,000 for administrative expenses; and provides $3,500,000 for the development of automated retirement recordkeeping systems.

OFFICE OF PERSONNEL MANAGEMENT

REVOLVING FUND

The conference agreement provides no funding for the revolving fund of the Office of Personnel Management.

FEDERAL PRESCRIPTION DRUG PLANS

The conferees are concerned about significant benefit changes that have been implemented under the Federal Employees Health Benefit Program (FEHBP), including a 20 percent copayment on retail pharmacy prescriptions provided under the Blue Cross/Blue Shield plan for Medicare eligible retired Federal employees. There is concern that the prescription coverage change may have been implemented without adequate notice.

The conferees expect that, in the future, OPM will utilize cost management mechanisms so that disproportionate cost containment requirements are not placed on retirees. OPM should encourage all FEHBP plans to maximize savings to hold down premiums in consultation with the pharmacy community, public and private prescription drug benefit managers, and schools of public health. These options, such as full utilization of drug manufacturer rebates and generic drug substitution, should help to preserve retiree and employee choice in selecting where to purchase prescriptions.

The conferees believe that differences between the copayments charged for retail and mail order pharmacy coverage should reasonably reflect costs incurred by the health plan.

In addition to addressing these concerns, the conferees direct OPM, at the conclusion of each year's negotiations with FEHBP participating carriers, to provide a brief report to the Congress on any benefit changes that will have a significant impact on a broad segment of the enrollees. To the extent practicable, and consistent with the need to protect proprietary information, the report shall include for each significant change: (1) the justification, (2) an analysis of the costs and projected savings, and (3) the anticipated impact on access to and quality of care. The report on changes effective January 1, 1997 should be submitted within 30 days of enactment to the appropriate committees of Congress.

Finally, as requested in the House report, the conferees direct OPM to require a standard, easily readable notice on the front of each plan brochure that says ''FOR CHANGES IN BENEFITS SEE PAGE XXX'' or some similar message directing readers to the page where changes are highlighted.

GENERAL PROVISIONS—OFFICE OF PERSONNEL MANAGEMENT

Sec. 422. The conference agreement allows agencies to advance employee FEHBP premiums for employees on leave without pay.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

The conference agreement provides $8,116,000 and denies the requested increase of seven FTE.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

The conference agreement provides $33,781,000 for salaries and expenses.

TITLE V—GENERAL PROVISIONS—THIS ACT

The conference agreement deletes House language regarding employment of certain categories of Federal employees within GSA as this provision is now permanent law.

Sec. 516. The conference agreement prohibits increases in travel funds for agencies without appropriate committee action.

Sec. 521. The conference agreement provides that personal services contractors employed by the Department of the Treasury shall be considered as Federal employees for purposes of making available Federal employee health and life insurance to all employees, not just overseas.

Sec. 522. The conference agreement includes a provision which addresses political appointees at the U.S. Mint.

The conference agreement deletes a House provision providing voluntary separation incentive payments for employees of the U.S. Agency for International Development.

The conference agreement deletes House language stating that laws governing procurement and public contracts shall not be applicable to the BEP.

The conference agreement deletes House language establishing a demonstration project pursuant to Title 5 authorities to test alternative management systems of the U.S. Mint.

Sec. 526. The conference agreement provides for reimbursement of certain legal expenses incurred by former White House Travel Office employees and denies reimbursement of attorney fees or costs incurred with respect to any Congressional hearing or investigation into the termination of employment.

The conference agreement does not include language providing for the minting of coins at the Mint in West Point, New York.

Sec. 528. The conference agreement provides for the closure of the alley located next to the new U.S. Secret Service Headquarters.

The conference agreement does not include language authorizing the continuation of the Advisory Commission on Intergovernmental Relations.

Sec. 529. The conference agreement authorizes certain changes to the commemorative coin program.

TITLE VI—GENERAL PROVISIONS

Sec. 608. The conference agreement modifies language proposed by the House to allow agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Sec. 613. The conference agreement includes language providing Federal Executive Boards the ability to expend funds.

Sec. 626. The conference agreement includes language extending the date for mandatory use of FTS2000 to December 31, 1998.

Sec. 632. The conference agreement includes language naming the U.S. Courthouse currently under construction in Portland, Oregon for Senator Hatfield.

The conference agreement deletes House language allowing Federal employees to represent the views of employee organizations before government agencies. This is now current law.

Sec. 633. The conference agreement allows the surviving child of an annuitant whose annuity terminated due to marriage to be restored after dissolution of that marriage, and to enroll in a health benefits plan if that surviving child had been enrolled in such a plan immediately prior to termination of benefits.

Sec. 634. The conference agreement allows employees that are involuntarily separated due to a reduction in force to use annual leave to qualify for an immediate retirement annuity if using that leave would be sufficient to allow the employee to qualify for such a benefit.

Sec. 636. The conference agreement allows employees of legislative agencies to be reimbursed for up to one half of the cost of professional liability insurance.

Sec. 637. The conference agreement provides that no pay adjustments under the Ethics Reform Act of 1989 shall take effect in fiscal year 1997.

Sec. 638. The conference agreement includes a new provision regarding FSLIC, authorizing reimbursement to the Department of Justice for litigation expenses in claims against the U.S.

The conference agreement deletes House language capping the number of political appointees in the Executive Branch at 2,300.

Sec. 639. The conference agreement allows the NARA to recoup up to 50 percent of recycling savings of the Federal Register during calendar year 1996.

Sec. 640. The conference agreement requires executive branch agencies to utilize the private sector to review and analyze issues subject to title LI of the National Defense Authorization Act of 1996.

Sec. 641. The conference agreement authorizes appropriations for the Merit Systems Protection Board.

Sec. 642. The conference agreement authorizes appropriations for the Office of Special Counsel.

Sec. 643. The conference agreement makes technical modifications to the National Commission on restructuring the IRS.

Sec. 644. The conference agreement allows for a pay raise for the U.S. Postal Service Board of Governors.

Sec. 645. The conference agreement requires the OMB to do an accounting statement and associated report on the cumulative costs and benefits of Federal regulatory programs.

Sec. 646. The conference agreement amends the Government Management Reform Act of 1994 to extend OMB's authority to streamline

financial management reporting through December 31, 1999.

Sec. 647. The conference agreement authorizes the Secretary of HHS to transfer the Perrine Primate Center to the University of Miami, subject to certain conditions.

Sec. 648. The conference agreement amends Title 18 to prohibit the fraudulent production, sale, transportation, or possession of fictitious items purporting to be valid financial instruments of the U.S., foreign governments, States, political subdivisions, or private organizations, and to increase the penalties for counterfeiting violations.

Sec. 649. The conference agreement provides that no funds may be expended to provide an employee's home address to a labor organization except when the employee has authorized such a disclosure or such disclosure has been ordered by a court of competent jurisdiction.

The conference agreement does not include language on the use of funds for commercially available property.

Sec. 650. The conference agreement requires Inspectors General to investigate the use of Administrative Uncontrollable Overtime.

Sec. 651. The conference agreement provides a $10,000 death gratuity to the personal representative of any civilian employee whose death resulted from an injury sustained in the line of duty on or after August 2, 1990.

Sec. 653. The conference agreement authorizes the Secretary of the Treasury to establish scientific certification standards for explosives detection canines.

The conference agreement does not include language expressing the sense of the Senate to fully support the U.S. negotiator's position in the Framework Agreement on autos and auto parts with Japan.

The conference agreement does not include language directing all Federal agencies to take all actions necessary to reduce energy costs of facilities or enter into energy savings performance contracts with the private sector.

Sec. 654. The conference agreement establishes a national repository for information on explosives incidents and arson.

Sec. 655. The conference agreement extends the term of a member of the Morris K. Udall Scholarship Board after the member's term has expired until a successor is chosen.

Sec. 656. The conference agreement directs the Secretary of Interior to transfer excess portable housing units to the Grand Forks Air Force Base to Indian tribes in North and South Dakota.

Sec. 657. The conference agreement amends Title 18 to make the possession of a firearm in a school zone unlawful.

Sec. 658. The conference agreement amends Title 18 to deprive individuals convicted of a crime involving domestic violence of the right to own a firearm.

The conference agreement does not include the sense of the Senate in support of new border station construction in Laredo, Texas.

Sec. 659. The conference agreement includes language creating additional investment funds for Federal employees participating in the Thrift Savings Plan.

Sec. 660. The conference agreement includes language on interagency financing of the National Bioethics Advisory Commission.

Sec. 661. The conference agreement designates a courthouse in Omaha, Nebraska as the Roman L. Hruska United States Courthouse.

Sec. 662. The conference agreement includes legislative provisions creating a new Office of the Inspector General for the United States Postal Service.

Sec. 663. The conference agreement allows employees to receive voluntary separation incentive payments.

TITLE VII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

The Committees have agreed to strike all supplemental appropriations and rescissions for the fiscal year ending September 30, 1996, since supplemental appropriations have already been provided for the church fire investigations of the ATF through the fiscal year 1997 Appropriations Act for the Department of Agriculture and Related Agencies.

TITLE VII—COUNTER-TERRORISM AND DRUG LAW ENFORCEMENT

The conference agreement provides that all funding in Title VII shall be considered an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

The conference agreement provides an additional $288,000 to the Office of Foreign Assets Control, as requested by the Administration, to expand federal activities directed toward the seizure and control of assets of foreign terrorists and their sponsoring organizations.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement includes $34,000 requested by the Administration for facility security for the Office of Inspector General.

DEPARTMENTAL OFFICES

COUNTERTERRORISM FUND

The conference agreement includes $15,000,000 requested by the Administration for a counterterrorism fund to cover extraordinary expenses related to any potential or future terrorist incident.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

The conference agreement includes $1,354,000 requested by the Administration to hire additional instructors and provide training for additional law enforcement personnel.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

The conference agreement includes $2,700,000 requested by the Administration to improve physical security at the two training facilities operated by FLETC.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

The conference agreement includes $449,000 requested by the Administration for facility security for the Financial Management Service.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

The conference agreement includes a total of $66,423,000 for the Bureau of Alcohol, Tobacco and Firearms, as requested by the Administration.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

The conference agreement provides $62,335,000 for the United States Customs Service, to be allocated at the discretion of the Commissioner of Customs. The conference agreement also allows the Customs Service to enter into non-competitive cooperative agreements with air carriers, airports or other cargo authorities to purchase and install advanced air cargo inspection equipment for joint use.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

The conference agreement includes $161,000 requested by the Administration for facility security for the Bureau of the Public Debt.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

The conference agreement includes $10,448,000 requested by the Administration for facility security for the Internal Revenue Service.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

The conference agreement includes $3,026,000 requested by the Administration for security-related upgrades to White House facilities and equipment and to replace protective security equipment lost in the crash of an Air Force cargo plane on August 17, 1996.

GENERAL PROVISIONS—DEPARTMENT OF TREASURY

The conference agreement does not include legislation proposed by the Administration to require commercial air carriers to provide electronic advance passenger and cargo manifest data prior to entry or exit of aircraft. The Committees note that such legislation deserves consideration by the proper Committees of jurisdiction, and is far too important and controversial to be included in this Act without appropriate debate.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement includes $210,000 requested by the Administration for facility security for the Office of Personnel Management.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DRUG CONTROL PROGRAMS

SPECIAL FORFEITURE FUND

The conference agreement provides $112,900,000 for the activities of the Special Forfeiture Fund, of which $42,000,000 shall be transferred to the United States Customs Service for conversion of one P–3AEW aircraft, $10,000,000 shall be used by the Office of National Drug Control Policy for methamphetamine reduction efforts, and $60,900,000 shall be available to the Director of the Office of National Drug Control Policy to be used at his discretion.

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

The conference agreement deletes House language prohibiting expenditures under the Federal Employees Health Benefits Plan to health care plans that to provide incentives to physicians to use low-cost methods for health care treatment.

The conference agreement includes a new title, the ''Federal Financial Management Improvement Act of 1996.''

TITLE IX—UNITED STATES COURTHOUSE

The conference agreement includes language naming the U.S. Courthouse currently under construction in Portland, Oregon the ''Mark O. Hatfield United States Courthouse'' in general provisions of the GSA.

TITLE X—FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT

The conference agreement does not include any language establishing uniform accounting systems, standards, and reporting systems in the Federal government.

TITLE II—ECONOMIC GROWTH AND REGULATORY PAPERWORK REDUCTION

Title II of the conference report makes a number of changes to Federal banking laws

in order to remove unnecessary and redundant regulations imposed on the nation's financial institutions without affecting safety and soundness or consumer protections. The title also provides clarity as to when and to what extent lenders and fiduciaries are liable under Federal environmental laws. In addition, Title II makes a number of reforms to the Fair Credit Reporting Act and provides new consumer protections with regard to the credit repair industry. Finally, the title calls for the capitalization of the Savings Association Insurance Fund (SAIF) through a one-time assessment on deposits insured by the SAIF.

SUBTITLE A—STREAMLINING THE HOME MORTGAGE LENDING PROCESS

Subtitle A substantially amends the two Federal laws that directly affect the home mortgage lending process: The Truth in Lending Act and the Real Estate Settlement Procedures Act. These laws require disclosures related to the terms of a mortgage agreement. The sections in this subtitle modernize these home lending acts to reflect the technological developments in the current marketplace and to eliminate unnecessary burdens.

SUBTITLE B—STREAMLINING GOVERNMENT REGULATION

Subtitle B contains provisions intended to eliminate or revise various application, notice and recordkeeping requirements that are currently required of insured depository institutions or holding companies that control such institutions. These provisions provide significant regulatory relief by eliminating costly and time consuming paperwork for banks and savings associations, without sacrificing safety and soundness.

SUBTITLE C—REGULATORY IMPACT ON COST OF CREDIT AND CREDIT AVAILABILITY

Subtitle C amends various laws and regulations that impose limitations on the manner in which depository institutions, and other financial intermediaries, conduct their business.

SUBTITLE D—CONSUMER CREDIT

Subtitle D includes ''The Consumer Credit Reporting Reform Act'' and the ''Credit Repair Organizations Act.'' The Consumer Credit Reporting Reform Act amends the Fair Credit Reporting Act to address a number of problems that have arisen since its enactment. Many of these problems are a result of ambiguities in the statute; other problems have risen as the credit reporting industry has grown in the wake of information technology advances that have occurred over the last twenty years. The Credit Repair Organizations Act provides new consumer protections with regard to the credit repair industry.

SUBTITLE E-ASSET CONSERVATION, LENDER LIABILITY, AND DEPOSIT INSURANCE PROTECTION

This subtitle incorporates the ''Asset Conservation, Lender Liability, and Deposit Insurance Protection Act.'' It amends Federal environmental laws to clarify the liability of lenders and fiduciaries for environmental clean-up of property that secures financing.

SUBTITLE F—MISCELLANEOUS

Subtitle F includes a number of regulatory clarifications, studies and statutory improvements that are intended to provide more cost-effective delivery of financial services.

SUBTITLE G—DEPOSIT INSURANCE FUNDS

Subtitle G incorporates the ''Deposit Insurance Funds Act of 1996'', which provides for the capitalization of the savings association insurance fund (SAIF) to its designated reserve ratio. The SAIF insures the deposits of savings associations and is administered by the Federal Deposit Insurance Corporation. Under this subtitle the FDIC is given the authority to assess a one-time special assessment on all SAIF-insured deposits, including those held by SAIF members and those banks which have purchased SAIF deposits.

In addition, effective January 1, 1997, the assessment base for payments on the interest on obligations issued by the Financing Corporation (FICO) is to be expanded to include all FDIC-insured institutions, i.e., banks and thrifts. Beginning January 1, 1997 and ending December 31, 1999, banks will pay a FICO-assessment rate one-fifth of that paid by thrifts. After December 31, 1999, banks and thrifts will pay the $780–$800 million FICO interest obligation on a pro rata basis.

Subtitle G raises $3.1 billion in Fiscal Year 1997.

TITLE III—COMPETITIVE BIDDING FOR SPECTRUM

Title III requires the Federal Communications Commission (the Commission) to assign by means of competitive bidding, consistent with international agreements, licenses for wireless subscription services for portions of the electromagnetic spectrum located at 2305–2320 megahertz and 2345–2360 megahertz. The Commission, in adopting procedures for the assignment of licenses in this band, must: (1) seek to promote the most efficient use of the spectrum; and (2) take into account the needs of public safety radio services. The Commission must also commence the competitive bidding for the assignment of the licenses for these frequencies by April 15, 1997. In order to meet the deadlines imposed by this section, the FCC is permitted to waive certain statutory notice and comment timetables. All revenue generated from the assignment of such licenses must be collected and deposited in the U.S. Treasury by September 30, 1997. The requirements of this section apply only to the assignment of licenses for the specified frequencies. Nothing in this section shall be interpreted as a change of current policy governing competitive bidding for spectrum for any frequencies other than those specified in this section.

TITLE IV—ADJUSTMENT OF PAYGO BALANCES

Section 252 of the Balanced Budget and Emergency Deficit Reduction Act (Deficit Control Act), establishes procedures to assure that tax and entitlement legislation does not increase the deficit. As part of these procedures, the Office of Management and Budget (OMB) maintains a scorecard (PAYGO scorecard) that shows the savings and costs of all tax and entitlement legislation. A large amount of savings has been credited to the PAYGO scorecard as a result of legislation passed by this Congress.

One of the largest components of the current PAYGO balance is the savings from the welfare reform bill, which the Office of Management and Budget estimates at $3.9 billion in fiscal year 1997.

The conference agreement requires the Directors of OMB and the Congressional Budget Office to reduce to zero the PAYGO balance for fiscal year 1997 if the balance for that fiscal year does not show an increase in the deficit. The adjustments are to be made the day after OMB issues a final sequester report (which is 15 days after the end of the second session).

TITLE V—ADDITIONAL APPROPRIATIONS

Chapter 1

DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

EXTENSION ACTIVITIES

The conference agreement provides an additional $753,000 to maintain cooperative extension work at the 1890's colleges and Tuskegee University at the fiscal year 1996 funding level.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides an additional $63,000,000 for emergency assistance to communities to reduce hazards to life and property in watersheds damaged by Hurricanes Fran and Hortense and other natural disasters. Emergency work includes opening dangerously restricted channels and waterways, repairing diversions and levees, and controlling erosion on denuded, steep slopes. The entire amount has been designated as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FARM SERVICE AGENCY

EMERGENCY CONSERVATION PROGRAM

The conference agreement provides an additional $25,000,000 for emergency assistance to farmers and ranchers whose farmland was damaged as a result of flooding and wind damage from Hurricanes Fran and Hortense and other natural disasters. Funds will be used for cleaning debris from fields, mending fences, land shaping and grading, and restoring conservation structures. The entire amount has been designated as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CHAPTER 2

DISTRICT OF COLUMBIA

EDUCATION FACILITIES IMPROVEMENT IN THE DISTRICT OF COLUMBIA

The conferees are extremely concerned about the severe mismanagement of the District of Columbia Public School System. A breakdown in oversight and accountability has occurred at the expense of the children in this city and strong and immediate action must be taken to reverse this situation. The conferees anticipate that the Financial Responsibility and Management Assistance Authority (control board) will take such action to improve the management of the District of Columbia Public Schools. The conferees, however, also believe that as such action is taken, the well being of school children in the Nation's Capital must be of paramount concern and that these children must be able to attend public schools that are safe and free of facility deficiencies that could lead to their closure and consequent disruption of the children's educational progress. In addition, the conferees believe that the District of Columbia Public School system has demonstrated that it is unable to effectively manage school facility improvements.

The conference agreement, therefore, inserts a new section 5201 under chapter 2 that transfers or reallocates an estimated $40,700,000 from the District of Columbia Public School system to the control board, for the purposes of this section, from operating funds appropriated, and capital financing authority provided, in previous appropriations Acts. An estimated $12,000,000 is also made available for the purposes of this section under section 101(e) of Title I of Division

A of this Act, which includes language that provides for the reorganization of the Student Loan Marketing Association (Sallie Mae) and the privatization of the College Construction Loan Insurance Association (Connie Lee). The amounts and proceeds from the reorganization and privatization are to be deposited into an account established by the control board, with an estimated $7,000,000 in proceeds from Connie Lee reserved for school facility improvements and an estimated $5,000,000 from Sallie Mae made available for this purpose.

The conferees direct the General Services Administration (GSA) to provide program management services to assist in the short-term management of the repairs and capital improvements for the District of Columbia Public Schools. The conferees expect that the program management services will include planning, design, construction and program oversight, and include identifying strategies, resources, and priorities for the improvements. Within 30 days of the enactment of this Act, the conferees direct the GSA to develop a program management plan, in consultation with the District of Columbia Public Schools and the District of Columbia Council, subject to approval by the control board within no more than 15 days after receipt of the program management plan, and subsequent approval by the House and Senate Appropriations Committees. The conferees expect that the GSA's program management services will be provided primarily through private contractors and that GSA's services will be carried out until an agency or authority, created pursuant to section 2552(a)(2) of Public Law 104–134, is authorized to carry out this program management function on a continuing basis. The conferees further expect that any unexpended financing or appropriations, authorized by this Act, will be transferred from the control board to the agency or authority created pursuant to section 2552(a)(2) of Public 104–134.

The conferees direct the control board to use the funds made available for repairs and capital improvements at those schools deemed by the control board, in consultation with the General Services Administration and the District of Columbia Public Schools and the District of Columbia Council, to have the most immediate facility improvement needs and that are necessary to retain in the inventory of public school buildings.

The conferees are committed to ensuring that school children in the District of Columbia are able to attend schools that are safe and free of facility deficiencies that could lead to their closure and consequent disruption of the children's educational progress. Accordingly, the conferees intend to carefully monitor the progress of facility repairs and will consider providing additional funds in a supplemental appropriation. In the interim period, the conferees encourage the control board to examine the need for reprogramming of funds to address school facility deficiencies.

MISCELLANEOUS PROVISIONS

The conference action inserts a new section 5202 that waives the 30-day congressional review period for the District's General Obligation Bond Act of 1996 (D.C. Bill 11–840). This waiver will permit the District government to go to the private market to sell long-term bonds to finance the city's capital program.

The conferees have included in section 5203 several clarifications to Public Law 104–8, the District of Columbia Financial Responsibility and Management Assistance Act which created the control board. Subsection (a) clarifies that the 7-day review period for acts passed by the Council shall begin on the first business day after the acts are received by the control board. In addition, the subsection clarifies that Saturdays, Sundays and legal holidays are not to be counted in the 7-day review period. Subsection (b) provides that a fine of not more than $1,000 or imprisonment for not more than one year, or both, shall be imposed for a criminal misdemeanor for failure to obey a valid order of the control board and for presenting false or misleading information to the control board or failing to correct such information once it is learned that it is false or misleading. Subsection (c) waives a section of the Federal Privacy Act that was inadvertently omitted in the initial legislation relating to the authority of the control board to secure whatever information it needs to carry out its duties. Subsection (d) permits the control board to review the District government's rule-making which is comprehensive and far reaching and can carry significant financial costs and burdens. This review is consistent with the control board's review of leases and contracts. Subsection (e) clarifies that borrowings by the District government under section 204 of Public Law 104–8 shall be deposited into an escrow account held by the control board and allocated by the control board. Subsection (f) provides the control board with rule-making authority to carry out the purposes of Public Law 104–8 and waives all judicial review as to the authority of the control board to issue orders, rules, or regulations but does not waive judicial review as to the content of the orders, rules, or regulations.

The conference action inserts a new section 5204 that prohibits the use of funds to pay the salaries or costs of individuals or contractors whose services are no longer required as determined by the control board.

SCHOOL REFORM ACT AMENDMENTS

The conference action inserts a new section 5205 that amends the District of Columbia School Reform Act of 1995 that was approved as title II of the District of Columbia Appropriations Act, 1997 (Public Law 104–194). These amendments are intended to clarify and strengthen certain provisions of the Act as well as add new provisions that support implementation of the Act. Language is included by the conferees that prohibits charter applicants from applying to more than one chartering entity or filing more than one application in any one year. The conferees have also agreed to language that clarifies situations in which a charter petitioner does not already possess one or more facilities for the proposed school. Under such conditions, which are common when new schools rather than conversions are proposed, the chartering authority may only grant a conditional charter until such time as the petitioner secures appropriate facilities. Approval of charter positions is to be determined on the basis of the objective criteria described in section 2203(d). Previously, the statute may have been interpreted to permit denials of charter petitions regardless of the statutory criteria and merit of the petition. In response to the strong interest in charter schools evidenced by many in the local community, the total number of charter schools that may be approved in any one year by a chartering authority is also increased from five to ten schools. However, if one chartering entity does not approve a full complement of ten charters, another chartering entity may approve additional charters up to a combined total ceiling of twenty in one year.

The experience of charter schools in other states has shown that securing adequate facilities and start-up capital are the greatest hurdles faced by new charter schools. Several amendments are intended to assist in addressing this obstacle. First, charter schools are to be given preference in the lease or disposition of school buildings no longer in use as District public schools. Second, in order to permit charter schools to secure affordable ten to fifteen year loans for the purchase or renovation of school buildings, the duration of charters is extended to fifteen years from five years. However, a review to decide whether a charter should be revoked must still be conducted at least once every five years.

The conferees have included language that imposes specific deadlines for all nominations by the Secretary of Education to the charter board. The new provisions ensure that no vacancies of substantial length will occur on the board.

Subsection (h) makes a technical correction to the code citation included in section 148 of the District of Columbia Appropriations Act, 1997 (Public Law 104–194), concerning exclusions to the waivers granted under section 2561(a) of the School Reform Act. The correct citation is 40 U.S.C. 276a instead of 40 U.S.C. 267a. In addition, subsection (h) clarifies that ''other civil rights standards'' are not waived under section 2561(a).

DISPOSITION OF SCHOOL PROPERTY

The conference agreement includes language in section 5206 that transfers jurisdiction over certain closed public school facilities to the control board for disposition. During the past few years, the District's Board of Education has closed 22 public schools and transferred those properties to the Mayor for disposition. The properties represent not only millions of dollars in potential revenue that could be used for the repair and renovation of existing public schools, but also a promising source of housing for public charter schools. Yet the District government has been slow to act on their disposition.

Language agreed to by the conferees will transfer jurisdiction over these properties to the control board if the control board determines that the Mayor has not achieved substantial progress in disposing of these properties within 90 days of the enactment of this Act. If the control board, in its judgment, finds that the Mayor is acting with diligence, the control board should take that into consideration before exercising its authority. To ensure that disposition of the properties is consistent with the educational objectives and long-term facilities requirements of the school system, the conferees direct the control board to consult with education leaders, elected officials, and community groups involved in planning for the independent school facilities authority envisioned in the District of Columbia School Reform Act of 1995. In addition, the conferees direct the control board to consult with the House and Senate Appropriations Committees before disposing of any properties under this section.

CHAPTER 3

ENERGY AND WATER DEVELOPMENT

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

OPERATION AND MAINTENANCE, GENERAL

The conference agreement includes $19,000,000 for the Corps of Engineers to repair damages resulting from Hurricane Fran and its aftermath, including high-priority emergency dredging and debris removal in critical waterways.

CHAPTER 4

LEGISLATIVE BRANCH

The conference agreement includes $3,500,000, the entire amount offset by rescissions of funds, for the design and installation of security systems for Capitol buildings and

grounds. Of this amount, $3,250,000 is made available to the Capitol Police Board to supplement funds already transferred to the Board for the same purpose by Section 308 of Public Law 104–53, the fiscal year 1996 Legislative Branch Appropriations Act. These funds may not be obligated, except for minor expenditures, without the approval of the House and Senate Appropriations Committees. Obligations specifically earmarked for use or application only in one or the other body require approval only by the appropriate appropriations committee. In addition, $250,000 has been provided to the Architect of the Capitol to assist the Capitol Police Board in carrying out this project.

This funding is based on recommendations contained in studies performed for the Capitol Police Board by recognized experts in the field. Some of the projects identified include improving the duress alarm system, modernizing the command and control center, and various security-grade detection and protection items. Pursuant to Section 308(b) of P.L. 104–53, any alteration to a structural, mechanical, or architectural feature of the Capitol buildings or grounds may be carried out only with the approval of the Architect of the Capitol.

To insure the most efficient and effective use of funds provided for security projects for the Capitol buildings and grounds, and to obtain the benefits of the professional expertise of the respective agencies involved, the Capitol Police and the Architect of the Capitol are directed to enter into a memorandum of understanding, subject to the approval of the Capitol Police Board, to delineate the process for implementing security projects. Finally, the Capitol Police Board is reminded that current procedures and statutory requirements should be followed in securing approvals for alterations or other modifications in the Capitol complex.

The conference agreement also extends the availability of $650,000 of fiscal year 1996 Senate office building funds until September 30, 1997, for furniture, furnishings, and equipment for the Senate employees' child care center. A general provision has been included to reauthorize the Congressional Award Program through October 1, 1999. Also, section 5402 names the Founders Hall instructional area in the House of Representatives Page School, located in the Thomas Jefferson Building of the Library of Congress, as ''Bill Emerson Hall'' in tribute to the Honorable Bill Emerson, late a Representative from the State of Missouri, for his devotion to the Page program and its participants.

Chapter 5

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

The conference agreement provides total funding of $226,600,000 for additional safety and airport security activities of the Federal Aviation Administration (FAA). This includes $197,600,000 for airport security improvements and related research and $29,000,000 for hire of additional airline safety inspectors and improvements in FAA's airline certification and safety oversight process.

OPERATIONS

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement includes $57,900,000 for enhanced aviation safety and airport security activities around the country. Through the combined efforts of Congress, the FAA, airports, and airlines, the United States has achieved the safest aviation system in the world today. However, changing threats to aviation security indicate that FAA and the aviation industry need to do more. To begin this effort, the bill includes $18,000,000 for the FAA to hire 30 additional FAA aviation security personnel, in order to establish special security teams to aggressively test security measures at individual airports. In addition, the bill includes $8,900,000 to establish 114 explosive detection K–9 teams at airports. These dog and trainer teams will be used for tasks that include inspection of suspicious baggage, cargo, as well as aircraft and parked vehicles located on airport grounds. The conference agreement also includes $5,500,000 to conduct periodic vulnerability assessments and develop action plans for each airport, in accord with models developed by Sandia National Laboratory.

The conference agreement also includes $25,500,000 to accelerate new initiatives in aviation safety, as follows:

Implementation of FAA ''Ninety Day Safety Study''	$13,000,000
Hiring and training of additional aviation safety inspectors	2,500,000
Air traffic controller training contract	4,000,000
Contract weather observers	6,000,000

These funds will be used to hire approximately 146 additional safety inspectors and 74 administrative employees which directly support the safety inspection mission. These 220 new positions are in addition to the 367 new positions included in the Department of Transportation and Related Agencies Appropriations Bill, 1997, and will provide a greatly increased level of inspection activity in the wake of problems discovered this year. Funds have also been included to accelerate the hiring of safety inspector positions funded in the regular 1997 appropriations bill.

While no official budget proposal has been submitted for these items, administration officials have conveyed their support for additional funding. Given the urgent need, the conferees direct FAA to fill these additional safety positions as soon as possible and to report to the House and Senate Committees on Appropriations by December 31, 1996 on the number of positions filled and the hiring plan for remaining vacancies.

The conference report contains $10,000,000 for air traffic contract support, including $4,000,000 for controller training and $6,000,000 for additional contract weather observers. These funds will provide for a more effectively trained controller workforce and will help relieve controllers from added duties related to weather observation, raising the level of aviation safety.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement includes $144,200,000 for explosive detection devices and other advanced security equipment to improve security at our nation's airports. The conferees believe it is imperative that FAA expeditiously field these systems to reduce the threat of terrorist action and gain experience so that existing protocols and standards be further strengthened.

In addition, the conference agreement includes $3,500,000 for accelerated development and deployment of the On-Line Aviation Safety Information System (OASIS), a computerized system for aviation safety inspectors in the field. This system will improve the efficiency and effectiveness of FAA safety inspections.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

The conference agreement includes $21,000,000 for increased airport security research and to conduct operational testing of new trace explosive detection systems for documents (e.g., boarding passes and passports) and passengers. This raises existing funds for airport security research by approximately 50 percent.

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

The conference agreement rescinds contract authority that is not available for obligation due to annual limits on obligations.

FEDERAL HIGHWAY ADMINISTRATION

HIGHWAY-RELATED SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

The conference agreement rescinds contract authority that is not available for obligation due to annual limits on obligations.

FEDERAL-AID HIGHWAYS

(HIGHWAY TRUST FUND)

The conference agreement provides $82,000,000 in additional funds for the emergency relief program in fiscal year 1997 to repair highway damage resulting from the September 1996 hurricanes in the mid-Atlantic states, Puerto Rico, and the Virgin Islands. These funds are also needed to meet anticipated emergency needs in fiscal year 1997. These funds have been designated as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Intelligent transportation systems.—Funds identified for Mobile, Alabama advanced traffic management system in the conference report accompanying H.R. 3675, the Department of Transportation and Related Agencies Appropriations bill for fiscal year 1997, shall be available for a mobile advanced traffic management system in Montgomery, Alabama.

MOTOR CARRIER SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

The conference agreement rescinds contract authority that is not available for obligation due to annual limits on obligations.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

HIGHWAY TRAFFIC SAFETY GRANTS

(HIGHWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

The conference agreement rescinds contract authority that is not available for obligation due to annual limits on obligations.

FEDERAL RAILROAD ADMINISTRATION

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

The conference agreement provides $60,000,000 for the Northeast Corridor Improvement Program.

DIRECT LOAN FINANCING PROGRAM

The conferees recommend $58,680,000 for direct loans not to exceed $400,000,000 consistent with the purposes of section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 to the Alameda Corridor Transportation Authority to continue the Alameda corridor project. The administration requested funding for this project. The bill also specifies the terms and conditions of the loan payback and loan administration.

The Alameda Corridor project consolidates 90 miles of rail operations into a single 20-mile facility to provide rail access to the ports of Los Angeles and Long Beach. The project is to eliminate 200 at-grade crossings and widen Alameda Street, which runs parallel to the rail corridor.

Disbursements of the loan shall be made over a three year period. Both in fiscal years 1997 and 1998, no more than $140,000,000 shall be made available. In fiscal year 1999,

$120,000,000 shall be made available for the project. These disbursements are consistent with the corridor's planned construction schedule.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

The conference agreement provides $22,500,000 to the National Passenger Railroad Corporation for operating expenses the Corporation will incur by keeping routes operational beyond their planned termination dates. The routes proposed for termination include the Desert Wind, the Gulf Coast Limited, the Lake Shore Limited, the Pioneer, and the Texas Eagle. Funding for these routes is only available until September 30, 1997. This funding level will support service until the affected state legislatures have an opportunity to meet and decide whether to ''buy back'' services, or take other action necessary to permit the services to continue.

FEDERAL TRANSIT ADMINISTRATION

DISCRETIONARY GRANTS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Bus and bus-related facilities.—Funds made available for Hood River, Oregon in the conference report accompanying H.R. 3675, the Department of Transportation and Related Agencies Appropriations bill for fiscal year 1997, shall be available for buses and bus-related facilities.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

The conferees have provided $3,000,000 for ''Research and Special Programs'' of which $2,500,000 shall be used to conduct a transportation system vulnerability assessment and $500,000 shall be used to contract with the National Academy of Sciences for an Advisory Committee on surface transportation security.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

The conferees have provided $6,000,000 to reimburse the Department of the Navy and other agencies for the costs incurred by these agencies in support of the recovery and investigation of TWA flight 800.

EMERGENCY FUND

The conferees have provided $1,000,000 to replenish the National Transportation Safety Board's emergency fund, which was depleted by the agency's recovery of wreckage and investigation efforts of TWA flight 800.

GENERAL PROVISIONS

The conference agreement includes a provision that establishes government-industry consortia at airports for matters related to aviation security and safety.

The conference agreement includes a provision that makes certain deteriorating highway conditions eligible for Department of Transportation federal-aid highway emergency relief funds in fiscal years 1996 and 1997.

The conference agreement includes a provision that makes available $30,000,000 for highway construction from the Federal Highway Administration's administrative takedown. Such funds shall remain available until expended.

The conference agreement includes several provisions relating to the conveyance of certain Coast Guard-owned parcels within the State of Michigan.

CHAPTER 6

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

The conference agreement provides an additional $5,000,000 for the CDFI Fund, of which $850,000 is for direct loan subsidies. The remaining amount is provided for assistance to community development financial institutions.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

The conference agreement includes an additional $10,000,000 for the EPA science and technology account to carry out the health effects research authorized pursuant to the Safe Drinking Water Act Amendments of 1996, Public Law 104–182. The Agency is directed to identify how these additional funds will be spent in the 1997 Operating Plan.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

The conference agreement includes an additional $42,221,000 for environmental programs and management, of which $2,000,000 is for Climate Change Action Plan programs. This additional amount will provide for a total Climate Change Action Plan program of $70,000,000 in fiscal year 1997. Also within this total, $30,000,000 is for the additional requirements related to the implementation of the Safe Drinking Water Act Amendments of 1996, Public Law 104–182, and the Food Quality Protection Act of 1996, Public Law 104–170. With regard to implementing the new safe drinking water legislation, Congress intended to allow for maximum state program flexibility and design on source water protection, operator certification, capacity development, and small system technical assistance. EPA's guidance to the States should concentrate on program and financial accountability, and the Agency should do its utmost to encourage innovative state and local solutions for protecting drinking water. With regard to the Food Quality Protection Act, the Agency should direct its priorities to those issues and regulations which are most important in fulfilling the FQPA mandate to ensure improved safety of the food supply. The conferees recommend that the Agency first focus on addressing those scientific and regulatory policies and other actions which have the largest implications for infants, children and other at-risk populations. This should include the approval of new pesticides and the review of existing pesticides, as these are areas where the Agency may best attain immediate risk reductions. The Agency is expected to identify specifically how it will spend these funds in the Operating Plan. Finally, the conference agreement also includes $10,221,000 to support the collection of pesticide residue data from industry and state sources for the Agency to utilize in its risk assessment activities. The conferees note in this regard that the recently authorized Food Quality Protection Act mandates that residue data collection activities be improved and that sampling of foods most likely consumed by infants and children be increased. To this end, the conferees direct that EPA enhance its in-house data collection abilities so as to conduct this program in a manner which does not result in transfer of these funds to any other federal agency. The conferees further note that this funding is being provided for transitional purposes only in the initial stages of implementation of this new law, and expect that future funding be provided by a more appropriate federal agency.

STATE AND TRIBAL ASSISTANCE GRANTS

The conference agreement includes an additional $35,000,000 for EPA's state and tribal assistance grants. This amount is intended to supplement the $40,000,000 provided in the fiscal year 1997 VA-HUD and Independent Agencies Appropriations Act for the continued wastewater needs in Boston, Massachusetts, bringing the total amount specified for this project in fiscal year 1997 to $75,000,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

The conference agreement includes an additional $3,000,000 for FEMA salaries and expenses for counter-terrorism activities, including consequence management planning and coordination as well as Federal/State/local assessment, training and exercises.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

The conference agreement includes an additional $12,000,000 for FEMA's emergency management planning and assistance account for counter-terrorism activities, including consequence management planning and coordination as well as Federal/State/local assessment, training and exercises.

NATIONAL FLOOD INSURANCE FUND

The conferees have agreed to the Administration's supplemental request to increase borrowing authority for the Federal Emergency Management Agency's National Flood Insurance Program (NFIP) from $1,000,000,000 to $1,500,000,000, even though there is to date no demonstrated need for this additional authority. Although the current outstanding balance of the program stands at just $626,000,000, concerns have been expressed that additional costs associated with recent disaster events as well as potential such events in the coming months could possibly result in a specific need to increase the borrowing authority above the $1,000,000,000 level. As raising such authority above the existing dollar level can only be done by Congress, the conferees have agreed to take this precautionary measure at this time to foreclose the possibility of a short-term cash flow difficulty throughout 1997.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

The conference agreement includes $1,500,000 for the Office of Consumer Affairs. This amount should allow for continuation of this agency's activities at fiscal year 1996 levels, with the exception of the production and distribution of the Consumer Resource Handbook. The responsibility for producing and distributing the Handbook was transferred to the Consumer Information Center in the fiscal year 1997 VA–HUD and Independent Agencies Appropriations Act. Termination of this agency has been seriously considered in the past two fiscal years due to the failure to submit detailed justification for this expenditure or presentation of compelling evidence of accomplishment. While extension of this entity for another year is recommended, the conferees agree that any additional expenditure for this purpose must be contingent upon a clear demonstration that this agency is materially contributing to the improvement of consumer interests not otherwise served by other governmental and private entities.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SCIENCE, AERONAUTICS, AND TECHNOLOGY

The conference agreement includes an additional $5,000,000 for NASA's science, aeronautics and technology account. This amount is to be designated for the GLOBE program.

Chapter 7

PEACEKEEPING OPERATIONS

The conference agreement appropriates $65,000,000 for peacekeeping operations.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement appropriates $18,000,000 for anti-terrorism assistance which includes an additional $2,000,000 for anti-terrorism assistance as requested by the President on September 12, 1996.

FOREIGN MILITARY FINANCING PROGRAM (GRANT PROGRAM)

The conference agreement appropriates $60,000,000 for foreign military financing grant assistance.

DIVISION D—THE SMALL BUSINESS IMPROVEMENT ACT OF 1996

The conference agreement includes a separate division containing legislative language to make improvements to various small business programs.

Section 101 contains the short tile of the bill, the ''Small Business Improvement Act of 1996''.

Except as specified herein, the explanation and intent of title I and Sections 201 through 206 of title II are set forth in House Report 104–750 accompanying H.R. 3719, the ''Small Business Improvement Act of 1996''.

Section 103. Section 7(a) Loan Program

Subsection (d) [Calculation of Subsidy Rate] adds a new paragraph to Section 7(a) of the Small Business Act specifying that all fees, interest, and profits generated from the administration of the program shall be used to offset the subsidy costs of the 7(a) program. This change is intended to end the current practice in which the Small Business Administration (SBA) utilizes funds derived from the program to augment the appropriations provided to the Administration for salaries and expenses.

Subsection (e) [Sale of Unguaranteed Portions of SBA Loans] relates to the ability of lenders to securitize the unguaranteed portion of their 7(a) loans. This provision would change current practice in which bank lenders are prohibited from securitizing the unguaranteed portion of their 7(a) loans. In addition to providing equal treatment between bank and non-bank lenders, this provision requires the SBA to set forth the terms and conditions under which such sales will be permitted, including the maintenance of appropriate reserve requirements and other safeguards necessary to protect the safety and soundness of the 7(a) program. Should the SBA fail to promulgate a final regulation implementing this provision by March 31, 1997, the authority to sell the unguaranteed portion of 7(a) loans is suspended for all lenders until a final regulation is published.

Subsection (f) [Plan for Transfer of Loan Servicing Functions to Centralized Centers] requires a report to the Congress on SBA's plans for completing consolidation of the loan servicing functions into one or more centers. The SBA has transferred approximately half of its loan servicing workload from District offices to two loan servicing centers located in Fresno, CA and Little Rock, AR. Reduced numbers of SBA field personnel and increasing loan volume necessitates the prompt completion of this consolidation effort. The SBA's report, detailing plans for completing the loan servicing consolidation, and any impediments to executing the consolidation plan, shall be submitted to Congress by February 28, 1997.

Subsection (h) [Preferred Lender Standard Review Program] establishes the requirement for the Administrator to design and initiate a standardized program for the review of participants in the Preferred Lender Program. The provision sets out minimum standards for the contents and frequency of such reviews. This standardized review process is necessary to effectively evaluate the increasing number of participants in the program and the quality of their loan underwriting and administration practices.

Section. 104. Disaster loans

Subsection (a) [Private Sector Loan Servicing Demonstration Program] requires the SBA to solicit and award one or more contracts to private sector firms for the servicing of 30 percent of SBA's portfolio of residential disaster loans. The specifications for the demonstration project, including the submission of interim and final reports, are detailed in the statutory language.

Section. 105. Microloan Demonstration Program

This provision amends the authorizing statute for the microloan program to permit the Administration to provide funding to microloan intermediary lenders in excess of the statutory formula. Specifically, whenever the Administration determines during the fourth quarter of a fiscal year that the funds appropriated for loans under the program are unlikely to be awarded to intermediaries during that fiscal year, the Administration may exceed the otherwise maximum allowable award to an individual state.

Section. 108. Small Business Competitiveness Demonstration Program

Subsection (a) [Extension of Demonstration Program] provides for a one-year extension of the Small Business Competitiveness Demonstration Program (SBCDP) through September 30, 1997. In addition, this subsection repeals Section 717(f) of the program's authorizing statute which prohibited the SBA from adjusting the numerical size standards for the four designated industry groups participating in the SBCDP. It is intended that the SBA will promptly initiate appropriate action to adjust these size standards.

Subsection (b) [Reporting of Subcontract Participation in Contracts for Architectural and Engineering Services] extends the requirement to collect subcontracting data through September 30, 1997. The description of the subcontracting data collection effort is specified in the sections of House Report 104–750 pertaining to the SBCDP.

Subsection (c) [Reports to Congress] specifies the reporting requirements relating to the SBCDP. A detailed description of these requirements is set forth in House Report 104–750.

Section. 110. STTR Program extension

This section extends the pilot Small Business Technology Transfer Program through fiscal year 1997.

[TITLE II]—AMENDMENTS TO SMALL BUSINESS INVESTMENTS ACT

Section 202. Modifications to Development Company Debenture Program

Subsection (b) [Guarantee Fee for Development Company Debentures] amends Section 503(b)(7)(A) of the Small Business Investment Act to increase the fee to 0.9375 percent per year of the outstanding balance of the loan, or a lesser percentage, as determined by the Administration, so as to permit a $2 billion program level.

Subsection (e) [Calculation of Subsidy Rate] adds a new Section 503(g) to the Small Business Investment Act specifying that all fees, interest, and profits generated from the administration of the programs under this Act shall be used to offset the subsidy costs of these programs. This provision is intended to end the current practice in which the SBA utilizes funds derived from the program to augment the appropriations provided to the Administration for salaries and expenses.

Section 207. Sense of the Congress

This section expresses the sense of the Congress that the subsidy models prepared by the Office of Management and Budget (OMB) relative to the SBA's loan programs have tended to overestimate potential loss risks and overemphasize historical losses, while discounting the overall economic benefits of the programs. The provision further expresses Congress' expectation that the independent study required by Section [103(i)] of the bill will improve the validity of the OMB subsidy models.

Section 208. Small Business Investment Company Improvements

Definitions

The definition of ''small business concern'' is amended to make clear that investments from venture capital firms or pension plans in small businesses do not affect the small business' size standard as set forth under the Small Business Act.

A new term, ''small enterprise'' is included in the Act. A small enterprise is a business with net financial worth no greater than $6 million and an average net income of no more than $2 million, or that satisfies the SIC code size standards established by SBA.

''Qualified non-private funds'' are defined as funds invested by state or local governments in SBIC's. The bill limits the amount of qualified private, non-private funds that can be included in the private capital of an SBIC. No more than 33% of private capital can be qualified non-private funds.

For the first time, the Small Business Investment Act is amended to include ''limited liability company'' as the one of the business entities that can qualify to be an SBIC. Current statute allows corporations and partnerships to be SBICs. The ''limited liability company'' is a relatively new business entity that is being organized for raising venture capital.

Organization of small business investment companies

This bill includes provisions to speed up the processing of applications from business entities who want to be licensed by SBA as an SBIC. It requires SBA to provide the applicant with a written report detailing status of the application within 90 days of receipt of the application. In addition it states that no application can be denied because Congress has not appropriated sufficient funds to meet leverage demands.

This bill also permits SBA to approve a new license applicant which has not less than $3 million in private capital so long as the applicant meets all other licensing requirements. Once approved as a licensee, however, the SBIC would not be eligible for leverage until its private capital reaches $5 million.

Section 301(d) of the Small Business Investment Company Act of 1958 is repealed.

Capital requirements

Under this bill, the minimum capital requirements for new license applicants is increased. To be a debenture licensee, new applicants must have $5 million in private capital. To be a participating security licensee, new applicants must have $10 million in private capital; however, SBA is given the discretion to approve a participating security applicant if it has less than $10 million but more than $5 million so long as SBA determines that approval of that applicant would not create or otherwise contribute to an unreasonable risk of default or loss to the federal government.

This bill also grandfathers existing licensees in the program and includes provisions under which they will be exempt form the increased capital requirement. Existing licensees that do not meet the new, increased capital requirements will continue to be eligible for leverage, based upon the exercise of SBA discretion. Any licensee which continues to

receive leverage under this exemption must certify that 50% of its aggregate dollar investments are going to smaller enterprises.

The bill directs SBA to ensure that each licensee licensed after enactment of this bill maintains diversification between the management and ownership of the licensee. This is a safety and soundness measure designed to maintain independence and objectivity in the financial management and oversight of the investment and operations of the SBIC.

Borrowing

This provision requires SBA to regulate SBICs closely to ensure that they do not incur excessive third party debt which would create or contribute to an unreasonable risk of default or loss to federal government. In addition, this provision requires that each SBIC, regardless of its size, invest at least 20% of its aggregate dollar investments in small enterprises.

This section also requires SBA to ensure that no SBIC receives leverage when it is under capital impairment. This will be a judgment made by SBA in accordance with regulations that take in to consideration the nature of assets of the SBIC and the amount and terms of any third party debt owed by the SBIC.

This section also includes two increases in fees to be paid by SBICs to SBA. First, SBICs would pay an annual charge of 100 basis point on the value of all outstanding leverage granted after the effective date. In addition, the non-refundable up-front fee which is currently 2% would be increased to 3% of new leverage amounts.

Liability of the United States

This section restates and clarifies the limits of liability on SBA under this program.

Examinations; valuations

This is a section designed to improve the examination and oversight function of SBA to enhance the safety and soundness of the program. It requires each SBIC to adopt valuation criteria set forth by SBA to be used for establishing the values of loans and investments of each SBIC. This section requires that an independent certified accountant approved by SBA review these valuations at least once a year to ensure that these requirements are being met.

Trustee or receivership over licensees

This section states that it is the finding of the Congress that increased recoveries of assets in liquidation under the SBIC program are in the best interest of the Federal Government. SBA is directed to submit to the Senate and House Committees on Small Business a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation. This plan is to include a timetable for liquidating the liquidation portfolio of assets owned by SBA.

Technical and conforming amendments

As SBIC preferred stock buy back program was authorized by Congress effective November 1, 1989. This bill directs that any monies received by SBA under this repurchase program shall be used solely to guarantee debenture leverage for SBICs that maintain an investment portfolio with 50% of its investments in smaller enterprises.

Authorization of appropriations

This section increases the authorization for debenture leverage from $220 million to $300 million for FY 1997.

Effective date

This section and any amendments will become effective on the date of enactment.

DIVISION E

TITLE I—CALIFORNIA BAY-DELTA ENVIRONMENTAL ENHANCEMENT AND WATER SECURITY ACT

The conference agreement includes the text of H.R. 4126, a bill to support the California-Federal (CALFED) Bay-Delta Program in developing, funding and implementing a balanced, long-term solution to the problems of ecosystem quality, water quality, water supply and reliability, and system vulnerability affecting the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (the Bay-Delta) in California.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1997 recommended by the Committee of Conference, with comparisons to the fiscal year 1996 amount, the 1997 budget estimates, and the House and Senate bills for 1997 follow:

New budget (obligational) authority, fiscal year 1996	$579,522,607,669
Budget estimates of new (obligational) authority, fiscal year 1997	608,191,881,110
House bill, fiscal year 1997	604,917,517,710
Senate bill, fiscal year 1997	601,684,170,710
Conference agreement, fiscal year 1997	610,961,282,710
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1996	+31,438,675,041
Budget estimates of new (obligational) authority, fiscal year 1997	+2,769,401,600
House bill, fiscal year 1997	+6,043,765,000
Senate bill, fiscal year 1997	+9,277,112,000

BILL YOUNG,
JOSEPH M. MCDADE,
BOB LIVINGSTON,
JERRY LEWIS (except for chapter 6 of title V of division A),
JOE SKEEN,
DAVE HOBSON,
HENRY BONILLA,
GEORGE R. NETHERCUTT, Jr.,
ERNEST ISTOOK,
JOHN P. MURTHA,
NORM DICKS,
CHARLES WILSON,
W.G. ''BILL'' HEFNER,
MARTIN OLAV SABO,
DAVID OBEY,
Managers on the Part of the House.

TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
CHRISTOPHER S. BOND (except for chapter 6 of title V of division A),
MITCH MCCONNELL,
CONNIE MACK,
RICHARD C. SHELBY,
MARK O. HATFIELD,
DANIEL K. INOUYE (with reservation),
FRITZ HOLLINGS,
J. BENNETT JOHNSTON,
ROBERT BYRD,
PATRICK J. LEAHY,
FRANK R. LAUTENBERG,
Managers of the Part of the Senate.

NOTICE

Incomplete record of House proceedings.

Today's House proceedings will be continued in the next issue of the Record.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

Vol. 142 WASHINGTON, SATURDAY, SEPTEMBER 28, 1996 No. 137

Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. We have a visiting Chaplain this morning, Father Paul E. Lavin, pastor of St. Joseph Church on Capitol Hill, Washington, DC. We are pleased to have you with us.

PRAYER

The guest Chaplain, Father Paul E. Lavin, pastor of St. Joseph Church on Capitol Hill, Washington, DC, offered the following prayer.

Let us listen to the Word of the Lord in the Book of Ecclesiastes:

''There is an appointed time for everything,
and a time for every affair under the heavens.
''A time to be born, and a time to die;
a time to plant, and a time to uproot the plant.
''A time to kill, and a time to heal;
a time to tear down, and a time to build.
''A time to weep, and a time to laugh;
a time to mourn, and a time to dance,
''A time to scatter stones; and a time to gather them;
a time to embrace, and a time to be far from embraces.
''A time to seek, and a time to lose;
a time to keep, and a time to cast away.
''A time to rend, and a time to sew;
a time to be silent, and a time to speak.
''A time to love, and a time to hate;
a time of war, and a time of peace.

''What advantage has the worker from his toil? I have considered the task which God has appointed for men to be busied about. He has made everything appropriate to its time, and has put the timeless into their hearts, without men's ever discovering, from beginning to end, the work which God has done.''

Let us pray:

We stand before You, O Lord conscious of our sinfulness but aware of Your love for us.

Come to us, remain with us, and enlighten our hearts.

Give us light and strength to know Your will be make it our own and to live it in our lives.

Guide us by Your wisdom, support us by Your power, Keep us faithful to all that is true.

You desire justice for all: Enable us to uphold the rights of others; do not allow us to be misled by ignorance or corrupted by fear or favor.

Glory and praise to You for ever and ever. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

Mr. GREGG. Thank you, Mr. President.

NOTICE

A final issue of the Congressional Record for the 104th Congress will be published on October 21, 1996, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–220 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m., through October 21. The final issue will be dated October 21, 1996 and will be delivered on October 23.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event, that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at ''Record at Reporters.''

Members of Congress desiring to purchase reprints of material submitted for inclusion in the Congressional Record may do so by contacting the Congressional Printing Management Division, at the Government Printing Office, on 512–0224, between the hours of 8:00 a.m. and 4:00 p.m. daily.

By order of the Joint Committee on Printing.

WILLIAM M. THOMAS, *Chairman.*

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

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SCHEDULE

Mr. GREGG. Mr. President, for the information of all Senators, this morning there will be a period for morning business, and we will be awaiting possible House action on the omnibus appropriations bill, which is a result of negotiations completed early this morning. The Senate may also be asked to turn to consideration of any other items cleared for action, including the Presidio-parks bill conference report and the FAA reauthorization conference report. Rollcall votes are possible today, and if votes should prove to be necessary, the leader will attempt to give Members as much notice as possible prior to those rollcall votes.

MEASURE PLACED ON THE CALENDAR—H.R. 3452

Mr. GREGG. Mr. President, I understand there is a bill due for its second reading.

The PRESIDING OFFICER (Mr. KYL). The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3452) to make certain laws applicable to the Executive Office of the President, and for other purposes.

Mr. GREGG. Mr. President, I object to further proceedings on this matter at this time.

The PRESIDING OFFICER. The bill will be placed on the calendar.

DESIGNATING THE AMOS F. LONGORIA POST OFFICE BUILDING

Mr. GREGG. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of H.R. 2700 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2700) to designate the building at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, as the ''Amos F. Longoria Post Office Building.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5413

(Purpose: To clarify the provision of section 3626(b) of title 39, United States Code, defining an ''institution of higher education'')

Mr. GREGG. Mr. President, Senator PRYOR has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. PRYOR, proposes an amendment numbered 5413.

Mr. GREGG. 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 2, insert after line 9 the following new section:

SEC. 2. INSTITUTION OF HIGHER EDUCATION.

Paragraph (3) of section 3626(b) of title 39, United States Code, is amended by striking the period and inserting '', and includes a nonprofit organization that coordinates a network of college-level courses that is sponsored primarily by nonprofit educational institutions for an older adult constituency.''.

Mr. PRYOR. Mr. President, today I am asking the Senate to approve H.R. 2700, a bill to name a post office in Elmendorf, TX, the ''Amos F. Longoria Post Office Building,'' with an amendment. The amendment, which I offered in the Governmental Affairs Post Office and Civil Service Subcommittee and which was unanimously adopted, addresses mailing problems faced by Elderhostel, an independent, nonprofit organization which operates a central course catalog and registration system for college level classes for people over the age of 60. These courses are sponsored by colleges and universities at more than 1,900 colleges, universities, museums, national parks, and environmental education centers in the United States, Canada, and 47 other countries. Elderhostel receives no Federal or State support.

Elderhostel provides easy access to these continuing education programs through the mailing of its course catalog. Unfortunately, a U.S. Postal Service definition prevents Elderhostel from mailing their catalog at a second-class catalog rate. This catalog rate is used, for example, by the American Bar Association's continuing legal education material. Elderhostel is barred from using that rate because rather than being a catalog of one institution of higher learning, it is a compilation of courses offered by otherwise eligible ''regularly incorporated nonprofit institutions of learning.''

The amendment I am offering to H.R. 2700 simply expands the definition of an institution of higher education eligible to mail at second-class rates to include a nonprofit organization that coordinates a network of college level courses that nonprofit colleges and universities offer to older adults. The National Federal of Nonprofits, the Advertising Mail Marketing Association, and the Direct Marketing Association have no objection to this legislation.

Mr. President, H.R. 2700, as amended, will solve a problem caused by the fact that Elderhostel doesn't fit neatly into the Postal Service's definitions and I urge my colleagues to support the amendment and pass the bill.

Mr. GREGG. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 5413) was agreed to.

Mr. GREGG. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 2700) was deemed read the third time and passed.

JOSHUA LAWRENCE CHAMBERLAIN POST OFFICE BUILDING

Mr. GREGG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 2153, which was introduced earlier today by Senator COHEN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2153) to designate the United States Post Office building located in Brewer, Maine, as the ''Joshua Lawrence Chamberlain Post Office Building,'' 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, at the request of the city of Brewer, ME, I am introducing S. 2153, legislation to name the post office building in Brewer the ''Joshua Lawrence Chamberlain Post Office Building.''

For the people of Maine, Joshua Chamberlain is a household name—Civil War hero, four-term Governor of Maine, president of Bowdoin College, scholar and professor. He is recognized among many historians as one of the most remarkable soldiers in American history. He played a crucial role at Little Round Top, on the second day of the Battle of Gettysburg, when he led the 20th Regiment Infantry, Maine Volunteers in holding the extreme left flank of the Union line against Confederate attack. After running out of ammunition and being outnumbered two to one, Chamberlain rallied his regiment, charged down Little Round Top using bayonets to break up the Confederate attack and took nearly 400 Confederate prisoners. In 1893, Congress gave him the Medal of Honor for his gallantry at Gettysburg.

He is also remembered for the surrender of Gen. Robert E. Lee's Army of Northern Virginia at Appomattox, when Gen. Ulysses S. Grant chose Chamberlain to receive the formal surrender of weapons and colors.

His ancestors migrated from England in the mid 1600's settling in Woburn, MA, and made their own significant contributions serving this country. His great-grandfathers served in the Revolution, his grandfather was a colonel in the War of 1812, and his father acted as second in command on the American side in the Aroostook War in 1839.

Joshua Chamberlain was born in Brewer, ME, in 1828. He attended school in Brewer, graduated from Bowdoin College, in Brunswick, ME, in 1852 and

completed a course at the Bangor Theological Seminary in 1855. He married that year and served as professor of rhetoric, oratory, and modern languages at Bowdoin.

In 1862, he was granted a leave of absence to study abroad but he abandoned this plan and enlisted as lieutenant colonel of the 20th Maine. He remained in active service until the end of the Civil War, taking part in 24 battles including Antietam, Fredericksburg, Chancellorsville, Gettysburg, Spottsylvania, Cold Harbor, Petersburg, and Five Forks. He was wounded six times, once almost fatally at Petersburg. He was made a brigadier general on the field by Gen. Ulysses S. Grant.

Chamberlain returned briefly to his academic duties at Bowdoin, but was soon elected Governor of Maine, a position he served with great distinction for four terms. He helped to establish the new agricultural and technical college at Orono which eventually grew into the University of Maine.

In 1871 he returned to Bowdoin to serve as president while also lecturing on mental and moral philosophy, political science, and public law. He died in Portland in 1914 at the age of 85.

The Civil War, comments historian Geoffrey Ward, ''was a war that thrust figures of common clay into monuments of true grandeur.'' How well the actions of Joshua Chamberlain affirm this observation. He was a man inspired to greatness by the cause he served. I hope my colleagues will work with me in passing this legislation as a means of paying tribute to the many years of outstanding service Joshua Chamberlain gave to the State of Maine and the country.

Ms. SNOWE. Mr. President, I am pleased to join with my colleague Senator Bill COHEN in sponsoring legislation to name the U.S. Post Office in Brewer, ME, in honor of Joshua Lawrence Chamberlain. Chamberlain, who was born in Brewer on September 8, 1828, and grew up there, went on to play an important role in the history of Maine and the United States.

Historians will recognize the name of Joshua Chamberlain, whose remarkable military career placed him at some of the most critical battles of the Civil War. At the Battle of Gettysburg, Colonel Chamberlain commanded the 20th Maine Infantry Regiment which held down the extreme left flank of the Union line. Chamberlain and his regiment defended Little Round Top until their ammunition ran out, at which point he ordered ''fix bayonets'' and led an unexpected charge down the hill capturing nearly 400 Confederate prisoners. Chamberlain's leadership is credited with contributing significantly to the North's victory at the pivotal Battle of Gettysburg.

During the Civil War, Chamberlain commanded troops in 24 battles as well as numerous skirmishes. He was wounded six times and was promoted to general on the battlefield by Gen. U.S. Grant. At the war's end, General Chamberlain was given the honor of receiving the Southern Surrender at Appomattox Court House, ordering his own troops to stand at attention and salute the defeated Army of Northern Virginia. General Chamberlain was given the honor of first place in the last Grand Review in Washington following the Civil War.

Mr. President, the extraordinary public service of Joshua Chamberlain did not end with the Civil War. After he returned to Maine following his military career, Chamberlain was elected Governor by the largest majority in the State's history. He was subsequently reelected three times.

The people of Brewer and Maine are rightfully proud of their distinguished native son. The Brewer City Council and the Brewer-Orrington Customer Advisory Council have both requested that the memory of Joshua Chamberlain be honored by naming the U.S. Post Office in Brewer after him. This is a fitting tribute to an outstanding American.

Mr. GREGG. Mr. President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be placed at the appropriate place in the RECORD.

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

The bill (S. 2153) was deemed read the third time and passed, as follows:

S. 2153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF JOSHUA LAWRENCE CHAMBERLAIN POST OFFICE BUILDING.

The United States Post Office building located at 22 Parkway South, Brewer, Maine, shall be known and designated as the ''Joshua Lawrence Chamberlain Post Office Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, record, or other paper of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the ''Joshua Lawrence Chamberlain Post Office Building''.

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

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business.

Mr. GREGG. Mr. President, I ask unanimous consent to proceed in morning business for a period up to 30 minutes.

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

THE OMNIBUS APPROPRIATIONS BILL

Mr. GREGG. Mr. President, we are now in the final hours, it appears, of the process of wrapping up this session of Congress and putting together an omnibus appropriations bill, which I understand late last night was agreed to between the White House and the Congress.

I want to talk a little bit about this process and specifically about sections of that bill which I have responsibility for, or had responsibility for as chairman of the Senate Appropriations Subcommittee on Commerce, Justice, and State.

I have to say, I was startled by the manner in which these proceedings went forward. I was discouraged. The taxpayers, to put it quite simply, have been fleeced. It is beyond my most pessimistic anticipations that the events that occurred in the spending of taxpayers' dollars over the last few days would have occurred under a Republican Congress. I can understand that they have occurred under a liberal Presidency, a Democratic Presidency, but to have them occur under a Republican Congress is, I think, a sad and trying day for the American taxpayer who has traditionally looked to the Republicans for fiscal responsibility.

The budget, as it was proposed by the Republican Congress, basically flat funded discretionary spending accounts of the United States for the next year. We were, however, put in the very difficult position—and the blame does not really lie with the Congress here; it lies with the Presidency—we were put, I should say are put, in the very difficult position by the President that if we did not spend a heck of a lot more money in a heck of a lot of other accounts, he would veto the proposals of our Congress. The Congress had put together proposals, the purpose of which was to institute financial responsibility.

You have to understand that not only ourselves, but especially our children will be facing a nation which will end up being fiscally bankrupt if we do not undertake some responsibility.

We have been spending more money than we have been taking in for a long period of time. Although the number is going down, the fact is, it still is a considerable number, over $100 billion of deficit this year, and as we move into the outer years here, as we move into the year 2000 and beyond, it goes back rather sharply.

So the need for fiscal responsibility has not left, or should not have left, the agenda of American Government. Yet, the White House told us that if we did not spend a great deal more money in a number of accounts which they were interested in, that they would veto the bills and they would force us into a shutdown of the Government.

The leadership of the Congress, appreciating the fact that the last time the Government was shut down—the Congress came out with a pretty black eye—decided to try to accommodate the White House. Every time a decision was made to accommodate the White House and the administration, more money was demanded. It became a process of goal posts moving, which has become the term around here that most adequately describes how this spending has occurred. But what it has meant is basically a geometric progression, the spending of which the American taxpayers have to bear.

Some of these accounts which the White House has asked to spend money on are just classic liberal, profligate spending undertakings, and they are dollars which the American people, if they knew about them, if they were put in the context of disclosure, simply would not accept that type of spending.

Some of those accounts, unfortunately, were in categories which were under my auspices with the Commerce, Justice, and State Subcommittee, and I want to discuss a few of them because I think they should at least be on the record as to what has happened here, how American tax dollars are being spent by this administration. This is the most liberal administration that I have ever seen during my term in Government.

You know, this President wanders around the countryside talking as a moderate, but the simple fact is that this administration is governing on the far left of the spending when it comes to spending American tax dollars. Let me cite a few examples that I think confirm this.

Let us begin with the United Nations. In the bill which we proposed, which Congress proposed, we had limited the amount of spending to the United Nations. We had decided that we would not pay what is known as arrearages in peacekeeping and we would not pay what is known as arrearages to the various international organizations.

Why? Because the United Nations is an institution that is penetrated throughout with patronage. It is an institution which has wasted millions and millions of dollars, and every dollar that is wasted at the United Nations, every time some friend of some friend or some cousin of some leader from some country is hired by the United Nations to fill a nonexisting job or a job that is basically nonfunctional at some outrageous pay level, every time that occurs, 25 percent of the dollars spent on that individual come out of an American taxpayers's wallet. The record is replete with abuses and with mismanagement and with waste which has become the character of the United Nations management.

The average U.N. salary for a mid-level accountant is $84,000—$84,000 for a mid-level accountant. That same person living in New York City working for a non-United Nations entity would be paid on the average $41,000. Twice as much is paid to the U.N. individual, plus they do not pay taxes. The man or woman who is working in New York City has to pay taxes.

The average U.N. computer analysis person receives $111,000 tax free—$111,000. The average American doing that same job, and probably does a lot better job and I bet works a lot more hours, gets $56,000.

An assistant to the Secretary-General, of which there are innumerable, gets $190,000. That is $60,000 more than we pay the Mayor of New York who actually works for a living.

The fact is that this institution is mismanaged and is dominated by patronage.

Now the administration wants us to spend an extra $225 million to pay back fees, back payments and to pay operating costs so that we can reimburse them for this mismanagement and we can fund this mismanagement out into the future.

In order to try to get some hold on this, the Congress said to the administration, well, before we are going to pay anything more of any significance, we want a certification that the United Nations is living within the agreement which was reached as a result of the pressure put on it by us that it would have a no-growth budget.

In an act of a very serious—I think very serious—question of integrity, we have now received such a certification that the United Nations has a zero-growth budget. Well, that is impossible because the United Nations is already over its budget. We know it is over its budget. It is over its budget, by our estimates, by over $100 million. Yet, we received this certification from the administration. So you have to even question the atmosphere in which this administration is functioning relative to the United Nations.

It appears they are willing not only to throw money at it, but they are willing to stand up for their dishonesty within the United Nations. They are willing to stand up for the mismanagement within the United Nations. They are willing to stand up for the patronage within the United Nations at the expense of the American taxpayer.

Then, of course, we also know that this administration, on a number of occasions, has expressed their willingness to have American troops fight under the command of the United Nations, which is a mistake in and of itself. What is more classically liberal—what is more classically liberal—than funding an agency like the United Nations at an excessive level?

I do not argue with the need to have the United Nations. I happen to think the United Nations makes a great deal of sense. My disagreement here goes to the fact that we are essentially paying for its mismanagement, gross mismanagement, and that we are doing it with blinders on. This administration takes the attitude that anything that is a world community exercise, the United States taxpayers should pay for it, and pay dearly for it.

When they came to us after we had raised the level of reimbursement to the United Nations to a level which I felt was unacceptable—but I went along with the House—the administration came back and said that we were $220 million short—$220 million short—of what they wanted for the United Nations. In fact on my bill, they said we are a half a billion short, let us throw another half billion dollars into these programs. Why? Because they knew they had the Congress between a rock and a hard place.

They wanted to fund all their favorite little interest groups, in this case, interest groups within the international community, different international organizations, some of which are only marginal in their worth. They wanted to fund all these little different interest groups, and they knew they could do it because they recognized they had won the last battle about closing the Government down, and now they figured, well, the Congress is going to have to fold on all these issues. And unfortunately we have.

So, out of the taxpayers' pocketbooks and wallets in New Hampshire and Arizona, hard-earned dollars—people working 40, 50 hours a week trying to make mortgage payments, trying to send their kids to school, having to pay their taxes now at a rate barely as high as a result of the tax increase under the first 2 years of this administration—those dollars are now going to fund John Jones, I suspect the person's name is not John Jones, some name I probably could not pronounce, from some country because John Jones had a cousin in the government who could get him a job at the United Nations where he would get paid x thousands of dollars more than an American doing the same job, and the person does not even have to show up to work.

In fact, ironically, one of the reforms we asked for and which was put in at the United Nations was a turnstile. We ask for a turnstile so we could figure out who was going to work. It turns out the returns were so bad that the United Nations staff forced the administration to take the turnstile out because they did not want to have people keeping track whether they ever showed up for work.

The fact is the United Nations is an institution, is an institution that is good, relative to its purpose, but as a practical manner, the matter in which it practices, the manner in which it manages itself, and the manner in which it spends its money is horrible. It is the American taxpayer that bears the burden, and the administration at the last minute, because they had the Congress by the throat, came in and said we need hundreds of millions—not hundreds, but $200 million. That is a lot. In fact, we could run the State of New Hampshire for quite a while on $200 million—more money to take care of their activities and to fund an agency which has not shown any fiscal discipline at all.

That is only one example of this liberal agenda which has caused the White House to come in here and dump all sorts of new dollars into different interest groups. This administration uses the Federal Treasury as its own little campaign financing mechanism. They used something called SCSEP (Senior Community Service Employment Program) to finance some of the most activist labor groups, and they use something called ATP to finance the friendships with the corporate world. ATP you probably have never heard of that. Well, it is something called the Advanced Technology Program where we go out and pick winners and losers in the technology communities—not with a lot of dollars, but we go out and we pick them. It is ironic who gets picked, ironic who gets picked.

The idea here was we would set up a pool of money and people with good ideas that could not get it funded in the private sector would be able to come to the Government and the Government would fund those ideas. That, in concept, is good, a good idea I suppose. If you happen to believe the Government should be in the business of deciding winners and losers in the marketplace and in the technology arena and there are certain technologies which the private sector is not going to fund, then it probably makes sense to do that.

I suspect there are some instances where a technology concept—remember, this is commercialization, this is not R&D. I should make that point. This is not R&D activity, but for items which will commercialize. We have literally billions of dollars committed to research, billions of dollars in all sorts of different accounts. This is purely an R&D, purely an applied research effort. The expectation is that almost all this will go to some sort of commercialization.

The argument was that the opportunity for return on these undertakings was so low or the likelihood of return was so low that nobody would fund them. First, that assumes that the marketplace cannot pick winners and losers in the technology field. That is a position that is hard to defend in America today where we see such an explosion of technology activity, literally billions and billions of dollars going into research which is applied and presumed going to go to commercialization, where we see billions and billions of dollars going into IPO's, where we see major corporations spending billions and billions of dollars on research. The concept that an idea which really has a commercial applicability, which has a potential, will not find a place to be funded, within the private sector is, I think, hard to argue, but that was the argument that was made.

So we set up this thing called the ATP. You would presume if that was the case, we are going to fund technology which has only a marginal likelihood of success, so marginal that the private sector is not willing to fund it, but has commercial applicability. You would think if that were the case, then the logical recipients of those funds would be small entrepreneurial efforts. That should be the case. Obviously, if someone cannot get funded, the odds are that they are a small entrepreneurial effort. You would not expect that General Motors, Ford, Exxon, AT&T, IBM, General Electric, the biggies, the international organizations, a few Japanese organizations, a few German organizations, you would not expect those types of companies would be in line for this type of a grant program.

In fact, I think, most Americans if they were told this type of program existed, would say, sure, Mary Mason down the road, who happened to be a brilliant computer person, should have a right to compete for that. But General Motors, are you kidding me—General Motors? I just bought a car from them and it was an outrageous price. They make tons of money.

This program has become a little piggy bank, a little cookie jar is a better term, a cookie jar into which the Fortune 500 companies stick their hands. This is the list of how the awards under this program went in 1994 and 1995. I will read down through the companies that received these awards because I think it is important, because it shows the nature of this program and what it is really being used for, which is to basically try to buy friendships in the business communities: General Motors, Ford, Exxon, AT&T, IBM, General Electric, Mobile, Chrysler, DuPont, Texaco, Chevron, Hewlett-Packard, Amoco, Motorola, Lockheed Martin, United Technologies, Dow Chemical, Boeing, Xerox, U.S. Steel, Bell South, 3M, Caterpillar—the list goes on. You get the idea. The fact is this program has become an outrage. It is corporate pork at its worst.

However, the administration comes in and says we must continue this program. You would think, listening to the administration, especially this President, that the Republican Party was the voice of corporate America. Well, it happened to be the Republican Senate which zeroed this program out, and it happens to be the Democratic liberal Presidency which wants to continue this program at excessive levels of funding—$265 million was their demand for next year's funding of this program, $265 million.

Now, why? Well, because, basically it takes care of their friends in the corporate community. It is a way for the Secretary of Commerce to be able to communicate. We have corporate America—send in a grant, we will send you some money; now, what do you want to talk about? It is done with the tax dollars of the American people and the American people should be outraged. It is classic liberal government, spending their money on programs that picks winners and losers in the marketplace, which goes to the Fortune 500 leadership, dollars which are scarce and which could be used much better by an American to go out and buy a product that was important to them and their family, or maybe help them go to school, or maybe help pay their mortgages, but instead this President wants to take those dollars out of your pocketbook and give them to these corporations to do things which obviously companies of this size, if they want to do it, they can do it. The idea that these companies need help in deciding their priorities on research and spending money on research is so absurd it should not even be discussed.

So it is not an argument for the substance of the program that generates this funding, because the substance cannot be defended. The only reason this funding exists is because under the liberal form of leadership which this administration represents they like to be able to pick winners and losers in the marketplace and they like to spend tax dollars.

Now, this bill overall that I had jurisdiction over until I was unceremoniously removed because I was too disruptive to the process, because I kept saying we should be concerned about our tax dollars, this bill spends $500 million more. It does not spend it yet, that is what the administration wants, $500 million more than what was offered to the administration, which happened to be $1 billion more than what the bill was when it left this Senate Chamber.

It never left the Chamber. It never got out. When it left the Senate subcommittee that I chair, we were a billion dollars below our offer to the White House, as we brought up all these different accounts to try to satisfy the profligacy of the White House spending condition over some significant frustration of my own. And then the administration came in and said that is not enough. They wanted another $500 million. I wish that that were all that were in this package, $500 million. We could live with that. This is true across the board, in account after account. The administration came in and demanded massive more dollars in spending, and because they know that we have the Congress in a position basically where politically they have us by the throat, to be very honest, where they know that they have set up a scenario where if this Government is shut down, they feel they win politically and the American people will take their frustrations out on the Congress—that the Congressional leadership decided that they are going to allow the White House to get away with this raid on the American Treasury and, therefore, the American taxpayer.

I think it is a mistake, and I think we ought to take this issue to the American people. I think the American people will understand that there is a big difference between the shutdown that occurred a year ago and the desire of this administration to spend money

like it is water. The fact is that this President is now in the middle of a Presidential election. He is campaigning on the theme that he is a moderate. In fact, I heard AL GORE in New Hampshire call himself of a ''fiscal conservative''—the Vice President of the United States. Well, this is not fiscal conservatism, spending this type of money. Spending $220 million more on the United Nations so they can hire patronage is not fiscal conservatism. Picking winners and losers in the marketplace and having the winners be Fortune 500 companies, who can take care of themselves when it comes to R&D, is not fiscal conservatism. Spending $6.5 billion more of the American taxpayers dollars and putting it, for all intents and purposes, on the deficit is not fiscal conservatism. It is liberalism. It is the classic situation where you buy votes with tax dollars and you spend money without regard to where it is going or how it is being accounted for, but only with regard to what the political pluses are from it. It comes back to roost—not to us, maybe, in our generation immediately, but certainly to our children, as they have to pay the bills.

It is a mistake. I felt it should be on the record from somebody, because nobody seems to want to talk about it around here. So I am taking these few minutes to make these points.

I yield back my time.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. I ask unanimous consent to speak for 10 minutes.

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

POLITICAL GAMES

Mr. THOMAS. Mr. President, I want to tell you that I appreciate the comments of the Senator from New Hampshire. Certainly, this needs to be talked about. I have never seen anything quite like what is happening to us here at the end of this session. The idea that those on the other side of the aisle, the administration and the Democrats, would hold up progress over the last 3 weeks, as they have, by having 100 amendments to every appropriations bill, most of them not at all attached to the subject, simply to hold it up to bring us up to the edge of this business of shutting down Government, which they found to be a great political advantage last year, is absurd.

I have never seen anything like this in my life. The Senator from New Hampshire is exactly right. They have extracted $6.5 billion in additional spending simply by threatening—not on the merits of the spending—to close down the Government and blame the Republicans. I have never seen anything quite like that kind of deception—the idea that, for instance, talking about reducing the deficit and at the same time increasing deficit spending by $5.5 billion, reduce the deficit only by raising taxes—the largest tax increase we have ever had—and talk about reducing the numbers of employment when, in fact, almost all of it was as a result of base closures and civilian employees of DOD, and the end of the Resolution Trust Corporation, which had nothing to do with this President.

So that is where we are. I am just delighted that the Senator from New Hampshire, who has hands-on experience with this expenditure, as chairman of the subcommittee, has talked about where we are and where we need to go.

TRIBUTE TO SENATOR ALAN SIMPSON

Mr. THOMAS. Mr. President, I want to talk about a friend who will be leaving the Senate, a man whom I respect greatly, a man who—to quote a phrase he uses—is ''a friend of his friends,'' and that is Senator Alan SIMPSON, from Wyoming, who will be retiring from the Senate at the end of this session.

AL SIMPSON is particularly close to me. He is from Cody, WY, a town of 10,000 or 12,000. Cody is also the same town I am from. We were both there last weekend at the Buffalo Bill Museum event.

AL is a lifelong friend, a good and gracious man. He comes from a family of good and gracious leadership. The first person that I remember as a kid, who was an outstanding citizen, one of those kinds that you remember, was Milward Simpson, AL'S dad. Interestingly enough, the thing I remember the most was that he is the first guy I ever saw who could simply stand up and talk without being prepared, or without needing notes, and do it so eloquently. I guess that is where Al SIMPSON acquires his ability to do the same thing.

So many here in the Senate have known AL SIMPSON for a very long time, too, and are his friends. AL has been here for 18 years representing our State, battling for our State, battling for this country, and all of us feel so fortunate to have had him here. Some have mixed feelings about him leaving. On the one hand, all of us are happy that he and Ann will have an opportunity to do some other things. They have great interests, whether it be in museums, whether it be in health care, whether it be in the other historic things they have been interested in. But they have great grace and style in their personal relationships, and they will all be missed.

I have had the privilege of serving on the team from Wyoming with AL SIMPSON for the 5 years I was in the House, and these special 2 years, the last 2 years, I have been in the Senate. I suppose we have a unique closeness in our delegation from Wyoming. As everyone else does, we have two Members in the Senate, but we have just one in the House. There are just three of us. The people in Wyoming find it fairly easy to contact the delegation when they come, since there are just three of us.

We were talking yesterday about the population of Wyoming when I was presiding. There are about 470,000 people, and about 100,000 square miles for them to live. But in a State like that we become pretty personal in politics. We have an opportunity to talk. We have an opportunity to express the prejudices that each of us have, and ideas. It is truly unique. We have unique relationships. We have all been Republicans since I have been here. We have all been friends.

I have known ALAN virtually all my life. We lived basically up the street across the alley from the Simpson's in the wintertime. I knew him when he weighed 260 pounds, and had hair, and, as he says, thought beer was food. But fortunately Ann came along, and dressed him up. And he has been an outstanding representative of Wyoming since; frankly, not just of Wyoming. AL SIMPSON represents some of the best of this country; represents the kind of person who looks at an issue and takes the position that he believes is correct.

Clearly in this business there is a tendency to take the position that seems to be most popular. There is nothing unusual about that.

But AL SIMPSON has throughout his service here and in the Wyoming legislature been willing to take those positions that are not the most popular; that are not the easiest; that are not the road most traveled. And he has felt comfortable taking them.

I, particularly, will miss AL SIMPSON. We came from the same town, and the same university, since we only have one in Wyoming. We lived in the same athletic dorm, and now served in the same Senate.

So I have been around this guy a lot, and others will miss him too. He is a national figure.

He tells the story about a hotel in Cody where a lot of strangers come through, and someone coming up to him and saying —someone he did not know—''Did anyone ever tell you that you look like AL SIMPSON?'' He said, ''Yes. Sometimes.'' The man said, ''It makes you mad, doesn't it?''

He is well known—well known because of his humor; the great skill and gift of humor that he has to make things seem a little lighter than they are. He says continuously and so properly, ''You know, I take the issues seriously but I don't take myself seriously.'' We need more of that. We need more of that.

He is my political mentor and our senior Senator. I can tell you that Milward and Lorna, his parents, would be so proud. His father was a U.S. Senator as well as the Governor of our State, and president of the university and served on the board of trustees. AL and his brother have followed him in that great tradition of courage and class.

Let me just close by saying not only does he have great humor, great grace, and a great partner in Ann, but he is an extraordinary legislator. You can see

him working today on the illegal immigration bill, a tough issue; and, quite frankly, one that is not as important in Wyoming as it is in other places. But that does not matter. AL said this is an important issue to our country, as he has undertaken to deal with Social Security in ways to honestly change it, and has had some controversy with groups that want the status quo. He has been willing to undertake the difficult question of entitlements that, obviously, have to be dealt with but are political dynamite—the old third rail of politics that no one is willing to touch. AL SIMPSON has done that, and will continue to.

One of his first activities following his departure here—I thought about saying ''departed friend.'' That is not right. He has his whole life before him. He is not departing. He is simply moving on to Harvard to teach at the Kennedy School of Government. It will be interesting to see the impact he will have at Harvard. I think it will be wonderful.

He has taken on the media on entitlements. He has done all of those things that are not easy to do. He stands for the things that are good about this system.

So I will miss our good friend and mentor—lifelong friend—who has the wisdom and willingness to take on the tough problems. Besides, I will not have anyone to join with me in the recitations of the ''Cremation of Sam McGee'' which we enjoy doing from time to time.

So I want to say, ''Hats off'' to AL SIMPSON, and we wish him the very, very best. I know he and Ann will have a wonderful, continuous time.

Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from West Virginia.

RETIREMENT OF SENATOR ALAN SIMPSON

Mr. BYRD. Mr. President, in a matter of days, or even hours, one of the finest individuals it has been my privilege to know will bring to a close another chapter in what has been, by any measure, an extraordinary legislative career.

Of course, no one should be surprised by the fact that our friend from Wyoming, who has served in the Senate for nearly 18 years, is one of the most accomplished legislative craftsmen to ever grace these hallowed halls. In fact, one could say that ALAN SIMPSON was born to a life in politics, that he really did not have a choice in the matter. One might say that. After all, when one's family has practiced law for the past 100 years, and when one's father has served the beloved State of Wyoming as both a Governor and as a U.S. Senator, it is hard to argue that one's fate was not predetermined.

Although actually born in Denver, CO, Senator SIMPSON is a lifelong native of Cody, WY, which, as he would be quick to remind us, is the home of the Buffalo Bill Historical Center. Following graduation from the University of Wyoming with a bachelor of science degree in law, the young Senator-to-be began his life of public service as a 2d Lieutenant in the U.S. Army, serving in the 5th Infantry Division in Germany.

After leaving the Army, ALAN SIMPSON returned to the University of Wyoming to obtain his juris doctor, and then commenced a law practice with his father in their hometown firm of Simpson, Kepler and Simpson. His love of the law is evident in the fact that ALAN remained with the firm for the next 18 years, during which time he served as the State's assistant attorney general, and the Cody city attorney.

Responding to the call of greater professional challenge, and carrying on in the family tradition, Senator SIMPSON entered the political arena when he won election to the Wyoming House of Representatives in 1964, a position he would occupy for the next 14 years. His love for the art and the process of legislating further propelled ALAN to seek and win a seat in this great legislative body.

Mr. President, having been elected to three terms here in the Senate, it is obvious that his Wyoming constituents understand and appreciate the degree of skill, dedication, and integrity that ALAN SIMPSON has brought to his work. And, as a former assistant majority leader, and a former assistant Republican leader, it is obvious that his Republican colleagues have understood and valued those qualities in Senator SIMPSON as well.

But despite his steady climb up the leadership ladder, no one should make the mistake of assuming that the senior Senator from Wyoming has shied away from controversy.

To the contrary, it is doubtful that there is any other Member of this body who is more willing to enter into the fray, who is more willing to take on the special interest groups, or who is more willing to apply his quick and often devastating verbal wit to any and all situations, including turning that laser-sharp humor on himself.

One need look no further than the difficult and contentious issue of immigration to see that ALAN SIMPSON is not content to simply sit by and watch others take the lead and take the heat. For more than 15 years, dating back to when he first became chairman of the Judiciary Committee's Immigration Subcommittee, ALAN has undertaken the arduous and generally thankless task of crafting bills that would discourage illegal immigration and bring much-needed common sense to our national policies with respect to legal immigration. He has led the way in calling for tough sanctions on those employers who hire illegal immigrants, by articulating the need to establish a strong and workable employment verification system and by speaking out on the necessity of lowering the total number of legal immigrants this Nation annually absorbs.

I have been fully supportive of ALAN SIMPSON in these endeavors.

I know I speak for many of my colleagues when I say that with respect to immigration, I will certainly miss the advice and counsel of my good friend from Wyoming, ALAN SIMPSON. All of us, on both sides of the aisle, will lament the loss of his informed and courageous leadership in this legislative area.

His work on immigration, though, was not the only complex and troubling issue that ALAN SIMPSON has been willing to tackle. After gaining a seat on the Finance Committee, Senator SIMPSON was resolute in his desire to stem the growth of entitlement spending. That conviction, of course, put him on track to collide with some of the most powerful and entrenched special interests Washington has ever known, but he did not waver. He did not tremble. He did not trim his sails. He did not run from the issue. He did not retreat from the battlefield. Instead, in his usual forthright and relentless manner, Senator SIMPSON, Senator ALAN SIMPSON—I say ALAN. I served with his father in this body—Senator ALAN SIMPSON coauthored a bipartisan proposal to make long-term cuts in Social Security spending including an eventual increase in the retirement age to 70.

Mr. President, ALAN's commitment to absolute honesty in addressing the many profound and troubling problems that face this Nation is emblematic of the devoted public servant that ALAN SIMPSON has shown himself to be over these past 18 years. There will be few, if any, who will match the accomplishments of our friend from the West, few who will bring to this body a deeper passion, and few who will legislate with greater skill.

And so, Mr. President, as he prepares to leave the Senate, not for a well deserved retirement but for new challenges, this time in academia, I offer my sincere gratitude to Senator ALAN K. SIMPSON for his professionalism, for his friendship, for his leadership, for his wit, for his candor, and for his many years of dedicated service to our Nation.

As Thomas Paine once wrote:

> I love the man that can smile in trouble, that can gather strength from distress, and grow brave by reflection. Tis the business of little minds to shrink; but he whose heart is firm, and whose conscience approves his conduct, will pursue his principle unto death.

Mr. President, I yield the floor.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I was very privileged to be in the Chamber as the senior Senator from West Virginia was making his remarks. I commend him for acknowledging one of our friends and leaders of the Senate who is

going to be such a loss as we lose so many of our retiring Members who have contributed so much. I think Senator BYRD's comments about our good friend serve him very well. I wish I could have said them as eloquently, but I join with him in commending Senator ALAN SIMPSON.

Mr. BYRD. Mr. President, I thank my distinguished friend. I am sure that Senator SIMPSON will be grateful for the expressions that have been made by the distinguished Senator from Louisiana [Mr. BREAUX].

Mr. BREAUX. I thank the Senator.

U.S. TREATY NEGOTIATIONS

Mr. BREAUX. Mr. President, I take the floor to make some comments on the current situation in this Senate with regard to relations with some of the other countries that we enter into negotiations with on a regular basis. I think today is a sad day for this country with regard to our relations with other countries with whom we negotiate treaties. In fact, this has been a sad week. This has been a sad Congress because despite the best efforts of many in this administration who have negotiated with friends and allies in other countries around the world for years, indeed decades, this Congress this session failed to follow through and ratify or approve these treaties that have been negotiated in good faith and signed by other countries including the United States. Just this session we failed to enact in this Congress a chemical weapons treaty.

Yesterday, I took the floor to lament the fact that this Congress and this Senate has refused to ratify the OECD agreement on shipping, which was negotiated for years and years and years, which our country signed and every country that signed with us expected us to ratify. It will not even be brought up in the Senate. Indeed, it was a sad week, and today unfortunately once again I say how terribly disappointed I am that apparently the Tuna-Dolphin Treaty, which this and previous administrations have worked on, which this country has signed along with 10 other countries around the world, will not be enacted in this Congress.

If I was a delegate from some other country, I would say, ''You know, I don't think I want to negotiate with the United States and spend a decade of trying to enter into an agreement which we all agree on and then have forces in the Congress stop it from even being considered.'' This Tuna-Dolphin Treaty, which we will apparently not bring up, was supported by the administration. I have letters from Vice President AL GORE, on two separate occasions, to the Republican leader, the Democratic leader, and to Members of Congress saying this is an important treaty, that it should be passed this session. Yet we have forces that say, ''No, it is not going to be considered. It is not going to be taken up.''

It is interesting that some will say it is not environmentally strong enough. The Vice President's letter to Senator DASCHLE and myself and to Senator LOTT and everybody else points out the strong support that this treaty has from environmental groups, from fishing groups, from industry groups. It points out that this treaty is supported by major environmental groups including Greenpeace, the World Wildlife Fund, the National Wildlife Federation, the Center for Marine Conservation, the Environmental Defense Fund—all have pledged their support. I commend them, because many times we have not been on the same side on some of these fisheries issues that I have been dealing with for over 20 years as a Member of Congress. But they recognize, as I do, that this agreement is by far the best agreement that countries could ever enter into, to allow an industry of multimillions of dollars to coexist with environmentalists who are legitimately concerned about protecting dolphin as fishermen are catching tuna in the same vicinity, the same areas.

There have been strong editorials endorsing this agreement from the New York Times and from the Washington Post, saying that this, indeed, is a solid and sound environmental treaty and should be adopted by the Congress—and we are not going to even be able to bring it up.

The countries around the world that do tuna fishing and have conflicts with dolphin, that have agreed to make major and significant changes to the way they catch tuna in order to implement this treaty, are now going to have the United States say: Well, we got you to negotiate it, we got you to sign it, we got you to make these concessions, we got you to put observers on your boats but, guess what, we are not going to ratify it now. Sorry, we were just joking.

What kind of feeling do these countries that have spent these years negotiating with us have when they find out Congress is not going to follow through? Countries like Mexico, Venezuela, Costa Rica, Nicaragua, Belize, Honduras, France, and Japan, who fish in the eastern tropical Pacific, Spain, Colombia, Vanuatu, all of these countries have negotiated this agreement in good faith. Environmental groups have signed off. The Vice President of the United States has sent two strong letters saying this should be passed this year, yet we will not bring it up.

I would say that those who think that they somehow are doing something to protect dolphin by killing this treaty are going to find that just the opposite will occur. When these countries that I have just read off find out the United States has turned its back on them at this late date, what incentive do they have to continue to follow the rules of this treaty? None. Mexico, for one, will probably—they should—file a GATT violation against our country because, right now, we are unilaterally banning the importation of tuna caught without following procedures that we have determined are the best procedures. That, in this Senator's opinion, is a clear violation of GATT because it sets into effect a unilateral embargo which is not based on science and not based on environmental concerns whatsoever. It is my opinion, if they proceed—and why should they not?—now to file a complaint against our country for a unilateral embargo of their product, then I suggest that, unfortunately, they will probably win that case against our country.

But even more important than some case before a GATT commission, as serious as that is, I am very concerned that other environmental efforts that people negotiate and try to enter into agreements on with these countries will not be able to be reached. We have just worked very hard with Mexico in order to get them to agree—and the Presiding Officer now in the chair knows this—to get Mexico to agree to take certain actions to protect turtles in their area. We have to do it in our country, and our shrimpers are adversely affected, but we are doing it. We have tried to get other countries to follow the same rules and regulations that we are following in trying to protect turtles. Yet, when we tell them with this agreement, ''We do not care what you negotiate, we are not going to enact it,'' then they are not going to have an incentive to follow these new rules and regulations that they have agreed to.

It is most unfortunate—most unfortunate—we are not able to enact this agreement, which has such far-reaching meaning as far as conservation is concerned.

The current situation is, I think, not very good, frankly. We have all of our people who buy tuna in stores have it labeled ''dolphin safe,'' and that is supposed to mean it was caught without any dolphin being killed by the fishermen. But it only affects one type of fishing, and that is the encirclement method, where fishermen encircle their nets around an area where dolphin are in order to catch the tuna that are below the dolphin. But fishermen can currently use any other effort, from log fishing, from school fishing, from kill fishing for tuna with nets of a certain size, and kill dolphin in the process and still allow it to come into this country and label it ''dolphin safe.'' That is not dolphin safe, if you take it to mean that dolphin should not be killed.

This agreement, for the first time, says we do not care how you fish, let us look at all the methods, and if the methods then produce tuna without any dolphin being killed, then you can label it dolphin safe. That is a huge improvement over the current situation, a huge improvement over the current practices by the industry out there because it looks at all methods of fishing, not just one method of fishing.

So it is very unfortunate that we will not be able to enact this legislation. It really has been bipartisan. We have had professional scientists who are not Republican or Democrat negotiate this

for years with these 11 other countries in addition to the United States. We have had strong bipartisan support from Senator STEVENS, a cosponsor of this legislation with me; from Congressman WAYNE GILCHREST from the House side, who has been a leader in this area; from Congressman CUNNINGHAM, who has been very helpful on this. There have been a large number of people and the environmental groups that have recognized this is by far the best opportunity because they see, as I do, these other countries in this area.

I am so distressed that we are wasting this golden opportunity because I think, as other environmental groups think and feel, if we do not enact this treaty, we are going to lose the great progress that has already been made. These countries now that are trying to cooperate are going to lose any incentive to do so. I think, from the gill fishing industry and the sport fishing industry, when these countries see what we are doing to them, they are going to, all of a sudden, say why should we allow you to fish in our waters for marlin and for billfish? They can move in that direction, causing us great problems in those areas, not to mention they would lose their incentive to have observers on their boats, where they now have observers on every tuna boat that reports to the public exactly what happens. If we lose that, do some groups realize what we are losing?

I suggest, in conclusion, we have missed a tremendous opportunity. This is the second time in 1 week I have come to the floor and had to say how unfortunate it is and how saddened I am by the fact we cannot approve agreements this country has entered into in good faith and that we have signed, because some people think they are not perfect. Nothing we do is perfect. But this agreement is a good, solid agreement. It should have been ratified. It should have been approved. Vice President AL GORE was strongly behind it. Responsible environmental groups were strongly behind it. Industry was strongly behind it. It almost makes you ask the question, how can this be?

How unfortunate that is, the situation we are in, and I fear for the consequences in a number of areas, particularly environmental laws, rules, regulations and standards. I think they will come tumbling down as a result of this effort in killing this agreement today.

I yield the floor.

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

The PRESIDING OFFICER (Mrs. HUTCHISON). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

TRIBUTE TO OUR RETIRING SENATORS

Mr. BURNS. Madam President, we are down to sort of the short rows, I guess, of the 104th Congress. We will be saying farewell to about 14 of our colleagues who have chosen to retire from the U.S. Senate, having given a good many years and a good amount of their talents to this country and to this body and, of course, to their constituencies in their respective States.

I have fond memories of every one of them, as I came in 1989 and have been doing business with all of these folks with a great deal of pleasure. But it has not been all pleasure. There has been some bitter with the good. But nonetheless, that is life and that is the legislative process. That is the way it is supposed to be.

I can remember my first speech on the floor of the Senate when I was standing in the Senators' lobby right behind the Senate, and I was a little bit nervous about my first time. Senator SIMPSON of Wyoming, my friend to the south, walked by me and said, ''You don't look very good. In fact, you look a little green around the gills and a little pale.'' I told him, ''You know, I've been in the auction business a long time and the public speaking business a long time, and this is the first time I think I've ever really known a little bit of fear.'' I was apologetic for that. I remember his answer was, ''If you weren't a little bit afraid, we'd be worried about you.''

He has been a great teacher, Senator SIMPSON. I cannot imagine this U.S. Senate without his presence, without his wit, without his humor, without his approach not only to the legislative process, but his approach to life, because I can remember when we used to have the old off-the-record days and the dialogue between the press and this body, and especially with him and his wife Ann and his family. We will miss them in the Washington scene.

Senator HEFLIN is going back to Alabama—the judge, we call him—who has been a teacher to me on the Energy Committee, facing some of the same kinds of problems in our respective States, even though he comes from the Southeast and I from the West.

Senator KASSEBAUM. NANCY will go home to Kansas. Kind, thoughtful, I did not always agree with everything she espoused, and she with me, but nonetheless I will miss her.

Senator SIMON from Illinois we will miss, with his voice, very distinctive voice in this body. But I think we will also miss the pragmatic way he confronted life in this body and what he could do. He will go home to southern Illinois, and we will miss him.

Senator PELL and his longtime association with foreign policy.

I can remember as a young man traveling for the American Polled Hereford Association, and I had the opportunity to travel to the Pacific Northwest, to Washington and Oregon. I can remember when I went to Oregon, MARK HATFIELD was Governor of that State. I deemed it a great, high honor to serve with him in his capacity both in Energy and Appropriations here, and I thought he was an outstanding Governor of the State of Oregon.

SAM NUNN will be missed. He is the leveling effect on the Armed Services Committee. We have had great shifts ever since the Wall came down in this historic time that he chaired that committee, and also as the ranking member in the last 2 years. But nonetheless, he was the chair when the Wall came down with a tremendous change, a tremendous shift in power, in world politics and in world military might. It happened on his wave. While I was concerned about this Russian situation, can they feed themselves; he was concerned, can they take care of all of the bumps in the road and the landmines that they will encounter while making this great transition from a world power into a market economy and providing more freedom for their people?

Senator BRADLEY, who has roots in Missouri, the same as mine, has done what he thought was right, not what everybody else thought was right.

We will miss DAVID PRYOR because he will go home to his homeland of Arkansas. Quiet, persuasive, knowledgeable, dedicated.

BENNETT JOHNSTON, who was the chairman of the Energy Committee when I first went on the Energy Committee. Again, he had a leveling effect because of the many contentious issues and emotional issues that we are confronted with every day when you come from a State that has a high proportion of public lands where the Government is really your neighbor, in fact the Government is the biggest neighbor you have. Thirty-eight percent of the State of Montana is owned by the U.S. Government.

For some of you who are not aware what it is like to live next to where the Government owns everything, there are times when they are not very good neighbors. Kind of like the fella who moved into your neighborhood, and they asked, ''How are the neighbors there?'' And he says, ''How were they where you come from?'' You know, they really do not practice that kind of philosophy sometimes.

But Senator JOHNSTON is one of those people who tries to level out the bumps, take some of the emotion out of it, to at least look at the public lands policy as far as the right thing to do for the land and the right thing for the people, for the people who lived where those lands existed, and the impact it would have on their lives. I appreciate that.

HANK BROWN of Colorado will go home, back to Colorado. I think he probably is one of the most intelligent men in this body, whose mind is so curious and his approach to life is so pragmatic that he will be sorely missed in this body. Probably there are not a lot of folks across the Nation who will really appreciate what he contributed

to the Senate and what he has contributed to the United States of America, because he quietly goes about his way in doing the right thing, and very intelligently.

JIM EXON was the Governor of Nebraska when I was traveling through Nebraska. There again, he is known as one of the outstanding Governors of the State of Nebraska. Nebraska is a diverse State, kind of like Montana, but of course a lot more robust because they have great agriculture across the State with all the different kinds of agriculture, because if you will look at Nebraska, it is pretty long. You have most of the manufacturing, farm manufacturing, which all pertained to agriculture, and the little towns in eastern Nebraska and the great grasslands and the sand hills to the west, and, of course, the North Platte River. I speak of Nebraska with great respect because I happened to have married my wife in Nebraska. I understand those folks. Of course, she comes from ranching people and the livestock industry. So we understand that.

SHEILA FRAHM will not be coming back after we drop the gavel on Congress. She will go back to Kansas, coming from a great part of Kansas, the western part, just about where the next Senator who will speak came from years ago, the able Senator from Pennsylvania.

All of these individuals will be missed for their individual talents and the resources they brought to this body. That is what we are, 100 different minds. We are 100 different methods of approaching different problems that this country faces.

I deem it a great honor to serve in the U.S. Senate with these men and women who we will not see on this floor again when the gavel falls this week. I say to my special friends, and especially to ALAN SIMPSON, who way back in 1988 was part of me getting into this political arena, we do not say goodbye, we just say so long, because even though our trails fork at this juncture in our lives, that is not to say that our trails will not cross in the future again.

I thank them for what they have given this body, for the service to their constituency, but, more importantly, I thank them for their service to the United States of America. It will never be forgotten.

I yield the floor.

Mr. SPECTER. Madam President, I ask unanimous consent I may speak for up to 20 minutes in morning business.

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

GOVERNMENT TODAY

Mr. SPECTER. I note no other Senators on the floor, Madam President, on this unusual Saturday session. There are a number of subjects I will address this morning, so I have asked for that period of time.

Madam President, at the outset, I want to express my concern, reservations, and perhaps objection to the process which is now underway to have an omnibus appropriations bill to fund the Federal Government into the next fiscal period starting Tuesday, October 1, which is being added to a conference report on the Defense appropriations bill.

I am concerned about that because it is an extraordinary procedure, probably never before undertaken in the Senate—at least I have not talked to anyone who knows that it has been undertaken. It totally undercuts the traditional procedures of the U.S. Government under our constitutional mandate on separation of powers. In effect, it drastically alters the rules of the U.S. Senate through what is essentially a procedural device to present to the Senate a conference report where there is a single vote without the opportunity of the Senate to make any amendment.

Now, traditionally and under our rules, a Senator may offer an amendment to any bill at any time with unlimited debate unless cloture is invoked. The Constitution and the rules of the Senate have given that extraordinary power to each Senator in order to slow down the legislative process. When the Constitution was adopted, the Senate was supposed to be the saucer which cooled the tea, the hot tea, as it came from the House of Representatives. Senators were really in a sense ambassadors from each of the sovereign States to the Congress of the United States, where we express the views of a sovereign.

That really is not true anymore, as the authority of the central Government has pretty much taken over and relatively little is left of the 10th amendment on reserving rights to the States. All that is coming back a little with the Supreme Court decision in Lopez, which gives more rights to the States. That is a complicated subject, but while the Federal Government has taken on more and more power, at least the Senate has been a bastion where we could take some time and debate issues. That will be totally gone as we work through the balance of the appropriations process and have only one vote on the conference report. I think that is a real danger to our system.

In a sense, we have only ourselves to blame. As appropriations bills have come to the floor of the U.S. Senate, while Senators have acted within the technical rules, the spirit of the process has, in my judgment, been abused. We have had the Interior appropriations bill, for example, on the floor of the Senate, when we should take up very important matters concerning the national parks and other matters related to forests and the environment. But, instead of dealing with the Interior appropriations bill, Senators have insisted on offering amendments on other subjects, many of them legislative authorizations outside the purview of the appropriations process, with an enormous amount of political gamesmanship and one-upmanship and a real effort to outbid or embarrass the other political party. It is done on both sides. I do not say this in the context of criticizing the other party.

The subcommittee which I chair on Labor, Health and Human Services, and Education never even had its bill come to the Senate floor because it was anticipated that it would be very contentious and that many diverse amendments would be offered. At least it has been my hope and the hope of Senator HARKIN, the ranking Democrat, that we would have a chance to bring the bill to the floor. Instead, the bidding war on education started on the Interior appropriations bill. That is why the Interior appropriations bill was pulled down.

Last year's budget, which we should have finished on September 30, 1995, was not finished until late April 1996. On that bill earlier this year, Senator HARKIN and I came forward with a bipartisan approach to add $2.7 billion so we could have adequate funding on Education and on Health and Human Services and on Labor, where a big issue was worker safety.

We have found within the appropriations process itself, that the subcommittee chair and the ranking members have been able to work on a harmonious basis and really get the job done in the kind of collegiality and a relationship that develops when you work with an individual and move ahead. Just as the distinguished Senator from Nebraska, Senator BOB KERREY, and I have done on the Intelligence Committee, where I serve as chair and Senator KERREY serves as vice chair. We have had very contentious issues which have potential partisan overtones, some fierce matters there that we have kept under wraps.

We are still working on that, as a matter of fact, in the closing days of the Congress. We have done that because of our concern, shared by the Intelligence Committee members generally and by the distinguished presiding officer, who is a member, because of our view that a bipartisan and nonpartisan approach to intelligence matters and comprehending foreign affairs is very important for the welfare of the country. And as I say, the subcommittee chairs have done that. Senator HATFIELD made a report yesterday to the Republican caucus identifying quite a number of chairmen and ranking members who have been able to work it out on a harmonious basis, which is the essence of compromise in a democracy, to get it done. But when the matters come to the floor, and 100 Senators are present, the temptation has been, so far, irresistible to add so many items to the appropriations bills that bills have had to be pulled down.

The Appropriations Committee has become even more powerful. There are always comments about the ''powerful Appropriations Committee.'' It has become even more powerful because, at

present, its bills are the only bills that have to be passed. And so many of the matters—not all, but so many—on authorization come to the Appropriations Committee. We are wrestling, right now, with many requests from Senators to have authorizations done on the appropriations bill for Labor, Health, Human Services, and Education. Other bills don't have to be passed, but the spending bills have to be passed, or else the Government comes to a halt. So the Appropriations Committee has the bills that are the last vehicle.

Now we see a total subversion of the process, when we have so many appropriations matters coming up in this one omnibus measure and it isn't even brought to the floor in the traditional way so that amendments may be offered. It will come over as part of a conference report, which will not allow any Senator to do anything except have one vote, ''yes'' or ''no,'' on that report. That is a subversion of our process.

It is my hope, Madam President, that next year we will finally get some rules changes, so that on appropriations matters we have only germane matters related to the bill. We would still leave ample Senators' rights, in a variety of ways, but not, for example to bring to the Interior appropriations bill an education issue. Education is a very popular matter, a very important political matter, and Members of both parties seem to want to gain a political advantage in outspending the other party on education. Well, Senator HARKIN and I were able to accomplish that in April with the amendment we offered on a bipartisan basis, which got 86 votes. That is a lot of votes around this place. That is the way we should have handled it this year, instead of the bidding war, which required the Interior bill to be taken down. That is only one illustration as to how extraneous matters have really led us to a position where the conclusion, far and wide, is that we have to go to this single omnibus bill, now tacked on to a conference report.

Many people have asked me when the Senate is going to adjourn. My standard answer has always been that the Senate will adjourn when the last Senator stops talking. And that is a very questionable and indecisive matter. That draws a smile from the Presiding Officer. When will the Congress go out of session? Who knows? A couple of the barometers are, when the time is up, or exhaustion totally sets in. The time is up on September 30, Monday, at midnight.

So we now have a schedule, with this extraordinary process, to finish up our work in advance of that date. Frequently, exhaustion and time run out at about the same time. The negotiators in the appropriations process worked through until 4 a.m. yesterday morning, and I believe until about 7 a.m. this morning—not exactly conditions to have the optimum deliberative process on what we were accomplishing. But it is illustrative of the fact that the only time when these matters are settled is when exhaustion sets in or the time has run out. This year, there is one other ingredient, and that is leaving Washington to campaign. When the self-interest for reelection appears, it is a pretty substantial motivating factor for Members of Congress. Members are no different than anybody else in the motivation to keep their jobs. When that sets in, there is an additional ingredient—and that is certainly present at this time—when Members up for election want to go home to campaign to keep their seats.

Madam President, on another aspect of the same issue, we have seen in this legislation a process which I believe is a perversion of the constitutional mandate of separation of powers which makes the Congress of the United States responsible for legislation. The President of the United States, after Congress acts, is responsible for signing or vetoing a bill. And then if it is vetoed, the Congress of the United States can override, in the legislative process, with a two-thirds vote.

But this year, instead, we have had the executive branch as a prime participant in the legislative process. We have had the President's chief adviser, the very distinguished Chief of Staff, Leon Panetta, sitting in on the appropriations negotiations, which I have been a party to when they have affected the subcommittee jurisdiction that I chair. Mr. Panetta is there as the President's representative, to say whether or not what the legislators want will be acceptable to the President. I say that is just wrong, plain wrong, constitutionally. The President, the executive branch, ought not to be involved in the legislative process. We legislators ought to hammer out our ideas and our differences on the floor of this body and on the floor of the House, and we ought to go to conference and resolve the issues, and then we ought to present them to the President. At that point the President should exercise his constitutional responsibilities, instead of exercising our constitutional responsibilities earlier. There is a very, very serious problem of separation of powers at issue here. Here the powers are not separate; the powers are intermixed. That is not the way it is required under the Constitution.

It makes me wonder about where the President is. You have a situation where a deal was struck, apparently, in the early morning hours this morning, about 7 a.m. It is obvious, on the timetable, that the President could not have been informed of and given his approval to that deal. The obvious fact is that the President has delegated his authority to the Chief of Staff. You wonder, at least on appearances, if the President ought to be informed, at least on the outlines, as to what has been done, so that the President can exercise his authority under the Constitution to give consent to what the legislature has done. There is not even any respect for appearances here. The deal was done, cut and dry. There is no way the President could have known what was happening. That makes you wonder about delegation of authority.

The President really doesn't have the constitutional authority to delegate his responsibility, just as I can't allow staff, or anybody else, to come in here and vote for me. The President has the responsibility to review what Congress has done and decide whether or not that is acceptable to the President of the United States, who is duly elected. But there, again, in the rush to exit, constitutional mandates are blindly ignored.

I believe, Madam President, that this is a—it is hard to find the proper word—dastardly, reprehensible, outrageous precedent to set as we finish up our important responsibilities in Washington. Part of the problem arises as so much of the work of the Congress is being dominated by political considerations, or by those at the far ends of the political spectrum, leaving very little of centrism in the work we do.

It is very important that the Government of the United States, in my opinion, be governed from the center. You see that in the public reaction to what is going on. You see that in President Clinton, who is trying to establish a centrist position, which has been successful politically, because the people of the United States want to be governed from the center. You see that with Senator Dole, in his campaign for the Presidency, wanting to move to the center.

If I may make a personal reference, when I advanced my candidacy for the Republican Presidential nomination, I was a centrist, and many people have said to me recently, ''ARLEN, Senator Dole is now adopting many of the positions you articulated when you ran for the Republican nomination.'' My immediate response has been that if Senator Dole had articulated my position in his quest for the Republican nomination, he wouldn't have been the Republican nominee. It is very much illustrative of the campaign of Senator McGovern, whose candidacy was supported by people at one end of the political spectrum. In short, we have seen the primary process dominated by people from each end of the political spectrum.

I do not say that in a critical way, notwithstanding the fact that my efforts for the nomination met with so little success. I compliment the people who participate in the primary process because it is a very tough job to go out there in the winter snows of New Hampshire, to go through the farmlands of Iowa, or to travel this country from one end to the other.

Former President Nixon wrote to Senator Dole that you have to attract the people at one end of the political spectrum to win the nomination, and then you have to rush back to the center for the general election. We are now going to see if that is possible in a political contest. But just as we have

seen the primary process dominated by people at each end of the political spectrum, we have seen the work of the U.S. Senate also not benefited from the center.

When I came to this body after the 1980 election, I frequently said that out of 100 Senators, there were 40 on each side who took ideological positions—maybe 35—leaving 20 or 30 of us in the center to be the decisive voices. Now we find that number has been reduced drastically. That is part of the reason we have had such contentious debates in the Senate and why we have not been able to do our work in the traditional legislative way. We could have produced a budget differently than through this continuing resolution as part of a conference report. I think we are all going to have to try harder to do better next year.

We find with those who are departing from the Senate that we are losing a tremendous number of centrists. That is going to mean a heavier responsibility on those of us who are here next year to perhaps put aside some of our ideological predilections or preferences, and try to move to the center.

It is hard to calculate why we are having Senators leaving this institution in unprecedented numbers, and maybe it is the contentiousness in this body which has caused this to happen. We are losing an extraordinary group of Senators.

First, in priority, is Senator MARK HATFIELD, who has done such an extraordinary job since being elected in 1966; with an extraordinary conscience; taking stands which have pitted him really against the entire body of his own political party and voting as he did on the constitutional amendment for a balanced budget. I think he was the only one out of 54 Republican Senators to vote against the amendment, and although I didn't agree with him on the vote, I admired his courage. He has been up all night working through as the chief negotiator, as the center, on this continuing resolution.

We are losing SAM NUNN, who is without peer when it comes to matters of military affairs. Like MARK HATFIELD, BILL COHEN, NANCY KASSEBAUM, and ALAN SIMPSON, when SAM NUNN speaks—like E. F. Hutton—''everybody listens.''

We do not have anybody who is irreplaceable, but we are going to see what is going to happen on the Armed Services Committee, Madam President, where you serve, as to what is going to be done without SAM NUNN's voice—a big, big loss—and he is very much a centrist.

We are losing an extraordinary Senator—really, a great Senator in every sense of the word—in BILL COHEN. For those of you who really want to get to know BILL COHEN, you ought to get a volume of his poetry. I have had a chance to hear his poetry publicly and quasi-privately in our Intelligence Committee deliberations and hearings which are not public—but with extraordinary depth, and he has also made an extraordinary contribution as a centrist.

Senator NANCY KASSEBAUM is leaving. She had the extraordinary skill to bring forward reform on health care that so many of us talked about for so long with the Kassebaum bill, where finally we made some key structural changes without the massive proposals advocated by the administration depicted on the chart which my staff and I prepared, and which Senator Dole used last week in an attempt to depict the complicated bureaucracy the administration wanted to create. But when the chips were down, with one of her last two legislative acts, Senator KASSEBAUM led the way with health care reform.

We are losing another key centrist in ALAN SIMPSON, who has been able to bring so many people together with his wisdom and his sense of balance, illustrated by a sense of humor, in the work that he has done on the immigration bill, which is not yet completed. But he has been just extraordinary. He held the fort on the Gallegly amendment, which would have deprived education to children born of parents who are illegal immigrants. While we ought to protect our borders and not have illegal immigrants in the United States, we certainly ought not to deprive children of their educational opportunities, which will just haunt American society, where they will not be able to support themselves in adulthood and where they will be delinquents and perhaps criminals on the streets.

Madam President, may I inquire as to how much of the 20 minutes I have left?

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

Mr. SPECTER. I ask unanimous consent that I made proceed for an additional 10 minutes. No Senator has come to the floor in the interim. So I am not depriving any of my colleagues of an opportunity to speak.

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

Mr. SPECTER. I thank the Chair.

HOWELL HEFLIN is leaving, and he is also a centrist. I worked with Senator HEFLIN on the Judiciary Committee. He has made an extraordinary contribution as we have worked through some of the toughest problems on the nominating process—Judge Bork, Justice Thomas—the whole process.

Senator BRADLEY, perhaps not quite a centrist but not too far from center, has made an extraordinary contribution as he has done so much to awaken America to the problems of racism coming from a State with big cities, an issue that I have worked closely with him on.

Senator BROWN is a key loss—another centrist. I sat next to him on the Judiciary Committee. He would whisper most of the questions which have gotten me into so much trouble on the Judiciary Committee, also with a great sense of humor.

And Senator BENNETT JOHNSTON, who has added so much in four terms; Senator PRYOR, who has added so much in three terms—both southerners, but having a much broader focus than simply on the South.

Senator EXON who has contributed so much on Armed Services and as ranking member of Budget.

And Senator SHEILA FRAHM, who is here for too short of a period of time. Senator FRAHM comes from western Kansas, almost on the Nebraska border, on the northern Colorado border in the West.

As Senator BURNS said a few moments ago, my home was originally in Russell, KS, a hometown I share with Senator Dole.

While these outstanding men and women will be departing and many friendships will be lost, or at least not as close, the real meaning for the country is the issue of losing so many of this group which have contributed so much to the center and, I think, to the importance of governance in America.

THE PROBLEMS IN THE MIDEAST

Mr. SPECTER. Madam President, I would like to make some brief comments on the escalating problems in the Mideast, with the Israeli-Palestinian clashes which have been on the front pages, and which have been on the television screens, and my urging of parties on all sides to accelerate negotiations, because I am personally convinced that the bloodshed can be brought to a conclusion and that the peace process can move forward if the parties return to the bargaining table—and return to those pictures which are so meaningful of Israeli Prime Minister Benjamin Netanyahu and the Palestine Chairman Yasser Arafat shaking hands and talking out their problems.

I make this recommendation having been in Israel last month and having had a chance to talk with Prime Minister Netanyahu and Chairman Arafat. I am convinced that both of those leaders do want peace. And, candidly, it has been a tough time, watching Chairman Arafat honored on the White House lawn back on September 13, 1993. But my view is that now that the Israelis, who have been the chief victims of PLO terrorism, have welcomed Chairman Arafat, I think we in the United States should do what we can to promote the peace process.

Prime Minister Netanyahu is new at the job but a man of tremendous abilities—substantial experience generally, but limited experience as Prime Minister.

After talking to Prime Minister Netanyahu, I know that he wants to work out the issues—they are complicated. There is Hebron, where there are Jewish settlers, and the issue is, what will the degree of Palestinian control be. There is Jerusalem, which is the Holy City and in which the controversy has arisen over the tunnel. And there are so many corollary problems such as the closure of the borders

to Israel, an act Israel took for very strong security reasons but which is causing very substantial economic losses to the Palestinians.

I think the administration has done a good job there with the work of Dennis Ross, as a de facto roving ambassador, talking to the parties and trying to work through the issues. That is a matter which I think requires expedited assistance from the U.S. Government and others to try to bring those parties back to the conference table, to try to work out their problems, to try to stop the fighting and the bloodshed, and to move the peace process ahead.

While the Palestinian-Israeli problems are taking the front pages, the Syrian-Israeli problems still are very prominent, with the Syrians still undertaking military maneuvers which may threaten Israel.

I had an opportunity to discuss those issues when I was in the area last month with Syrian President Assad and also with Prime Minister Netanyahu. In fact, I carried two messages from Prime Minister Netanyahu to President Assad. One was on the subject of Israel's interest in cooling the contentiousness on the southern Lebanon border, where Prime Minister Netanyahu had publicly said that Syria would be held responsible for the Hezbolla attacks on northern Israel. President Assad's response was that those military maneuvers were not with hostile intent but were really of a routine nature. Whether that is exactly so or not, that process has to be moved forward.

Prime Minister Netanyahu asked me further to convey the message that he personally would engage in the negotiations, leaving, of course, the option to President Assad as to whether he would or would not so participate. But there again I think the administration has done a good job. I think the roving de facto ambassador, Dennis Ross, has done a good job. Those matters have to be moved forward through the negotiation process. I urge the parties to move ahead there. It is difficult, obviously, for Prime Minister Netanyahu to be handling the Palestinian controversies at the same time, and they are on the front part of the front burner, but the Syrian negotiations have to be addressed as well.

GULF WAR DRUG TESTING

Mr. SPECTER. Mr. President, I wish to comment briefly on a report on damage to United States troops from exposure to Iraqi poison gas back in 1991 during the gulf war. This is a subject on which there was a joint hearing earlier this week, on Wednesday, of the Intelligence Committee, which I chair, and the Veterans Affairs Committee, on which I serve, chaired by Senator ALAN SIMPSON.

During the course of those hearings, we heard from the chief medical officer of the Department of Defense, Dr. Stephen C. Joseph, as well as representatives from the CIA and the Veterans Administration. The views expressed by Senators on both sides of the aisle were that the Department of Defense had not done nearly enough to respond to the ailments which came out of that exposure to Iraqi chemical warfare agents.

There were those, principally Senator SIMPSON, who made the point in his customary strong way that the evidence was inconclusive, saying that people had not shown the effects of the poisonous gas immediately and that would have happened if there had really been a problem, and was in defense of the Department of Defense.

Virtually every other Senator—and I think some 14 attended, from both sides of the aisle—was very critical of what the Department of Defense had done. And perhaps no one was more critical than Senator ROCKEFELLER, the ranking Democrat, on the Veterans' Affairs Committee. He has sent a letter, which I was about to cosign but could not quite review fast enough on Thursday, over to the Pentagon and Secretary Perry asking for more action. In that letter, Senator ROCKEFELLER was very explicit about what the Department of Defense had not done in acting on the complaints of the service men and women in the area.

This morning the Washington Post has a story, page A18, which I will ask to be made a part of the RECORD as if read in full, which is headlined ''Pentagon Alters Stand on Gulf War Testing.'' The second paragraph—almost completely reversing comments made at a Pentagon briefing Thursday, that is, the day after our hearing—says that our troops were not told the drug was being used on an investigational basis and might have side effects, but said that information was not deliberately withheld from them.

Mr. President, it is a little hard at this stage to say that where you have withheld some key facts, it was not deliberate. After all, why wouldn't people on whom the drug was being used on an investigational basis be told? How can you say it is not deliberate if you do not tell people that they are, in effect, guinea pigs or not tell them that it might have side effects. Any person is entitled as a matter of fundamental fairness to know that. How can you subject someone to a drug testing without them being told that? It is more than a little incomprehensible.

The article then goes on to say: ''On Capitol Hill, Senator JOHN D. ''JAY'' ROCKEFELLER called on Defense Secretary William J. Perry to fire the Pentagon's top health official.''

Saying that the Department of Defense had squandered its credibility, which is a conclusion reached by the staff of a Presidential commission which I brought out at last Wednesday's hearing.

Then the article concludes by noting that Secretary of Defense Perry and Deputy Secretary of Defense John D. White ''continue to have the full and utmost confidence'' in the health leadership at the Department of Defense and that no ''health changes'' in ''health leadership are being contemplated.''

That, of course, again is a little surprising in the context that Secretary Perry could not conceivably have had an opportunity to review the Senate hearing since he has been at a NATO meeting. And when we have a hearing like that and many Senators are present and express themselves and facts are brought out, one would at least think that the Secretary of Defense would review the matter, or the Deputy Secretary also could not have had an opportunity to go through the complex matters which were raised at that time.

I ask unanimous consent a copy of this Washington Post article be printed in the CONGRESSIONAL RECORD.

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

[From the Washington Post, Sept. 28, 1996]

PENTAGON ALTERS STAND ON GULF WAR DRUG TESTING

The Defense Department said yesterday it did not deliberately withhold information from U.S. troops in the 1991 Persian Gulf War on an anti-nerve gas drug to keep Iraq from learning about U.S. defenses.

Almost completely reversing comments made at a Pentagon briefing Thursday, it said troops were not told the drug was being used on an investigational basis and might have side effects but said that information was not deliberately withheld from them.

Researchers are studying whether the drug, pyridostigmine bromide (PB), in combination with chemicals in the Gulf War, might be one cause for illnesses among thousands of veterans.

On Capitol Hill, Sen. John D. ''Jay'' Rockefeller IV (W.Va.), called on Defense Secretary William J. Perry to fire the Pentagon's top health official. Rockefeller, the ranking Democrat on the Senate Veterans Affairs Committee, told Perry in a letter that the Pentagon has ''squandered its credibility'' on the issue of Gulf War illness.

The senator did not name a specific official in his letter. But a spokeswoman for Rockefeller, Laura Quinn, said he was referring to Stephen C. Joseph, the Pentagon's assistant secretary for health affairs.

Perry has been attending a NATO meeting in Norway, but a spokesman said both Perry and Deputy Defense Secretary John D. White ''continue to have the full and utmost confidence'' in Joseph and that ''no changes'' in ''health leadership are being contemplated.''

Mr. SPECTER. Finally, I now turn to the introduction of legislation. I ask this be under a separate heading in morning business.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair will advise the Senator from Pennsylvania that his time has expired.

Mr. SPECTER. I ask unanimous consent for 3 additional minutes, Mr. President.

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

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that, following the remarks of the Senator from Pennsylvania, I be recognized for up to 10 minutes.

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

Mr. SPECTER. Mr. President, I thank my colleague from Texas for yielding me the additional 3 minutes. She had been presiding and has been waiting now to speak, and I will conclude briefly.

THE PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

MR. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 2154 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. Under a previous unanimous-consent agreement, the Chair now recognizes the Senator from Texas.

THE CONTINUING RESOLUTION

Mrs. HUTCHISON. Mr. President, I rise today with a sense of both joy and disappointment as I am being briefed by my staff about what is the purported agreement for the continuing resolution that will fund our country for the next year. There are, indeed, some very good parts of that bill. But I have to say that the distinguished Senator from New Hampshire, Senator GREGG, made a compelling speech this morning about many of the fine points of this bill that are atrocious, and talking about dealing with the administration, the administration which changed the negotiating points constantly throughout this process. I think it is a sad way that we are going to end this session, that the administration has come in at virtually the last hour and held the threat of shutting down Government and blaming the Republican Congress for doing it, in an effort to win things that have been lost on the floor already.

So, it is with mixed feelings that I rise to talk about what is in this bill, both good and bad. I am very pleased that we are going to satisfy the basic responsibilities that we must. We are going to support our troops in the Mideast and in Bosnia. But we are going to do it with $1 billion less than we had hoped we could have in our defense budget because this is not a safe world. As we were sending troops into the Middle East—because in many ways it looks as if we did not have a clear policy on the Kurds, but nevertheless we sent troops in to reinforce—as we were doing it, the administration was asking us to cut the defense budget. We are going to be able to do the basic things that we need to do, but we are not making the plans for the future that we must make for our country to be secure from incoming ballistic missiles, in theaters, wherever our forces may be, to be secure from incoming ballistic missiles. We are not doing what we ought to be doing to plan for the future strength of our military so we will remain ready for any contingencies that might occur.

We are not planning as we should. I hope that next year, when the elections are over, we will be able to commit the amount of money and resources we need, first, to make sure that America stays secure and strong and, second, that we will protect our troops from disasters like the bombing that we saw just a few months ago in Saudi Arabia.

We are going to give pay raises to our young men and women in the military, who so richly deserve them, 3 percent pay raises. That is a good part of this bill. But we are not planning enough for their future with ballistic missile defenses and other major pieces of equipment and technologies that would look to the future so an incoming ballistic missile can be stopped before it goes into its downward track.

Mr. President, we are going to increase with this bill funding for breast cancer research, a long time coming. Women's diseases in this country have been made short shrift by Congresses of the past, but not in this Congress. This Congress has increased funding for breast cancer research and osteoporosis research, diseases that particularly afflict women in our country, and I am proud that we are doing that.

We are going to more fairly distribute the money for Amtrak in our country. I fought hard for that, and I appreciate the fact that all of us came together on a bipartisan basis to strengthen Amtrak for our country and to give all of the States that were told 2 months ago they would lose their service of Amtrak, including my State of Texas, but many States across the western part of our country.

We were told that we would have 90 days and these routes would be gone. Mr. President, 90 days is not enough for a State to be able to come in and add funding, resources to keep lines like this open. You have to have better planning. Most States have biennial legislatures. My State certainly does, and I wanted a 6-month extension to give all of us a chance to see if the States can come up with a better plan to help keep Amtrak service in our States, because I believe in a balanced transportation system, and I believe Amtrak is a major part of that.

Because I like the idea that we can have a bus feeder system into Amtrak stations so that people who do not have the mobility that many in our urban areas have will have access from the small communities of our country into the Amtrak stations, into our cities and our mass transit systems, and into our airports. That is what Amtrak can be if we can get a good system for Amtrak where the States and the Federal Government come together. So this bill does fund a 6-month extension for those important Amtrak lines that were told that they would close.

We are going to increase funding for medical research, including AIDS. AIDS is an epidemic in this country, and it is time that we realize it is hitting children, babies, as well as people from all walks of life. It is a tragedy, and we should be increasing our commitment to finding out what causes this deadly virus so that we can do something to save the lives of innocent people, and we are doing that.

We are putting major resources into antiterrorism measures and also drug interdiction.

Mr. President, we have been hearing just recently in the last 6 months about incredible statistics showing that drug abuse is now going back up among our teenagers and, even worse, Mr. President, under teenagers—under teenagers. Our children, starting at the age of 9, are abusing drugs in this country. This is a crime, it is a disease, and we must get rid of it. So our bill will put the resources into that.

But I am very concerned about the illegal immigration bill and what the administration did in negotiating that bill. That bill passed this body months ago. We had a strong bipartisan effort for a bill that does give us the tools to stop illegal immigration into our country that costs our taxpayers hundreds of millions of dollars. It was told to us that the bipartisan bill would be signed. It was told to us by the President that he would sign the bill. Yet, after that representation was made, he came in with the threat that he would shut down Government and blame the Republicans for it and reopen the illegal immigration bill that had bipartisan support in this Congress.

It appears that that bill has been changed and some of the key provisions have been taken out, such that a person on welfare would be able to bring other immigrants into this country and supposedly vouch that they would not become dependent on taxpayer resources. A person who is dependent on taxpayer resources saying that they will support another person coming into our country and that they will not be supported by taxpayer resources, how naive can we be?

Mr. President, I am hoping that this Senate will be able to vote on a bill, that we have already passed in both Houses of Congress, on Monday that will put those key provisions back in to the illegal immigration bill so that we will have teeth in it and we will protect the taxpayers from people who would come to this country with their hand out rather than coming to this country in the spirit and tradition of the legal immigrants looking for the opportunity to do better for themselves and for this country.

I am very concerned that we would renegotiate the bill on illegal immigration that gives us the chance, finally, to say it means something to be a legal immigrant in this country, because if you come in illegally, there will be a price to pay and that price is that you will not be able to come into our country and seek citizenship for 10 years if you have broken the laws of our country by entering illegally.

I hope that we can pass the illegal immigration bill in its entirety on Monday and that we will not succumb

to the pressures from the White House to renegotiate a bill that the President said he would sign after it had already been agreed to by both Houses of this Congress on a bipartisan basis.

I commend our majority leader, Senator LOTT, who came in to his job quite suddenly just a few months ago without very much notice and, yet, has fought so hard to make Congress live up to its responsibility to the people of our country and pass the laws that will improve the lives of the people of our country and improve accountability to the people of our country. He has said we must fund our Government in a responsible way, and he set out to make that happen.

So with very little experience, our majority leader has done an incredible job of making sure that we do not let the people of our country down, but it has been made a very difficult chore for him by a constantly moving negotiation.

We talked about the great sports metaphor using the goal posts. As the distinguished Senator from Wyoming said yesterday, we not only moved the goal posts, we moved the whole game. We moved it out of the stadium by acceding to a President's wishes who would not say, ''A deal is a deal,'' and kept saying, ''A deal is a deal, but what more can I get?''

So, Mr. President, I hope that, if this continuing resolution passes, we can reform the procedures here and that we can have a President whose word is good so that we will be able to become accountable to the taxpayers of our country, let the taxpayers know that they are getting their money's worth and that the test will be able to stand the light of day. Thank you, Mr. President. I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

Mr. SIMON. Mr. President, before I get into what I came on the floor to remark about, if I could just comment on the last part of what the distinguished Senator from Texas had to say.

While I would differ with her characterization of President Clinton's posture, her praise for Senator LOTT as majority leader is right on target. I had the privilege of serving with TRENT LOTT in the House and now here in the Senate. When a new leader comes in, there is a big question mark. Frankly, I did not know what kind of a majority leader he would be. My impression is he is serving his party and the Senate and the Nation very well. I, as one who was uncertain, now have the impression that Senator LOTT and his leadership is going to be very good for the Nation.

Mrs. HUTCHISON. Will the Senator yield?

Mr. SIMON. I will be pleased to yield to my colleague.

Mrs. HUTCHISON. Mr. President, I just want to say that the statement that was just made by the Senator from Illinois is so typical of this man, who is probably spending his last hours with us in the U.S. Senate. His voice of reason, his absolute integrity, and his willingness to say what he thinks about a Member of the other party, regardless of what it is, is always said in a civil way, and in this case I think very much on target. I just want to say that his distinguished voice will be much missed in the next convening of our U.S. Senate.

Thank you, Mr. President. I yield the floor.

Mr. SIMON. I thank my colleague from Texas. Let me add, it is typically gracious of her to have made those remarks.

MANDATORY SENTENCES

Mr. SIMON. Mr. President, my reason for coming to the floor is to say that I have a hold, and will continue to have a hold, on a bill that deals with pornography for minors until the mandatory sentence provisions are removed. I have always opposed mandatory sentences, for reasons that I will spell out in a moment.

I do believe that we have to be tougher in this area of pornography and making it a Federal offense, when frequently interstate commerce is involved and cannot be proved, I think is a wise thing.

I differ with the idea of mandatory sentences. I have always opposed the mandatory minimums. Mandatory minimums are good politics but bad justice. Chief Justice William Rehnquist, with whom I do not always agree, has said, Congress is making a great mistake in passing mandatory minimums. I think he is correct.

Part of the mandatory minimums on this pornography bill—and all of us are saddened when we see the kind of pornography that occasionally is in our society—but, for example, it has a two-strikes-and-you're-out provision.

Let us just say an 18-year-old is involved in pornography with a 16-year-old. I do not for a moment defend that reprehensible conduct. But if we pass this bill as it is, that 18-year-old would be sentenced to prison for the rest of his life. I do not think we are in a position to judge the situation.

A long, long time ago, a man by the name of Plato wrote a book called Republic, in which he said, ''Elect good judges''—maybe he said ''select good judges;'' I am not sure which it was—but then leave the sentences up to the judges. I think that is sound. That is what Chief Justice Rehnquist says we should do, and I believe that is what we should do.

So, as long as the mandatory minimums are in the bill, I will object. The idea of strengthening our laws against pornography I strongly favor. But I think the sentences should be up to the judges, guided by the sentencing commission.

TRIBUTE TO SENATOR FRANK MURKOWSKI

Mr. SIMON. Mr. President, I see my distinguished colleague from Alaska on the floor. Let me just add, I inserted something in the RECORD not too long ago. Senator MURKOWSKI has been one of the leaders in trying to fashion responsible policies toward North Korea. The one area in the world where you have more troops facing each other, with virtually no contact between the two sides in terms of communication, is North Korea and South Korea. Senator MURKOWSKI, who does not get any votes in Alaska by providing leadership in this area, has rendered a service to this Nation by trying to guide us in a sensible direction. Mr. President, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I wonder if I might ask, are we under a 5-minute time limit for morning business?

The PRESIDING OFFICER. The Chair advises the Senator from Alaska we are in a period for morning business with each Senator's remarks limited to 5 minutes.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may be allowed to speak in morning business for 10 minutes.

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

Mr. MURKOWSKI. I thank the Chair.

TRIBUTE TO SENATOR PAUL SIMON

Mr. MURKOWSKI. Mr. President, I was hoping to respond to my good friend, the senior Senator from Illinois, with regard to his remarks on North Korea. Having had an opportunity to travel to North Korea with Senator SIMON, I have often reflected on the value of that trip and the understanding that was gained with a country that is probably more remote than any other country on Earth, a country that both the Senator from Illinois and I agree is under tremendous strain during the transition that is occurring in North Korea and the fact that that country is very dangerous.

But I just want to cite, in passing, to my friend from Illinois how much his presence will be missed in this body and what an extraordinary contribution the senior Senator from Illinois has made.

Mr. SIMON. Thank you.

Mr. MURKOWSKI. I wish both he and his lady well, as they go on to fulfill other ambitions and desires in life.

You leave this Senate with a very proud record. And I am very pleased to have had your friendship and your association through the years. I wish you well, my friend.

Mr. SIMON. I thank you very much.

THE OMNIBUS PARKS BILL

Mr. MURKOWSKI. Mr. President, I rise to address again the status of one of the major environmental pieces of legislation before this body, and that is the omnibus Presidio parks package which is currently before this body.

There is still time to pass that package in this Congress while the House is still in session. But once the House sends the CR over, it will be simply too late. Where that matter is currently, Mr. President, is there is a hold on it here in the U.S. Senate, and that hold is by the Clinton administration.

The justification for that hold is very difficult to reflect because this Senator, as chairman of the Energy and Natural Resources Committee, has continued to try to work with the administration to address its objections.

The first group of objections and veto threats covered Utah wilderness, which was stricken from the package; grazing, which was stricken from the package; the 15-year Tongass extension, which was stricken from the package; and, finally, the Minnesota wilderness boundaries, which was stricken from the package.

We felt we had met the administration's objections responsibly. Then, the day before yesterday, they presented approximately 42 other sections that they wanted removed. We met with representatives from the White House and tried to get an explanation as to the justification for these. Last night, I sent a letter to Mr. John L. Hilley, Assistant to the President, giving them information, a justification, for the approximately 42 items they wanted stricken.

I ask unanimous consent that a letter of September 27 and the accompanying explanation be printed in the RECORD.

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

UNITED STATES SENATE,
COMMITTEE ON ENERGY
AND NATURAL RESOURCES,
Washington, DC, September 27, 1996.

Mr. JOHN L. HILLEY,
Assistant to the President and Director for Legislative Affairs, The White House.

DEAR MR. HILLEY: After our discussion earlier today, I thought it would be constructive if as Chairman of the Conference on H.R. 1296, I provided you with comments on the items to which the Administration appears to object by virtue of the fact they were not included on the list of acceptable items you provided to me late last night.

As you will see many of the legislative provisions previously passed the House under suspension with no Administration objections. Still other provisions passed the Senate or the House after the Administration testified in support. Others had passed the House or Senate after bi-partisan negotiations had attempted to address specific Administration concerns. Yet other provisions, while important to individual members, relate to such minor matter as the study of a four foot radio tower at the site of an existing tower on a national forest. It is difficult to comprehend an objection to such a provision in the context of this conference report. Finally, some provisions to which you apparently object have the broad bi-partisan support of House and Senate delegations, often including the Governor of the relevant state.

I hope this information is helpful to the Administration in re-considering its position. Tomorrow I will again attempt to recommit H.R. 1296 to conference for the purpose of allowing the conferees to meet and consider changes to the conference report. If the Administration would care to present information concerning its objections to specific provisions at such a meeting of the conferees I would be pleased to arrange this meeting and give the information presented due consideration. Obviously such a meeting will not be possible unless H.R. 1296 is recommitted to conference. I believe that in the short time remaining in the 104th Congress this is a reasonable path to take to a successful conference report. It is my sincere hope that for the benefit of the many intensely interested members both Democrat and Republican, some retiring at the end of this Congress, this important parks and public lands legislation will pass the Congress.

Sincerely,

FRANK H. MURKOWSKI,
Chairman.

PROVISIONS IN PRESIDIO CONFERENCE REPORT WHICH WOULD INVOKE A ''VETO''

216—*Conveyance to City of Sumpter Oregon:* Authorizes Secretary of Agriculture to convey 1.5 acres to City of Sumpter, Oregon for public purposes. Administration raised no objections when bill passed under suspension in the House.

218—*Shenandoah National Park:* Adjusts 1923 Park boundary authorization to match today's existing park boundary. Similar bill passed House 377–33 under suspension. Provision has support of bi-partisan VA Delegation.

219—*Tulare conveyance:* Clears title of 14 acres owned by a railroad to citizens of Tulare, California. Attempt by City of Tulare to clean-up blighted downtown area. Hearings held and provision was reported by Resources Committee. DOI reportedly has no objection.

220—*Alpine School District:* Conveys 30 acres of land to the Alpine school district for a public school facility. Passed House by suspension and Administration never raised objection.

223—*Coastal Barrier Resource System:* Removes 40 acres of developed property out of a 1.2 million acre Coastal Barrier Resource System. Reported by the Resources Committee. Supported by bi-partisan Florida Delegation and the Governor.

224—*Conveyance to Del Norte County Unified School District:* Transfers small acreage to the School district in California for educational purposes. Passed House under suspension. Provision includes Forest Service requested amendments.

303—*Alaska Peninsula Subsurface Consolidation:* Authorizes Secretary to exchange subsurface holdings of Koniag Corporation on an equal value basis for lands and interest owned by the federal gov't. Passed House and Senate. Included in the original Presidio package, the Administration indicated it would sign.

304—*Snow-Basin Land Exchange:* Would allow expedited land exchange to facilitate the 2002 Winter Olympics. Passed both House and Senate. Included in the original Presidio package, the Administration indicated it would sign.

309—*Sand Hollow Exchange:* Equal value exchange in Zion National Park to transfer water development rights in order to protect Zion National Park. Passed the House. The Administration has indicated support.

311—*Land Exchange City of Greely, Colorado:* Equal value exchange to secure property needed by the city to secure protection of the city's water supply.

312—*Gates of the Arctic National Park and Preserve Land Exchange, and Boundary Adjustment:* This would add more than 2 million acres of native owned lands to Gates of the Arctic National Park and Preserve in AK—in exchange for lands in the NPR–A.

313—*Kenai Natives Association Land Exchange:* This would facilitate exchange between KNA and the FWS to allow an Alaska Native Corp. to gain economic use of their land—this would be an acre-for-acre exchange. An Administration supported two-for-one acre exchange passed the House.

401—*Cache La Poudre Corridor:* Establishes a corridor to interpret and protect a unique and historical waterway. Included in the original Presidio package, the Administration indicated it would sign.

405—*RS2477:* Places a moratorium on final regulations without Congressional approval. Language agreed to by Senate Republicans and Democrats and the Administration. Reported by Energy Committee.

406—*Handford Reach Preservation:* Extends a moratorium on construction of any new dams or impoundments in this area. Passed House under suspension without Administration objections.

502—*Vancouver National Historic Reserve:* Establishes a new historic reserve. Administration testified in support. Passed the Senate. Hearings held in both bodies.

602—*Corinth, Mississippi Battlefield Act:* Establishes a visitors center at Shiloh National Military Park in Mississippi. Included in the original Presidio package the Administration indicated it would sign. Passed the Senate.

603—*Richmond National Battlefield Park:* Establishes boundary in accordance with new NPS management plan dated 8/96. Passed the House 337–33 under suspension. Administration opposed House-passed bill, however it has been modified to address their concerns. Supported by the bi-partisan Va. Delegation.

604—*Revolutionary War:* A study to determine if these sites warrant further protection. Senate Energy reported bill—Administration testified in support. Hearings in both bodies.

607—*Shenandoah Valley Battlefield:* Establishes Historical Area. Does not create a new park. Administration opposed House-passed bill, however it has been modified to address their concerns. Supported by the bi-partisan Va. Delegation.

701—*Ski area permits:* Simplifies ski area fee collection. Passed House and Senate. Included in the original Presidio package the Administration indicated it would sign. Administration testified in support.

703—*Visitor services:* Would raise $150 million for parks to help with badly needed repairs of existing park structures. 100% of new fees go back to the parks. Provision was modified to address Administration concerns.

704—*Glacier Bay National Park:* Raises fees to support research and natural resource protection through a per-person charge on vessels entering Glacier Bay.

803—*Ozark wild horses*: Would protect and prevent the removal of a existing wild horse herds at Ozark National Scenic Riverway. Passed the House under suspension without Administration objection. Passed Senate Energy Committee.

806—*Katmai National Park agreements*: Authorizes research in National Parks, including the ability of the USGS to conduct volcanological research in Katmai National Park. Administration has supported research cooperative agreements for the last three Congressional sessions.

811—*Expenditures of funds outside boundary of Rocky Mountain National Park*: Allows NPS

to build a visitor center outside the park with private funds. Administration and the National Park Service requested this provision. Passed the House under suspension. Passed Senate Energy Committee.

815—*NPS administrative reform*: Provides authorities NPS has requested for years-aids parks in protection of resources and provide facilities for employees. Provides Senate confirmation of NPS Director. Administration testified in support at House hearings. Portions incorporated in President Clinton's Earth Day address on National Parks. Passed House under suspension with no Administration opposition.

816—*Mineral King*: Authorize the continuation of summer cabin leases. Totally discretionary for the Secretary. Supported by bipartisan members of House and Senate California Delegation. House hearings held. Reported by Resources Committee. Provision has been modified to address Administration's concerns.

818—*Calumet Ecological Park*: A study of the Calumet Lake area to determine alternatives for preservation.

819—*Acquisition of certain property in Santa Cruz*: Provides for the acquisition of property on Santa Cruz Island to prevent the further destruction of the resource due to over-population of feral goats.

1021—*Black Canyon of the Gunnison National Park*: Formally designates a recreation area. Changes monument status to park and creates a BLM Conservation area. Designates 22,000 acres of wilderness. Energy Committee hearings held.

1022—*National Park Foundation*: Provides the opportunity for the private sector to sponsor the NPS, similar to the sponsorship of the Olympic games. Administration has testified in support. Administration testified in support. Part of President Clinton's Earth Day proclamation on Parks. Provision has been modified to address last minute Administration concerns.

1028—*Mount Hood*: Exchange between private company and federal gov't. Passed the Senate with no Administration objection.

1029—*Creation of the Coquille Forest*: Equal value exchange creating a tribal forest. Passed the Senate with no Administration objection.

1034—*Natchez National Historical Park*: Creates an auxiliary area to a NPS unit and provides $3 million for an intermodal transportation system and visitor center. Administration testified in support at Energy Committee hearing. Reported by Senate Energy.

1036—*Rural electric and telephone facilities:* Authorizes BLM to waive right-of-way rental charged for small rural electric and phone cooperatives.

1037—*Federal borough recognition:* Allows the unorganized borough in Alaska to receive PILT payments. Language was modified in conjunction with BLM and Administration has raised no objections. Reported by Energy Committee.

1038—*Alternative processing:* Prohibits the termination of a timber sale contract solely for the reason of failure to operate a pulp mill. Provides flexibility so that jobs in the sawmill portion of the contract are not lost along with the pulp mill jobs. This is not a contract extension nor is it an increase in timber harvesting. Language has been drastically modified from original proposal. Hearing on contract issues held in both bodies.

1039—*Village land negotiations:* Provides authority for the Secretary to negotiated with five tiny Alaskan villages regarding their entitlements under ANCSA. Language has been modified to address Administration concerns. Provides the Secretary with already existing authority to negotiate without the restrictions of a legal challenge against him. Language has been further modified from earlier versions and does not include the conveyance of any land or assets. Hearings held in both bodies.

1040—*Unrecognized communities in SE Alaska:* Authorizes the native residents of five Southeast Alaska Villages to organize as urban or group corporations under an amendment to ANCSA. Provision does not direct grants of any federal land or compensation to these villages without a future act of congress. Language has been drastically modified from earlier proposals in that it does not contain any guarantee of land to the villages.

1041—*Gross brothers:* Transfers approximately 160 acres of Forest Service land to Daniel J. Gross and Douglas K. Gross of Wrangell, Alaska. These are the children of the original homesteaders. Energy Committee hearing held.

1043—*Credit for reconveyance:* Would allow Cape Fox Corporation to transfer 320 acres of land near the Beaver Falls Hydro project to the Forest Service. CFC's ANCSA entitlement would be credited with an equal amount of acreage. This provision does not provide CFC any additional entitlement. Hearing held in the House. Administration raised no objection to this provision.

1044—*Radio site report:* A study to determine if an existing radio site continues to be necessary.

1045—*Retention and maintenance of certain dams and weirs etc:* Requires the Forest Service to maintain specific dams and weirs in the Immigrant Wilderness Area.

1046—*Matching land conveyance (University of Alaska):* Authorizes the Secretary of Interior to discuss a land grant with the University of Alaska who has never received it's federal entitlement under the Land Grant College Program. Provides for a matching grant to the State. Prally excludes lands that are part of a CSU or part of a National Forest.

Mr. MURKOWSKI. I concluded my letter by making the statement:

> I believe that in the short time remaining in the 104th Congress this is a responsible path to a successful conference report. By accepting the package that has been reduced as a consequence of the objections of the administration, it is my sincere hope that for the benefit of the many intensely interested Members, both Democrat and Republican, some retiring at the end of the Congress, it is important the parks and public land legislation will pass.

In that letter, I agreed to continue to meet with the administration to address their ongoing concerns in order to expedite a response and a successful conclusion of this matter.

Well, I have had no response to that letter, Mr. President. So it is difficult for me to comprehend the basis of their objections, and it is even more difficult for me to understand their reluctance to support this package, recognizing the significance of many of the items in it.

This package contains five new parks, provides better protection for existing parks and historic sites, establishes new memorials, including memorials to Martin Luther King, black Revolutionary War patriots, and Japanese War patriots, protects rivers from coast to coast, from the Columbia River in Washington to the St. Vrain in Colorado and the Lamprey in New Hampshire. The package also contains provisions which protect the hallowed ground where the blood of American soldiers was shed in battles.

The bill authorizes funding to begin restoration of the San Francisco Bay cleanup and programs to start up the national park system, which should serve to help us again attain the status of operating the world's most outstanding park system. Of course, it also contains the Presidio.

Mr. President, I looked at the veto list. I was struck by the fact that while many of the measures were passed by the House with the administration's support, a couple, specifically, were actually the administration's language. Many of the items enjoy broad bipartisan support. I guess the only common denominator is that each was originally introduced by a Republican.

This should not be about politics. The activities within my committee, the Energy and Natural Resources Committee, in reporting out the bill and holding the hearings and accepting the bill, and the discussions that took place were in total cooperation with the minority. Senator JOHNSTON and his professional staff went about the business of taking Members' bills, holding hearings, reporting them out, and doing the job.

We have done our job, make no mistake about it. We have a package here—126 individual sections. This should not be about politics. This package is about our natural resources and the culture and resources of our parks, monuments, and public lands. I do not really care who takes credit for passage of this legislation. It simply needs to be passed, and passed now.

So if the hold by the administration as placed by the minority continues, this legislation is dead. The administration is going to have to bear this responsibility, and ultimately the President of the United States, because this legislation is ready to go. There is one hold on it, one hold by the Democratic leader on behalf of the administration. If he would release that hold with instructions from the administration, this package can go.

This is an election year, Mr. President. I do not know about the politics down at the White House or how they evaluate this, but with the major emphasis on California, I cannot understand why the administration would not support the Presidio, why they would not support the package associated with the cleaning up of the San Francisco Bay area.

Mr. President, to give you some idea, if you want to talk about politics, California is represented in the Senate by two Democratic Senators. Senator FEINSTEIN and Senator BOXER have been very supportive on this legislation. For California alone, it contains the Presidio, Elsmere Canyon, San Francisco Bay enhancement, the Butte County conveyance, Modoc Forest boundary adjustment, Cleveland National Forest conveyance, Lagomarsino Visitors Center, Tulare conveyance, Mineral King, the Merced irrigation

district land exchange, the Manzanar historic site exchange, the AIDS memorial grove, the Santa Cruz Poland acquisition, the Stanislaus Forest managements, Del Norte school conveyance, and ski fees. More than any other single State—California.

What have we done with the significant issue of the Olympics, which provides for a ski-land exchange in Utah? The administration has seen fit to object to that in the package. I can only assume that the administration has written off Utah. The justification for that is pretty hard to take when the National Ski Association supports this land exchange. The Snow Basin exchange, so that the Olympics can take place as planned up in the Ogden area, and the justification of the administration objecting to that, again, certainly requires an explanation. None is forthcoming. Mr. President, we still have had no answer to our letter.

Mr. President, if you look at section 1044 of the bill, you will find a provision which would require the Secretary of the Interior to conduct a study on an existing radio antenna—a radio antenna which is 4 feet tall. The bill was introduced by Congressman BONO from California. By Alaska standards the Congressman is not very tall, I guess he could be considered ''vertically impaired''. He is however taller than the 4 foot radio antenna that is addressed in this bill. They list this as an objection for a veto, Mr. President. How ridiculous. I cannot believe a 4-foot tall radio antenna would bring down this needed, important legislation. That is in their veto message.

The American people deserve better from this Congress and the administration. Mr. President, we have tried to meet with the White House and they have told me the list is nonnegotiable. Well, what we have attempted to do, Mr. President, in the structure of the process around here, is to have hearings, get public participation, basically have a process. What this administration proposes to do is a line-item veto of sections out of this 126-section bill, at the expense of every one of the 41 States that are affected.

If we can get this bill back to conference, I am willing to discuss the issue. It is that important.

Now, the nonnegotiable list submitted by the administration appears to be strictly a political campaign statement of some kind, but it is beyond me how they will put a spin on this and blame the Republicans. In many cases where the administration objects, apparently they are opposed because the bill was introduced by a Republican Member of Congress now running for reelection.

Consider that they object to the Alpine School District transfer of 30 acres of land to the Alpine School District for a public school; the transfer of a few acres to the school districts in Del Norte, CA, for educational purposes; removing 40 acres of development property out of 1.2 million acres of coastal barrier resource system—I don't know, this is election-year politics—and Sterling Forest, which had been anticipated to be in the bill. We have it in our 126-section document. Sterling Forest isn't going to go anywhere; it is not in the CR. The Presidio is not going to go anywhere; it is not in the CR. San Francisco Bay cleanup is not going to go anywhere; it is not in the CR. The coastal barrier amendments for Florida are not going to go anywhere; they are not in the CR. We can go down to Mississippi, which is, coincidentally the State where our majority leader hails from. In Mississippi, we have the Corinth Visitor Center, which is not in the CR, and the Historic Black College Funding, which is not in the CR, and the Natchez Visitor Center.

Mr. President, there are many, many good Democratic-supported sections to this bill which were offered by a Democrat: Senator HEFLIN from Alabama, the Selma to Montgomery Historic Trail; in Arkansas, the Arkansas-Oklahoma land exchange. You know how much that means to Senator BUMPERS. The Carl Garner Federal Lands Exchange. I have mentioned the items in California. There are a couple in Georgia for Senator NUNN. There is one in Hawaii, some in Idaho, Illinois, Michigan. In Louisiana, for Senator BREAUX and Senator JOHNSTON, is the Civil War Center and the Laura Hudson Visitor Center. In Massachusetts, the Boston Harbor Islands Park establishment and the Blackstone Heritage Area, the Boston Public Library on Freedom Trail, and the New Bedford establishment. Senator KENNEDY and I have worked on that to try to accommodate his interests. In Michigan, the Pictured Rocks boundary adjustment. In Montana, for Senator BAUCUS, is the Lost Creek exchange and the ski fees. In New Jersey, Senators BRADLEY and LAUTENBERG, Sterling Forest. In New York, the Women's Rights boundary adjustment. I could go on and on. In Virginia, the Cumberland Gap, Shenandoah National Park. In West Virginia, for Senator BYRD, the West Virginia rivers.

There are items in here for every Member of the U.S. Senate, Mr. President. It is ready to go. All the minority has to do is take off the hold. Now, perhaps the administration has written off Alaska, and maybe they have written off Utah. But I don't believe they have written off California. This is a big issue for California. We are ready to go.

Why won't this administration let us take action on this? Why won't they take off their hold? Why won't they let us vote on it? We can still do it today while the House is in session. They want to line-item veto it after a democratic process in the authorizing committee. They evidently want to take over the role of the authorizing committee.

Well, it is a sad day, Mr. President, if indeed they prevail. They are going to have to be held responsible by the American people for killing the Presidio parks omnibus package and killing the work of my committee and its members for the last 2 years. It is going to have political implications for the administration when they have to explain why they killed our major effort in the Olympics, why they killed the Presidio, why they killed cleanup of the San Francisco Bay, why they killed Sterling Forest.

Again, I implore the Democratic leadership one more time to contact the White House and find out why they mandated a refusal to allow this body to pass this out, get it to the House and get the job done. We are all going to have to, I guess, recognize that we will come back in the 105th and start the process over again.

It is going to be different next year, Mr. President, because this package represents the inability to move these bills individually by Members having holds throughout the process. It is not going to be that way. We are going to move them out of our committee and move them to the floor. If we don't get action and there are holds, this Senator is going to stop the Senate process because I am going to refuse every unanimous consent that comes before this body. We are going to stop this process, because it is absolutely irresponsible. So let the administration recognize the responsibility that they are assuming for not allowing this package to go ahead. It is an injustice to 41 States and an injustice to America. It is an injustice to good Government.

Mr. President, I yield the floor, and 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. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

JUVENILE JUSTICE SYSTEM

Mr. ASHCROFT. Mr. President, I am pleased to have this opportunity to come to the floor today to talk about something that I consider to be a very serious responsibility which we in Government are failing to carry forward. I come to the floor today to point out a dismal failure in our culture, a failure that President Clinton has helped to disguise, and perhaps, has even compounded the problem with his own behavior.

Last February, Antoyne Preston White, 17, was arrested in Washington along with several fellow members of a juvenile car theft ring. White pleaded guilty, and was released several days later.

In April, he was arrested again, this time for sexually assaulting a 4-year-old girl. He pleaded guilty a second time. Sentencing in this case was pending when White allegedly shot and killed Mun Hon Kim, a mailman eating his lunch in his truck, on June 11th.

In total, White has been arrested 10 times in the last 3 years. Antoyne White's history is, unfortunately, typical of today's juvenile justice system. Teens with multiple arrests for felonies, sexual assaults, or violent crimes are returned to the streets and repeatedly taught by our system that they can evade and avoid punishment.

In theory, our laws are protecting kids from the stigma of a permanent record. But, in reality, our laws are coddling stone-cold killers who hide behind the fact that they are teenagers.

Juveniles now account for almost 20 percent of all the violent crime arrests and over one-third—one out of every three—property crime arrests. Yet, we continue to treat the majority of these criminals as if they were just good kids gone wrong.

Criminologists predict that the baby boom of the 1980's will bring an explosion of young street criminals as we move into the next century. To deflect this onslaught of violent teens, the President has recommended what he calls a—these are his words —''gentle combination'' of laws and prevention programs. This ''gentle combination,'' in the words of the President, includes more proposals for midnight basketball, school uniforms, and curfews—more mandates from Washington, DC, for social programs that really would be best instituted at the instigation and creation at the local level.

I have to say that I believe this administration's ''gentle combination''—to use the words of the President—will not penetrate the hardened criminal mentality of these criminal prodigies such as Antoyne White. But today's conscienceless, young, violent predators are immune to these ''gentle combinations.'' They are accustomed to them. They have taken advantage of them. They thrive on them. So they are immune to these so-called ''gentle combinations,'' which are designed to teach right and wrong but simply have been distorted to provide authority and license for individuals to conduct very violent, heinous crimes.

President Clinton has done a good job of posing with the police and bragging about misleading statistics. The simple fact of the matter is that the only thing criminal about President Clinton's treatment of juvenile delinquents is his record in treating juvenile delinquents.

This administration is not even enforcing the laws that are on the books—laws that this administration demanded and called for—laws that this administration came to the Congress and asked for in the 1994 crime bill. Those laws which would be available and could be effective to stop the wave of violent predatory juvenile crime are being ignored by this administration.

This administration suggests that if we just have more social programming it can continue to ignore the laws which it asked for, not enforce those laws, and somehow, if we stick our head in the sand of these social programs, that the problem of predatory, juvenile, violent, vicious, random crime will go away.

For example, under the 1994 crime bill, it is a Federal offense for a juvenile to possess a handgun. What have we done about the thousands and thousands and thousands of juveniles committing crimes with handguns in violation of this Federal law that the President called for?

The record is not good. Here is what the record show: We know that handguns were used in the greatest proportion of homicides committed by juveniles from 1976 to 1991. The data is clear. Why isn't President Clinton's Department of Justice prosecuting these Federal offenses associated with these possessions of handguns by juveniles?

Over the last 5 years, only 14—over the last 5 years, only 14—juveniles have been prosecuted as adults for Federal firearms violations. Meanwhile, in 1994 alone, 63,400 juveniles were arrested for weapons violations nationwide. If you have 60,000 plus per year and over the last 5 years we have only had 14 prosecuted as adults for weapons violations, we have a clear failure on the part of this administration to carry forward seriously against the epidemic wave of juvenile crime that has terrorized citizens across America not only in our urban centers but in our rural areas as well.

In fact, the Clinton administration has prosecuted only 233 juveniles as adults since January 1993. At an average of 63,000 weapons offenses a year over the last 4 years, that would be over a quarter million offenses, and you have 233 prosecutions. We say we need more social programs, and we say we need more laws, and we have a law that makes it a crime for a juvenile to possess a handgun.

The vast majority of these crimes are committed with handguns, and we walk away blandly to the next political rally and talk about the need for more laws and talk about the need for more gentle combinations and social programs into which we can thrust our head like the ostrich in the sand, but we do not do what is possible. We do not do what the Congress has authorized in terms of addressing this problem constructively. We must begin to treat criminals as criminals. The idea that somehow you can have fewer than two prosecutions per State per year when we are overrun with juveniles using handguns in the commission of crimes clearly in offense against the Federal law enacted by the Congress in 1994, and this Justice Department turns its head, I do not understand. I do not understand how the President can go before the public and say, well, we have good data and we are moving in the right direction. We are not moving in the right direction.

This is not something that I raise as part of the political campaign. I addressed the National Association of Sheriffs several months ago in the presence of the Attorney General of the United States, with whom I was honored to share the podium, and I shared these same statistics at that time. I called upon the administration to begin to be serious about this epidemic which affects the safety, health, the quality of life, the existence, the capacity for life of so many people. Certainly, we cannot settle for the administration's record of two prosecutions per year per State.

I think we have to send an unmistakably clear signal. We have to say to young people who are criminals, ''You are going to be held accountable.'' We cannot say that you are going to be treated as if you did not do what you did because you have been smart enough to realize that you are young enough to get away with it. We have provided a shield so that they could be assaulting others and deflect any return fire. It is time for us to say you cannot use your age as a shield or as part of the weaponry you use for an assault on society. Especially when this Congress has provided that juveniles in possession of handguns are in violation of the law, it is time for us to prosecute them for these violations, tens of thousands, twenties of thousands—63,000 in 1 year, a typical year. The rate is going up, and we ignore it. We have 14 Federal firearms prosecutions over 5 years. There is more crime than street crime. Sometimes there is the unanswerable question about why we do not enforce the law we have and why we continue to ask for the promulgation of additional programs.

In this Congress, we have made efforts to hold violent juvenile predators such as Antoyne White accountable. We have offered commonsense proposals, proposals that would take the purveyors of random violence and death off our streets. Frankly, in each of the proposals I have made and the modifications that we have tried to make to accommodate those who objected—the Democrats—have blocked us at every avenue, coming up with new objections. They have come up with new reasons to say we want to just persist with the gentle combination of social programming and the like.

We Republicans have proposed making the records of violent and vicious juveniles more available to police, to judges and to school officials. Can you imagine being a schoolteacher and the juvenile records of a student are unavailable from another State, not part of the FBI system? A kid walks into the classroom wearing an electronic shackle, one of these radio transmitter bracelets so the authorities can keep track of him, but the juvenile laws and records are such that you cannot find out what this person did. As you start to go write on the blackboard, the student says, ''You don't know whether I murdered someone or raped someone, do you, Mrs. Jones?''. And Mrs. Jones says, ''No, I don't.'' He says, ''Well, you can't find out. I am protected as a juvenile.''

I have had teachers talk to me about situations just like that, and it is time we address those situations. But when we tried to, when we tried to provide that the records of violent and vicious juveniles be made more available to police, to judges and to school officials, we were blocked. A State trooper should know to be cautious with a 15-year-old repeat carjacker from a city across the country; the idea that kids just grow up in a single neighborhood now and the constable or the sheriff would know who the kids are in the area no longer holds true.

I talked to a sheriff from the middle of the State of Missouri, from a town called California, Moniteau County. I asked him what his biggest problem was. He said it was a couple of teenagers who had moved in from Cleveland and were developing the dope traffic there. I said, ''What is problematic about that?'' He says, ''I can't get any records. I can't get any information about them.''

It is high time that people who are involved as criminals be labeled as criminals, understood as criminals and treated as criminals. Yet, when we have wanted to do just a fundamental thing like make their records available, we have been stopped. The administration has been silent and congressional Democrats have dismissed this approach.

We have also proposed increasing funds available to States that try more juveniles as adults. Once again, the Democrats impeded this proposal. They said it was not a gentle combination, it was not gentle enough.

We have also intended that Federal Government would begin to carry its fair share of the load in juvenile crime fighting. As I mentioned a moment ago, it is baffling to me that we have a situation with this administration where the Department of Justice is not enforcing the laws that are currently on the books. As this session of Congress closes, the Clinton administration has failed to help us with laws relating to juvenile predators and to reform juvenile justice laws, and it is a shame. The President can pose with police, but this administration's failures surrenders our streets to juvenile predators. I think it is time for us to work together on that. Gentle combinations simply will not get the job done. These teen predators deal drugs, threaten lives, they maim and kill, and in the very near future, all of the experts agree—even President Clinton has conceded in his remarks—that there will be a veritable explosion of teen predators on the streets.

It comes down to this. We have to ask ourselves in Congress and in our culture, and we need to ask this of the President, do we uphold the principles of law and order or do we cling to the discredited notion that 16-year-old gangsters who shoot their victims over $5 act out of youthful folly?

I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

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

The PRESIDING OFFICER. The Senate is now in morning business.

Mr. LEAHY. Is there a time limit on statements?

The PRESIDING OFFICER. There is a time limit of 5 minutes, unless unanimous consent is obtained for a longer period.

BLOODSHED IN THE MIDDLE EAST

Mr. LEAHY. Mr. President, the United States has played a central role in the quest for peace in the Middle East, and in recent years we have seen remarkable progress. I will never forget standing on the White House lawn to witness the handshake that is etched in our memories between Israel's late Prime Minister Rabin and Chairman Arafat, signaling the beginning of a new partnership to end decades of bloodshed.

We had high hopes then, and I am among those who believe in the durability of the peace process. But the recent explosion of violence between Palestinians and Israelis in the West Bank and Gaza, the worst fighting since the 1993 peace accord, threatens to undermine the advancements that have been made and stability in a region of vital importance to the United States.

We have seen rock throwing crowds, Palestinian police firing on Israeli soldiers, Israeli helicopter gunships spraying bullets into houses and at unarmed civilians, gruesome photographs of the dead and wounded, and the look of terror on children's faces.

There is ample blame to go around. Under cover of darkness and without warning, the Israeli Government opened a tourist tunnel that runs virtually under a holy site revered by both Israelis and Palestinians. A mob response by Palestinians escalated into a firefight between Palestinian police and Israeli troops.

Even before this latest crisis, the shift in policy of Prime Minister Netanyahu on West Bank settlements reinforced the apprehension of Palestinians that Israel would not fulfill the agreements entered into by the Rabin and Peres governments.

The Israelis in turn can point to continued acts of terrorism and extremely hostile statements by its Arab neighbors have contributed to an atmosphere of increasing insecurity.

Mr. President, if we have learned anything in the Middle East, it is that violence will not solve the age old problems there. While I fully respect the decision of the majority of the Israeli people to change their leaders, I do not believe that the election signified a decision to abandon the peace process. Indeed, Prime Minister Netanyahu has indicated that he has no intention of doing so. His intentions, and his leadership, are being tested now.

The situation could not be more fragile. There is tremendous distrust on both sides. Each suspects the other of seeking advantage, and of failing to live up to prior commitments. As President Clinton has stressed, this is a time for both sides to refrain from provocative actions. The focus should be on emphasizing the positive, not accentuating the negative.

Mr. President, I know others believe as I do that the peace process can survive this latest catastrophe. But many lives have been lost in the past 2½ days, and many innocent people have suffered. For our part, the Congress should do everything possible to urge restraint, to renew our pledge to support the efforts for peace of both Israelis and Palestinians, and to condemn the extremists on both sides who would seek to sabotage these efforts.

Among the concrete steps we can take is to ensure that U.S. assistance to the Palestinians goes forward. With unemployment in the West Bank and Gaza estimated at over 60 percent, there is an urgent need to show the Palestinians that the peace process will lead to tangible improvements in their lives. These improvements can be the best engines of peace.

Mr. President, I want to commend President Clinton for his remarks on Thursday, and to urge him to continue to use his influence with both sides to stop the bloodshed.

I ask unanimous consent that two articles from today's Washington Post, describing the deadly actions by both sides, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 28, 1996]

IN GAZA, CIVILIANS FLEE IN TERROR, AS HELICOPTERS ATTACK FROM NIGHT SKY

(By John Lancaster)

RAFAH, GAZA STRIP, September 27.—Barely visible against the night sky, the Israeli military helicopter hovered several hundred feet above a darkened Rafah neighborhood. The beat of its rotors mixed with crack of gunshots as Israeli border troops exchanged fire with armed Palestinians hidden in nearby buildings.

Two Palestinian youths, eager to display their battlefield knowledge, argued about the model of the U.S.-made chopper that hung over the rooftops. ''Apache,'' said one. ''No, no,'' insisted the other. ''Cobra.''

Suddenly, the debate seemed academic.

With no warning and in the absence of any apparent threat from the young men gathered in a sandy alley—without visible weapons or involvement in the exchange of gunfire—the helicopter opened fire in a terrifying, thunderous burst that sent everybody scrambling for cover at the base of a concrete-block wall. A moment or two later, in the midst of another volley, a young man several feet away clutched his forehead with both hands and fell to his knees, his face a mask of crimson.

''I'm hit! I'm hit!'' he screamed.

Things had not started out this way. For the better part of the day, calm seemed to prevail in the teeming, semi-autonomous Gaza Strip. Residents observed the Muslim day of rest. Palestinian police politely dispersed crowds of teens who gathered to

throw stones at Israeli troops. That was in sharp contrast to Thursday's armed clashes that killed 24 Palestinians and five Israelis in Gaza.

By late in the day, however, violence had again erupted in Gaza. The flash point this time was Rafah, a ramshackle town of potholed roads and half-finished concrete building that serves as the gateway between Egypt and the Palestinian self-rule area in the Gaza Strip. The border crossing is guarded by Palestinians on one side and Egyptians on the other, with Israeli troops manning posts in between.

Witnesses said the trouble began around 3 p.m., when large crowds of young people began throwing stones at the Israeli posts. According to the witnesses, the Israelis then open fire on the crowds. Next, armed Palestinian civilians began returning fire from nearby buildings.

[The Israeli army said shots also were fired from the Egyptian side and that the helicopter gunships were called in to rescue trapped soldiers after an Israeli colonel was killed and six soldiers were wounded, the Associated Press reported.] The accounts could not be independently confirmed.

Palestinians in Rafah said their police at least tried to avert the clash. ''The Palestinian police tried to stop me,'' said Akram Louli, 21, a student at the Islamic University in Gaza who was among the stone-throwers. ''They told me, 'Leave this area and go away.'''

But the police also appeared to be doing their best to avoid confrontation with the protesters. ''They were so polite,'' Louli said, adding that when they asked him to leave, ''I told them, 'No, I don't want to go,' so they left me and went to push away some other kids.''

Ahmed Hassan, a 25-year-old policeman, said he and his fellow patrolmen were ''trying to calm down the situation'' on orders from the Rafah police captain. But he added: ''The people have too much anger. They are very courageous. They are not listening to the police.''

Louli, the student, seemed to confirm as much when he vowed that he would be on the streets the next day. ''I am planning to do the same thing I did today,'' he said to murmurs of approval from the young men at his side. ''The incidents are going to be bigger.''

The city seemed relatively calm at dusk. Shops were open, and children played on piles of sand used in construction. Closer to the border crossing, however, the streets grew dark, residents and shopkeepers having turned out many of their lights.

A moment later it was clear why. Two young men, one carrying a rock in each hand, waved down our vehicle and told us to douse the headlights. They said the lights could draw fire from the helicopters, which could be heard plainly. Other drivers apparently had heeded the same advice; occasionally they flashed their lights to illuminate an intersection or perhaps a child.

On a side road, the gunfire became louder, and it seemed prudent to go no farther. We stopped the car and darted into a sandy alley where perhaps 20 teenagers and young men were leaning against a building. Cocksure and chatty, the youths said the helicopters had been firing on the area sporadically, displaying several large brass cartridges that they said had come from their cannons.

They said the gunfire from the buildings came not from Palestinian police but from armed civilians who had ignored police orders to leave the area.

After a few minutes, one of the men offered to show a nearby home that he said had been fired on by a helicopter. The owner, Talal Salah, led the way into a cramped rear bedroom, then pointed to a fist-sized hole in the ceiling that he said had been caused by shrapnel from an Israeli cannon shell at 5:30 p.m. Salah, 35, said his two small children were lying on the bed at the time but escaped injury.

We left the home in a large group, and as we emerged from the narrow alley in front of the house, the helicopter opened fire. The young men's cockiness suddenly vanished. The chopper fired perhaps three more bursts. It was after one of them that the young man clutched his forehead and fell to the ground.

In a panic, his companions rushed to his side. ''The car! The car!'' they yelled, indicating they wanted to take the injured man to the hospital. As they carried him to the car, however, the helicopter unleashed another volley and the crowd scattered. Several people ran down the street away from the car, feeling nearly naked under the light of a street lamp that had not been turned off.

After running for perhaps 50 yards, I was welcomed into a small restaurant by a man pointing to the sky in warning. A girl of perhaps 4 peeked out from the door of a makeshift home. After offering a glass of water, one of the people inside guided me to a nearby hospital, where I found my Palestinian journalist companion and the injured man.

''It's not safe here,'' the journalist said, guiding me to his car before I could inquire about the man's condition. ''We should leave.''

[From the Washington Post, Sept. 28, 1996]

PALESTINIANS, ISRAELI POLICE BATTLE ON SACRED GROUND—CLASHES COOL ELSEWHERE AS GUNS MEET STONES IN JERUSALEM

(By Barton Gellman)

JERUSALEM, September 27.—Israeli police and border guards this afternoon stormed Jerusalem's Temple Mount, a holy site for both Muslims and Jews, and shot dead three young men as a stone-throwing crowd of worshipers emerged from Friday prayers at al-Aqsa mosque. The clash brought the third day of bloodshed between Israelis and Palestinians to an emotional crescendo at the plot of ground that embodies their national and religious divide.

But even after that incendiary clash, or perhaps because of its implications, the two sides stepped back carefully from confrontation elsewhere. In all, nine people died in street battles today, according to hospitals and Israeli and Palestinian officials, and a major gun battle raged tonight in the Gaza border town of Rafah between armed Palestinians and Israeli troops, who opened fire on groups of civilians from helicopter gunships. But direct firefights involving uniformed Palestinian police nearly ceased, and forces loyal to Palestinian leader Yasser Arafat planted themselves between demonstrators and Israeli troops in Nablus and Ramallah in the West Bank and in many parts of the Gaza Strip.

After a three-day death toll of 66—52 Palestinians and 14 Israelis—both sides seemed headed back from the brink of genuine war. The sullen stalemate to which they returned sounded much the same as the one that began the week, and it was not obvious tonight whether the traumas that intervened had done more to harden their positions or to spur them toward new political steps.

''Maybe we've gotten through it,'' said an exhausted U.S. consul general in Jerusalem, Edward Abington, who worked through the night on Thursday and all day today to broker a still-unscheduled summit between Arafat and Israeli Prime Minister Binyamin Netanyahu. ''I don't know for sure, but it's a possibility.''

Netanyahu, in his first public remarks since returning from an aborted European tour, accused Arafat's Palestinian Authority of ''willful and untruthful incitement'' against the Jewish state. ''I tell him today: Our hand is stretched out to you in peace, but we will not agree that during the negotiations there will be a war option too,'' the premier said in a news conference with his security chiefs, maintaining that the Palestinians were using the threat of violence to extract concessions.

After two days of telephone diplomacy by Secretary of State Warren Christopher, State Department spokesman Nicholas Burns said the United States believes a meeting between Netanyahu and Arafat ''will be held very soon.''

According to witnesses on both ends of a 30-minute phone call between Netanyahu and Arafat after 2 a.m. (8 p.m. EDT Thursday), the Israeli leader warned Arafat to put a stop to Palestinian police rifle fire at Israeli forces and said he would use ''every means available'' to respond if it resumed. Netanyahu deployed tanks and armored personnel carriers outside Nablus, Ramallah and Jericho to underscore the threat, and hawks in his cabinet said he had waited too long already and should use them.

But the worst violence of the day came in the old style of the six-year uprising against Israeli occupation that began in 1987: Palestinians threw rocks on the Temple Mount, and Israeli forces responded with overwhelming force.

The Temple Mount—where the third-holiest mosque in Islam rises over the Western Wall, which is Judaism's most sacred site—was regarded from the start as today's greatest risk. Israel ringed the walled Old City with more than 3,500 police and border police, who stopped and frisked young Arab men all morning.

With Arafat calling for a return to calm, fewer worshipers than usual—well under 10,000—turned out today at the sprawling al-Aqsa mosque, which faces the Dome of the Rock across a broad plaza. Mohammed Hussein, who delivered the sermon inside the 8th-century mosque and by loudspeaker audible for blocks, said the Netanyahu government committed ''a crime against God'' by completing a tunnel adjacent to the outer wall of the Temple Mount, which Muslims call Haram Sharif.

''These are great confrontations for al-Aqsa,'' he said, voice booming. ''It's your religious duty to defend al-Aqsa.''

Israeli Internal Security Minister Avigdor Kahalani, in an interview at the scene, said his troops did not open fire until worshipers departing the mosque threw ''thousands and thousands of stones at police'' standing at the gates and at Jews standing on the Western Wall plaza below. ''We're not going to turn the other cheek,'' he said, adding that police had responded with ''a little gas'' and ''a few rubber bullets.'' He denied categorically that live ammunition had been used.

That account conflicted with some of the physical evidence and the recollections of witnesses atop the Temple Mount, including a Dutch relief worker interviewed at Makassed Hospital in East Jerusalem. There were no stones visible on the Western Wall plaza, and Jewish witnesses there said none or nearly none had fallen. Many stones were scattered atop the Temple Mount, but they were concentrated in the central plaza as if thrown at targets who were already inside.

Palestinian and a few foreign witnesses, corroborated in parts by amateur videotape shot on the mount, said hundreds of Israeli troops rushed in swinging clubs and fired hundreds of rounds of steel-cored rubber bullets, which can be lethal at close range. Doctors at Makassed Hospital, where three of the wounded Palestinians died and 48 others were admitted, allowed reporters to inspect X-rays demonstrating that some of the

wounded had been struck by conventional high-velocity rounds from Israeli M–16 assault rifles.

For more than an hour after the confrontation, wounded Palestinians were carried out in haste through stone alleyways toward the gates of the Old City. Frantic friends and relatives raced toward the hospital with a women bleeding from the head, a man unconscious on a stretcher, an old man in a wheelchair with bleeding wounds in the chest and arm, another old man bleeding from the head and several more injured.

Many worshipers were still praying inside al-Aqsa mosque when the confrontation began outside. Some of those on the plaza ran back inside, and the Israeli forces fired through the doors and open windows, causing many more casualties.

''Bullets were flying over our heads,'' said Hussein Adib, 47. ''The rugs on which we were praying were covered with blood.''

If the Temple Mount was the day's great failure, Nablus was its success. Six Israeli soldiers died there Thursday at Joseph's Tomb, traditional burial place of the biblical patriarch and an island of Jewish control in the Palestinian self-ruled town. By nightfall Thursday, about 40 Israeli soldiers remained, surrounded by hundreds of Palestinian troops.

On-scene negotiations through the night between Maj. Gen. Uzi Dayan, chief of Israel's Central Command, and Maj. Gen. Haj Ismail Jabber, chief of the Palestinian West Bank police, worked out a cease-fire. This morning, when demonstrators from the Balata Refugee Camp tried to resume the attack, senior Palestinian Authority leaders linked arms and, backed by Palestinian troops in riot gear, stood between the angry crowd and its Israeli targets. Similar scenes played out in Jenin and Ramallah.

There were a few places in the territories today where uniformed Palestinian troops joined again in attacks on Israeli soldiers. Two Israeli border guards and a Palestinian policeman died in a gun battle outside the northern West Bank town of Tulkarm, and Palestinian policemen helped attempt to storm an Israeli army post outside the self-ruled town of Jericho.

In Gaza, Palestinian police appeared to make a genuine effort to avert further clashes, though there was some question as to how far they were willing to go to rein in angry Palestinian youths.

Near the Erez crossing point, scene of some of Thursday's bloodiest battles, about 30 armed Palestinian police in olive drab uniforms formed a cordon across the road to keep out potential protesters.

Protesters did converge on another potential flash point, the crossroad leading to the Jewish settlement of Netzarim. But police prevented them from getting anywhere near the Israeli posts.

In some cases, police officers handled the mostly youthful protesters with almost fatherly indulgence, sometimes draping an arm around a shoulder to emphasize their eagerness to avoid confrontation.

''What we had yesterday was enough,'' explained police Capt. Shaban Awad. ''Fifty killed—it's enough. We want to avoid more violence.''

In Jerusalem the tunnel that sparked three days of lethal conflict was closed to tourists today.

In many parts of Israel and the Palestinian self-rule territories, attention turned from fighting to burying the dead. Israeli Staff Sgt. Itamar Sudai, who died at Joseph's Tomb Thursday, was laid to rest at Mount Herzl with eulogies from top army brass and a tribute from a survivor of the battle there.

''My brother,'' said the young soldier, identified only as Uri, ''you've gone before me. All our dreams were so close to being realized. So close and in a minute, everything's gone.''

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I ask unanimous consent I be allowed to speak up to 10 minutes.

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

THE NATIONAL DRUG EPIDEMIC

Mr. COVERDELL. Mr. President, this past week, in one of many revelations about what I have characterized as a national drug epidemic in our country in the last 36 months, it is hard to believe the policy reversals could lead to such dramatic behavioral changes so quickly.

The national parents organization called PRIDE, which is headquartered in Atlanta, issued a press release this past week. It is just stunning. The percent of illicit drug use by 12th graders, annual usage is up 43 percent; monthly usage is up 67 percent; weekly, 88 percent; daily use, up 147 percent. These are 12th graders.

Percent of illicit drug use by 6th to 12th graders, from 1987–88 to 1995–96, annual use up 58 percent; monthly, 72 percent; weekly, 88 percent; daily use, 126 percent.

It just goes on and on. This, of course, tracks the report issued by our own Government within the last several months, except this is even more alarming and more comprehensive.

To read one quote from Doug Hall, who is the executive director of this prestigious organization, he says, ''This is not so-called recreational use. This is marijuana, cocaine, heroin, LSD, and amphetamines. This is not experimentation. This is monthly, weekly, and daily drug use. This is a human tragedy.''

What is irritating about this is that our Attorney General has said very recently, drug use is really getting better. The Attorney General needs to read this report. The administration needs to read this report. The last thing we need is a message to our children, or to the parents who guide them, that things are better off. They are not. They are worse off. And they are dramatically worse.

What does this mean? Does it mean that all these increases, that 16 people are using it instead of 8? What this means is 2 million teenagers are now ensnared in drug cultures who would not have been, had we continued to pursue the programs that have proved so effective from 1980 to 1992.

This is an article from Investors Business Daily. It came out this past week. It says, the headline, ''The Drug Study You'll Never See.'' Subheadline, ''Buried Drug Study.''

This study, of which a very limited number of copies exist, was uncovered by the media. I am going to read just several paragraphs from this:

GOP Presidential candidate Bob Dole says Bill Clinton's ''liberal policies'' have failed to stem a surge of illegal drug use over the past three years.

President Clinton and his allies say Dole is just playing politics with the issue to improve his chances in the election.

The Dole camp may be right. And, what's more, the Clinton team seems to know it.

The Clinton administration has squelched a politically embarrassing study that its own Defense Department commissioned two years ago. The study shows that drug interdiction—seizing and destroying illegal drugs before they get into the country—works to cut down use.

And that contrasts sharply with the President's preference for funding addict treatment programs over law enforcement.

It goes on and describes the shutdown of the drug war that was underway from 1980 to 1992. Just to name a few:

Clinton used the Rand study to support a ''controlled shift'' of anti-drug money and manpower from drug interdiction to treatment. As part of that shift:

[They] cut the drug office staff by 80 percent.

Military resources for stopping traffickers in transit were cut almost half, by 1995 . . .

Coast Guard interdiction funding dropped almost one-third, from $443.9 million in 1992.

Meanwhile, Clinton delivered on his promise to increase treatment spending, which grew by 21.5 percent.

I am an admirer of General McCaffrey, the new drug czar. But these allegations are very serious, that his office prevented the distribution of this report, and I am very hopeful that he will come forward and allay our concerns that that actually happened.

The point is, we have a Government study from HHS which documents that drug use has doubled in the last 36 months, has increased 33 percent in the last 12 months. We have this PRIDE report, which shows that it is getting worse at every level and that it is not fun and games. This is hard use that is increasing. We have a reported allegation of a serious study that points out that the interdiction and enforcement policies were not working. Certainly, the empirical evidence of what has happened over the last 36 months suggests that would be the case, and now a suggestion that this report was hidden.

Mr. President, this is serious business, and the drug czar's office must clarify for the American people what the circumstances were surrounding this report that has been denied public access.

There was recently a little-noted argument with regard to the growing crescendo about what is going on here with regard to increased teenage use of drugs of all kinds. But we have now a report, which I think the White House is going to have to clarify, that President Clinton has pardoned some six to seven drug dealers. The names are now public:

David Christopher Billmaier, New Mexico, sentenced in 1980, has now been pardoned. He was sentenced on possession with intent to distribute amphetamines, and he has been pardoned by the President;

Carl Bruce Jones, western district of Missouri, charged with distribution of marijuana, use of a telephone in distribution of marijuana, has been offered a Presidential pardon;

Candace Deon Leverenz, northern district of California, date of sentence, 1972, unlawful distribution of LSD, pardoned by the President;

Susan Lauranne Prather, western district of Arkansas, charged with causing marijuana to be transported through the mail, pardoned;

Patricia Anne Chapin, western district of Missouri, falsifying prescription for a controlled substance, pardoned by the President;

Jackie A. Trautman, northern district of Ohio, sentenced in 1992. Unclear whether this is original or reduced sentence. Probably the latter. Thirty-three months imprisonment, conspiracy to distribute cocaine, pardoned by the President.

Johnny Palacios, middle district of Florida, 71 months imprisonment, conspiracy to possess with intent to distribute marijuana, pardoned.

Mr. President, as we are now learning, there is a massive program on the part of the administration to accelerate the naturalization of citizens. The objective is to naturalize 1.3 million applicants during this fiscal year, reminding ourselves that last year it was 450,000.

The problem with speeding this up is that the FBI checks are not completed, and we have now certified that at least 5,000 are guilty of crimes, murder and rape amongst them.

This all goes together, and, Mr. President, the message here is probably the most important thing with the pardons and with the change in policy, this cavalier approach of the President in saying on MTV when asked, ''Would you inhale if you had a second chance?'' ''Yes, I would. I should have the first time.''

The message that sends to 8-year-olds, 10-year-olds, 11 and 12, the most vulnerable of our populations, is that it is OK and it is not dangerous.

The result is in, and it is tragic, it is epidemic, and it is deadly serious. My message to parents is, you better be talking to your children. They are in a drug-infested environment, I don't care where they live. The first line of defense before we can turn this program back, which the Congress will have to do, with or without the help of the administration, is for parents and policymakers and businesses and colleagues at home to warn their friends and neighbors and sons and daughters.

Mr. President, I yield back any time remaining, 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. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

(The remarks of Mr. STEVENS pertaining to the introduction of S. 2156 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

RELOCATION OF THE PORTRAIT MONUMENT

Mr. STEVENS. Mr President, House Concurrent Resolution 216, to move the Suffrage Statue from the crypt to the rotunda is a good compromise.

I congratulate Representative CONSTANCE MORELLA and the leadership of the House for devising and approving this measure.

The House resolution compliments the resolution passed in the Senate last session and recognizes three important women leaders: Elizabeth Cady Stanton, Lucretia Mott, and Susan B. Anthony; and an important right—the right for women to vote. That change in our democracy changed the world.

This statue will inspire some 4 million visitors to the rotunda next year with the physical reality that this Nation was shaped by both men and women leaders.

There are several people that deserve special recognition: Of the $75,000 required for the move, $1,600 was raised by 9-year old Arlyss Endres from Arizona; Coline Jenkins—the great granddaughter of Elizabeth Cady Stanton—worked tirelessly with the Woman Suffrage Statue campaign committee.

Marian Miller, vice president of the Federation of Republican Women, and political activists from both sides of the aisle such as Republican Ann Stone and Democrat Joan Wages, demonstrated the commitment of women across the Nation to this cause.

Among the literally thousands of men and women contributing their time and money to this project, I would like to recognize for the record the work of Shelley Heretyk, Kay Cash-Smith, Maia Greco, Sherry Little and cochairs Joan Meacham and Karen Staser.

The resolution affirms our respect for the historic contributions of women.

There is an unfinished portion of the statue that represents future generations of women leaders. My hope is that young women, like my own daughters, will take inspiration in the accomplishments of these historic figures.

Mr President, these were real women who made real sacrifices to accomplish real social change. I am gratified that the Congress has acted to recognize them with this resolution.

Mr. WARNER. Mr. President, I rise today in support of House Concurrent Resolution 216—a resolution that has received unanimous support in the House of Representatives. This resolution directs the Architect of the Capitol to relocate to the Capitol rotunda, the suffrage monument of Elizabeth Cady Stanton, Susan B. Anthony, and Lucretia Mott, three pioneers who fought for women's enfranchisement.

In the House, this legislation passed under the able leadership of Congresswoman CONNIE MORELLA from Maryland. This resolution represents a 76-year battle to honor these visionary women. First presented to the Congress in 1921, the all-male legislature unveiled the statue with fanfare and pageantry in the Capitol rotunda. Not one day later, the sculpture was promptly ushered to the relative obscurity of the Capitol crypt. Four legislative attempts and 75 years later, my good friend and colleague from Alaska, Senator TED STEVENS, secured the support of the Senate for this bill to commemorate the milestone anniversary of woman's suffrage. The House of Representatives then considered the measure and expressed concerns about the use of public funds for the relocation costs. As a result, the resolution was tabled and negotiations for an acceptable compromise began.

Mr. President, I am proud that this compromise has the unanimous support of the House of Representatives, the U.S. Senate, 72 national women's organizations and the very dedicated woman suffrage statue campaign. House Concurrent Resolution 216 will allow women across America the opportunity to personally participate in making their history visible. Armed with $75,000 in donations from citizens across the country—dollars from schoolchildren in Arizona, businessmen in Tennessee, as well as many committed women from my home State of Virginia—the woman suffrage statue campaign is now prepared to donate those funds to recognize women's rich achievements in our society. This resolution will also create a bipartisan commission to select a permanent site for this monument and develop an appropriate educational display that will focus on the lives and hard-won struggles of these crusaders. This is a solid compromise that represents the views of the House of the Representatives, the U.S. Senate, many diverse women's organizations, and, I believe, the views of most Americans.

Mr. President, I want to recognize those individuals who have been truly committed to this effort: The thousands of American citizens who contributed their hard-earned dollars toward this worthy cause. Those who spread the word to friends, sisters, mothers and daughters about the campaign. Members in the House, Representative MORELLA, Representative SCHROEDER, and Representative JOHNSON for their diligence in reaching this compromise. And especially Karen Staser and Joan Meacham, cochairs of the woman suffrage statue campaign, and Sherry Little of my Rules Committee staff. All of these individuals have worked diligently to make this historic piece of legislation a reality.

Mr. President, this bill represents 76 years of effort on the part of American women. I am proud to say that passage of this legislation ensures that every American who visits the U.S. Capitol

will see the history of the woman suffrage movement preserved in our Nation's rotunda. I am honored to have taken part in an effort that, after so many years, makes visible the traditions of equality and democracy that make our country great.

USA TAX PLAN AND ITS PROVISIONS PROMOTING INTERNATIONAL COMPETITIVENESS

Mr. NUNN. Mr. President, today I would like to again discuss tax reform and in particular an aspect of the unlimited savings allowance [USA] tax plan which I believe is very important to our Nation's future—the USA tax plan's tax treatment of exports.

Before discussing this specific issue, I would like to refresh the memories of my colleagues about why the replacement of the current Tax Code with a superior alternative is so necessary for the health of the country and our economy. In my judgment, until we make this case to our fellow citizens on the economic merits of fundamental change, structural tax reform will not happen.

Central to this case is the urgent need to raise the level of national savings. It is critical that we recognize the current bias in our Tax Code against the saving and investment that are the key to higher living standards, and take steps to correct that bias.

Higher savings lead to more investment. More investment will, in turn, lead to increased productivity from American workers. The more productivity we have from our workers, the more competitive we are in the international arena. The more competitive we are in the international arena, the better jobs we have. The better jobs we have, the higher income we have as Americans.

Our current saving rate is low by our historical standards and it is the lowest of all major industrialized nations.

In the 1980's, our savings rate dropped to an average of 3.6 percent, half the level of the 1950's, 1960's, and into the early 1970's. In the first 5 years of this decade, 1990 to 1994, the U.S. savings rate has fallen almost 50 percent from the already low levels of the 1980,s, to just 2.1 percent, and reports show that our savings rate is continuing to erode. This is far below the comparable figures of 10 percent in Germany, 18 percent in Japan, and the even higher savers along much of the Pacific rim.

Without adequate savings, our level of investment will continue to be correspondingly low. Low saving, in short, directly imperils our future standard of living.

Behind the saving shortfall lurks a very serious abdication of our economic responsibility to the next generation of Americans. We seem to have forgotten the principle tenet of the American dream—that, like our forefathers did for our generation, we must improve and better prepare our country for the generations that follow.

Every day we are bombarded with messages equating spending with the good life and a strong economy—in short, consumption as personal privilege and patriotic duty. Proponents of thrift have been made to appear self-punishing, antisocial, and scrooge like.

Nothing could be further from the truth. Saving is simply the deferral of some consumption today so that we and our children can consume more in the future. Because our current level of national saving is so low, we cannot be assured of vigorous economic growth in the future. Politically, the failure of Americans to save for their future—one study estimates that the average American has about $7,000 in assets in retirement—means that entitlement programs such as Social Security have become economic life rafts that can not indefinitely support the load they are being asked to carry.

Polls have shown that a majority of today's younger generation believe it is more likely that UFO's exist than believe the Social Security program will exist—in its present form—when they reach retirement age. As our former colleague Russell Long used to point out, leadership if often determining which direction the people are going and running like heck to get in front of them to lead them where they already are going. The American people have a better understanding of the problems we face as a Nation than our political leaders seem to acknowledge and it is incumbent on our Nation's leaders—the President and the Congress—to begin to exercise responsible leadership in developing long-term policies to address these shortcomings.

As most of my colleagues acknowledge, the best thing we can do to improve national saving is to balance the Federal budget. Chronic budget deficits have in recent years siphoned away what meager private and business saving we have managed to amass. It has driven up the costs of acquiring this capital and it requires that we run massive trade deficits to finance our country's need for capital.

But progress against the deficit isn't enough. We have an even more difficult task before us: Helping our fellow citizens to understand that thrift isn't counterproductive to the long-term health of the economy.

This is a matter of leadership. But it is also a matter of policy. And that is where fundamental tax reform comes in.

For it is inescapable that the current Tax Code, because of its bias against saving relative to consumption, subsidizes the present at the expense of the future.

That is the core, intrinsic, systemic problem that requires fundamental correction. It is around this fact—that the government extracts revenues from the economy in a way that hinders the ability of people to provide for their futures and of companies to grow—that a lasting movement for change can be built.

Certainly it was America's saving and investment crisis that motivated Senator DOMENICI and me to develop the USA tax system. Our proposal rests on a few central features designed to end the current code's bias against saving and investment.

First, the USA individual tax treats all income alike regardless of source and it taxes that income once and only once.

Second, the USA individual tax permits every taxpayer an up-front, overt, and unlimited deferral on that part of their annual income they use to add to their total saving.

Third, the USA business tax allows the expensing of all real business investment.

These three points are at the revolutionary heart of the USA tax. They constitute a revolution in the tax base—in what we tax and how we tax. That is where the revolution is needed and where, given public understanding, it can have its most lasting impact.

The USA tax plan has other important features. It is more efficient then the current tax Code. According to the tax Foundation, the USA tax plan would cut by 76 percent the compliance costs now imposed by the individual and corporate income taxes.

In terms of fairness and understandability, the USA tax treats all income alike. It treats all businesses, from corporations to partnerships to farmers to sole proprietors, alike. It retains the progressivity of the current code.

It is designed to be revenue neutral. It is internally inconsistent to try to encourage private saving on the one hand and encourage public dissaving on the other. The USA tax maintains the proportion of the overall tax bill paid by individuals and businesses. There is no intention like the 1986 tax Reform Act to shift the tax burden from individuals to the corporate community.

The USA tax also grants to employees and to employers a dollar for dollar tax credit for the deeply regressive FICA payroll taxes. I have addressed this very important feature of our proposal in separate remarks.

Today, I would like to highlight another key feature of the USA plan, its treatment of imports and exports. With respect to competitiveness, the USA business tax levels the international playing field for American business by implementing a territorial and border adjustable tax. All goods, whether produced here or abroad, sold in the United States will bear the same US tax burden, while U.S. exports will not carry the cost of U.S. taxes when sold abroad.

Mr. President, many times I have heard my colleagues say that we must have a level international playing field on trade issues. I can recount some of the numerous legislative initiatives, including the super section 301 provision, the Market Promotion Program, and the Export Enhancement Program, that have been enacted to provide this level playing field. I have supported

many of these efforts. We recognize that we live and compete in a global economy. This economy is intensely competitive and it is increasingly important to our economy that the United States remain a global economic leader in this area. If anyone questions how important trade is to our economy, consider the following: Exports currently comprise 8 percent of the american gross domestic product [GDP] and 11 million jobs. If you include imports and cross-border investment with exports, trade-related components represent roughly one-third of the American economy. So we can and should continue to encourage U.S. exports.

To do so, we must address the single largest impediment currently shackling U.S. industry in its efforts to compete in the global economy—the current Tax Code.

As Salvatore Barone, the president of Harper Surface Finishing Systems, Inc., of Meriden, CT, and the chair of the International Trade Committee of the Association for Manufacturing Technology, pointed out in his July 18, 1996, testimony before the House Ways and Means Committee:

> . . . the present federal income tax in the Internal Revenue Code of 1986 is almost exactly opposite of what is needed to serve the best interests of the United States. Had one set out by design to create a tax system that works against us (and, therefore, in favor of our foreign competitors), it is hard to imagine a more successful job than the present federal income tax. It discourages saving and productive capital investment in the United States; it favors imports over exports; it makes it hard for U.S. companies to directly compete in foreign markets; and, if they do, it discourages them from bringing the money home for reinvestment in the United States.

I agree wholeheartedly with Mr. Barone. He has hit the nail on the head. At this point, Mr. President, I ask unanimous consent that the entire text of Mr. Barone's testimony be printed in the RECORD. I would recommend to my colleagues this testimony's international competitiveness index which grades various tax proposals in the international trade arena.

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

TESTIMONY OF AMT—THE ASSOCIATION FOR MANUFACTURING TECHNOLOGY

I. INTRODUCTION

I am Salvatore V. Barone, President of Harper Surface Finishing Systems, Inc., Meriden, Connecticut, and I am testifying today on behalf of AMT—The Association For Manufacturing Technology, whose International Trade Committee I am honored to chair. AMT is a trade association whose membership includes over 350 machine tool building firms with locations throughout the United States. America's machine tool industry builds and provides to a wide range of industries the tools of manufacturing technology including cutting, grinding, forming and assembly machines, as well as inspection and measuring machines, and automated manufacturing systems. The majority of the association's members are small businesses.

Today's topic—international competitiveness—embodies the essence of your Committee's continuing series of hearings on fundamental tax restructuring: the need to concentrate on creating a new tax system that will serve the long-term national interest in a global economy.

America urgently needs a tax system rebuilt from the ground up around a new set of design principles to compete and win in world markets. That is fact one. Fact two is also obvious: the present federal income tax in the Internal Revenue Code of 1986 is almost exactly the opposite of what is needed to serve the best interests of the United States. Had one set out by design to create a tax system that works against us (and, therefore, in favor of our foreign competitors), it is hard to imagine a more successful job than the present federal income tax. It discourages saving and productive capital investment in the United States; it favors imports over exports; it makes it hard for U.S. companies to directly compete in foreign markets; and, if they do, it discourages them from bringing the money home for reinvestment in the United States.

At the very time that successful competition in world trade has become increasingly important to national well-being, we are plagued by persistent trade deficits. We have become a debtor nation, dependent on borrowing from abroad. Productivity has lagged; real wage growth has been slow; annual economic growth rates have been less than satisfactory; and federal budget deficits have continued to mount. Given the seemingly intractable nature of these failings, some people have characterized the 1990s and beyond as an ''age of diminished expectations'' for America. From an international perspective, some pessimists may mistakenly view world trade as exporting more U.S. jobs than American-made products.

We at the AMT do not share this pessimistic view about the future. We believe that American industry can compete and win and that successful competition in world trade is the key to the kind of enhanced economic growth on which a more secure and prosperous America depends. We say this from the perspective of the industry which produces the machinery and new manufacturing technologies used by other businesses to produce products sold here and around the world. We are at the heart of the productive process—putting more and better factory-floor technology in the hands of American workers. We are also substantial exporters ourselves. About 35% of the output of our industry is exported. In total, we employ 53,300 people and most of these jobs are good paying manufacturing jobs using the best and newest technologies. My own company is one of the smaller members of the industry, but we employ approximately 50 people and, to date, more than 68,000 of our modern surface finishing systems have been installed worldwide. In recent years, 15 to 20% of our sales have been exports. Thus, we are strong believers in export trade and in the benefits to America that derive from an ever increasing flow of ''American-made'' goods into global markets.

We also believe that American businesses and their employees should be able to compete on a level playing field; most particularly that the tax system of the United States should not be biased against our own best interests in the global marketplace. American-made machine tools comprise only 13% of the world supply. Worse, about 50% of the machine tools used in the United States are of foreign origin. How much greater would our share of domestic and foreign markets be if the American tax system were not biased against us? It is hard to say. The same is true of American industry in general. Taxes are not the only factor as we all attempt to compete at home and abroad against foreign competitors. But we and our employees would like to have the opportunity to compete on a level tax playing field and we believe it is a matter of urgent national policy that we and they be given the chance.

It would be one thing if the anti-investment, anti-export biases in the Internal Revenue Code of 1986 were necessary—if there were no alternative. But that is not the case. There are alternative tax systems which are not only far more congenial to successful international competition but also more fair, efficient and consistent with the best interests of the United States and the American people. We hear much about ''tax fairness'', but there is certainly nothing fair about a tax system, such as the present federal income tax, which impedes economic growth, costs jobs and lower's living standards.

For the most part, the pro-job, pro-growth alternative tax systems are well-known and well-developed in substantial detail. The principal ones are identified in the notice of your Committee's hearings. We applaud the Chairman and the Committee for putting the international focus on the leading alternative tax systems and we welcome the opportunity to comment on them. This Committee, this Congress, and the next, have an historic opportunity to fundamentally restructure the American tax system for the better. Just as it is vital that we not lose that opportunity, it is equally vital that we not lose sight of the world trade aspects amidst the many other concerns that bear upon taking such a monumental step.

Focusing on international trade necessarily puts a heavy emphasis on taxes paid by businesses, but, in doing so, we do not mean to diminish the importance of the way individuals are taxed under any new alternative tax system. Successful international competition depends on a higher level of personal saving and investment in the United States. Therefore, from every perspective, fundamental tax reform must begin with removing the present strong bias against saving. Individuals should either be allowed to deduct the amount they save (and later pay tax when they withdraw their deferred income from the national savings pool) or, if they are allowed no deduction, the earnings on their savings should be excluded from tax. So long as the present bias against personal saving exists, no matter how good the new international tax rules may be, the U.S. economy will not be able to compete at its full potential in the global market. Similarly, to the extent that corporations and other businesses are taxed separately from individuals, businesses should be allowed to expense capital equipment purchases. Fortunately, the present law penalty on personal saving and business capital investment is so indefensible that its elimination is now almost synonymous with fundamental tax restructuring. In one way or another, elimination of the bias against saving and investment is embodied in all the leading alternative tax proposals we have evaluated. In that respect, AMT endorses them all.

Before going on to evaluate and compare the strictly international tax rules of the leading alternatives—most notably as related to exports, imports and taxation of foreign-source income—AMT would like also to share with the Committee a few overall perspectives which we believe are highly relevant to choosing between the various alternatives. First, any new tax system should be considered as a whole—the individual portion and the business portion must be considered together. In short, it must truly be a tax ''system'' that is internally consistent and that actually works. Indiscriminate cherry-picking of particular aspects of different proposals—no matter how appealing

they may seem in isolation—could produce a monstrosity similar to present law. Second, the new tax system for America's future must be enacted as a whole. Not only must it be fair, it must be perceived as fair by the American people.

Further, we believe that the new tax system should truly be an ''American'' tax system. International comparisons are often relevant, particularly when illustrating the relative disadvantages presently imposed by the Internal Revenue Code of 1986, but the basic elements of the new tax system should be chosen on their own merits, without regard to what other countries may or may not do. For example, there is an independent rationale, well-grounded in tax policy and economics, for allowing a deduction for personal saving and business capital investment. Cross-border adjustments for exports and imports in combination with a territorial rule that excludes foreign-source income provide a logical and meritorious framework that stands on its own. The presence or absence of similar rules, in varying degrees, in other countries' tax systems is not the reason for their adoption here. Similarly, the fact that a new American tax system may have some elements in common with a foreign tax system does not mean that we are adopting that foreign tax system per se. Quite to the contrary. For example, appropriate border tax adjustments for exports and imports are not the exclusive province of the European ''VAT''. They can directly or indirectly be incorporated into some tax structures which are more consistent with our American experience.[1]

There is no reason why the United States should be limited by the tax experiences of other countries. There is no reason why we should not have a better tax system than anyone else—one that is fairer, simpler, more efficient and, above all, in the long-term best interests of the United States in a global economy. You on this Committee have an historic opportunity and you should take advantage of it.

II. INTERNATIONAL COMPETITIVENESS INDEX

AMT has evaluated three leading alternative tax systems against a common set of criteria directly and indirectly related to international competitiveness. The criteria include all of those specified by the Chairman of this Committee in a public announcement in 1995, as well as several others. We fully endorse the Chairman's list of criteria for fundamental tax reform and agree with its emphasis on simplification and on international competitiveness. The alternative tax systems we have evaluated are: the business-level USA Tax (the Unlimited Savings Allowance System in S. 722 by Senators Pete V. Domenici and Sam Nunn); the business-level Flat Tax (in general, H.R. 2060 by House Majority Leader Armey); and the general idea of a retail sales tax.

In the cases of the USA Tax and the Flat Tax, the results of AMT's Competitiveness Index evaluations are set forth below in comparison to the present corporate income tax. Because the retail sales tax does not fit readily in this index format without further explanation, the retail sales tax is evaluated separately in connection with a later general discussion of that subject.

INTERNATIONAL COMPETITIVENESS INDEX

	USA tax	Flat tax	Present corporate income tax
Expenses capital equipment cost in U.S.	Yes (+1)	Yes (+1)	No (−1)

[1] See Gary C. Hufbauer, Fundamental Tax Reform and Border Tax Adjustments (Washington, D.C.: Institute For International Economics, 1996).

INTERNATIONAL COMPETITIVENESS INDEX—Continued

	USA tax	Flat tax	Present corporate income tax
Excludes from tax all exports of American-made products.	Yes (+1)	No (−1)	No (−1)
Taxes imports of foreign-made products.	Yes (+1)	No (−1)	No (−1)
Is territorial (i.e., applies only in U.S.).	Yes (+1)	Yes (+1)	No (−1)
Foreign royalty income is excluded export receipt.	Yes (+1)	No (−1)	No (−1)
Is neutral as between labor and capital.	Yes (+1)	No (−1)[2]	No (−1)
Allows credit for employer-paid payroll tax.	Yes (+1)	No (−1)	No (−1)
Solves transfer-pricing problem	Yes (+1)	No (−1)	No (−1)
Is revenue-neutral (No overall increase/decrease in business taxes).	Yes (+1)	No (−1)	Yes (+1)
Is simple and efficient	Yes (+1)	Yes (+1)	No (−1)
Net score (Max. 10)	+10	−4	−8

[2] At the business level, it is not neutral, but tends to be neutral when combined with the individual tax, except for the absence of a payroll tax credit. In this latter respect, returns to labor are taxed more heavily than returns to capital.

A. Discussion of Competitiveness Criteria in the Context of the USA Tax

Because it satisfies all the criteria within a simple and understandable framework, the USA business-level tax provides an excellent illustration of how a low-rate business tax which allows expensing of capital equipment in the U.S. can be combined with border-tax adjustments and ''territoriality'' to produce an essentially ideal result: a neutral, even-handed tax that treats all businesses alike (whether corporate or noncorporate, capital intensive or labor intensive, financed by equity or by debt, large or small) and which is neither tilted for or against us when we compete in foreign markets nor for or against foreign companies when they compete in our markets.

The USA business tax is ultimate simplicity. To calculate its fax for the year, a business (l) adds up the amount of its revenues for the year from sales of products and services in the United States, (2) subtracts the amount of its deductible input costs for the year, (3) multiplies the resulting ''gross profit'' by the 11% tax rate, and (4) takes a credit for the 7.65% employer-paid FICA tax imposed by present law on its payroll. The payroll tax credit is a unique feature of the USA Tax and is in lieu of any deduction for wages paid to employees. Like the Treasury's Comprehensive Business Income Tax proposal in 1992, and like other proposals designed to eliminate the bias against equity financing, no deduction is allowed for interest.

From a world trade perspective, the highly salutary and complementary relationships between border tax adjustments and territoriality can best be illustrated by applying the USA Tax in a series of fairly typical situations.

(1) TexCorp wishes to compete in the widget market in foreign Country A either by manufacturing widgets in Country A for sale in Country A or by manufacturing widgets in the U.S. and exporting them to Country A. Because the USA Tax is ''territorial'', it does not apply to TexCorp's direct manufacturing and sales operations outside the U.S. Therefore, like the local widget manufacturers in Country A, TexCorp only pays the Country A tax and can compete with these foreign companies on a level tax playing field. Similarly, because exports are excluded from U.S. tax, TexCorp would only pay the Country A tax if it manufactured widgets in the U.S. and exported them into the Country A market. The U.S. tax effect is the same in both cases. What actually happens, as is fairly typical, is that TexCorp starts off by manufacturing directly in Country A in order to penetrate the market and then follows up with exports of American-made components and related product lines. In other cases, also not unusual, TexCorp might start off-with exports to Country A and then follow up with some additional direct investments and operations in Country A in order to expand its export sales of American-made products in Country A. Thus, there is a complementary relationship between the export rule and the territorial rule. (If the tax were territorial, but exports were not excluded from tax, TexCorp would be tax-advantaged by manufacturing abroad to sell abroad.) It is also important to note that because the tax is territorial, TexCorp can bring home its profits from Country A and reinvest them in the U.S. tax-free; the same as it can reinvest its export profits in the U.S. tax-free.

(2) TexCorp also has a new technology related to widgets which, after developing a foreign market for widgets, it wishes to license to others for use in Countries B and C. In other words, TexCorp wants to export the fruits of some American ingenuity which is also a valuable product. Because of the export rule, the foreign royalty income under the license agreement is correctly excluded from tax.

(3) NewCorp wishes to sell widgets in the U.S. market. It can either manufacture the widgets abroad in Country X and ship them back into the U.S. or it can build a new plant in New England near its headquarters and manufacture the widgets there. Because of the 11% import tax under the USA Tax, there is no tax advantage for NewCorp if it manufactures abroad instead of in New England. If NewCorp manufactures a $100 widget abroad and sells it back into the U.S., an $11 import tax is paid. This is the same rate of tax NewCorp would pay if it manufactured the widget in New England. (Under a territorial rule without a complementary import tax, there might be ''runaway'' plants, but with the import tax there will be none. Thus, the synergistic combination of territoriality, an export exclusion, and an import tax provides the U.S. with all the advantages of territoriality without the disadvantages.)

(4) ForCorp, a foreign corporation headquartered in Country Y, wishes to sell widgets in the U.S. market. It could remain offshore, manufacture the widgets in Country Y and distribute them in the U.S. through a sales subsidiary or it could build a plant in Kentucky and both manufacture and sell in the U.S. Because of the 11% import tax, there is no tax advantage to ForCorp in remaining offshore.

(5) In a variation of Situation (4), ForCorp wishes to sell widgets all around the world; not just in the U.S. market. Because the USA Tax rate is only 11% and because U.S. production costs such as capital investment in the U.S. for new plants are deductible, and because of the export exclusion, the U.S. would be a very attractive place for ForCorp to locate its plant.

Not only does the combination of territoriality, an export exclusion, and an import tax produce consistent procedural or mechanical results in the tax calculation, the combination also produces important results as a matter of economic substance: income and job creation.

A good example is the combination of territoriality and the export exclusion. A recent study by Edward Graham at the Institute for International Economics will soon be published by the Oxford University Press.[3] It shows an extraordinarily high degree of

[3] Edward M. Graham, On the Relationships Among Direct Investment and International Trade in the Manufacturing Sector: Empirical Results for the United States and Japan. Institute for International Economics, 1996. To appear in Dennis Encarnation, editor, Does Ownership Matter: Japanese Multinationals in East Asia (London: Oxford University Press, forthcoming).

statistical correlation between the amount of direct investment by U.S. companies in a foreign country (as in Situation (1) above) and the amount of U.S. exports to that foreign country. In other words, the more U.S. companies penetrate foreign markets and gain market share by direct ''on-the-ground'' operations in a foreign country, the greater the amount of exports of American-made products to that country. Thus, U.S. foreign direct investment abroad is good for U.S. exports and good for U.S. jobs. The combination of territoriality, an export exclusion, and an import tax facilitiates this synergistic result.

B. The Flat Tax and the Competitiveness Index

The business portion of the classic Flat Tax (H.R. 2060) does allow expensing and is territorial, and both of these characteristics are positives. But, overall, the Flat Tax does not score well under AMT's International Competitiveness Index. There are may reasons for this deficiency, as indicated in the brief presentation of the Index itself, but the most significant reasons appear to be the absence of an import tax and the absence of an export exclusion.

Without belaboring the point, a few examples may suffice. In prior Situation (1) where TexCorp had the choice to manufacture in the U.S. for export abroad or to manufacture abroad for sale abroad, under the Flat Tax it would be to TexCorp's advantage to manufacture abroad insofar as U.S. taxes are concerned. This is because the Flat Tax taxes U.S. exports. Similarly, in prior Situation (2), because the Flat Tax taxes U.S. exports, foreign royalties from licensing U.S. know-how and technology would be taxed. TexCorp might be better advised to develop the technology abroad instead of developing it here and licensing the use abroad. In Situations (3), (4) and (5), because the Flat Tax does not tax foreign imports, it would have been to the advantage of NewCorp or ForCorp to manufacture abroad for sale into the U.S.

C. General Discussion of Sales Tax Option

Setting aside all other considerations and assuming that a retail sales tax replaced the federal income tax, the resulting tax system would score very high on AMT's International Competitiveness Index—in the area of 90 to 100%.

A retail sales tax is implicitly border adjustable for imports and exports and is implicitly territorial. These implicit or indirect characteristics arise because a tax is paid only to the extent that a retail sale occurs in the United States.

Even if, as some economic analysis suggests, the economic burden, of the retail sales tax is in significant part borne by businesses (and, ultimately, their owners and employees), there is an implicit export exclusion because no tax is ever paid with respect to a sale to a non-U.S. purchaser and no tax ever enters the system potentially to be passed back to the seller. Similarly, if a U.S. company is operating and selling abroad, there is never any U.S. retail sale and no U.S. tax ever enters the chain of price-tax-volume relationships between seller and purchaser. Thus, a retail sales tax is implicitly territorial.

On the import side, if either a U.S. company or a foreign company manufactures a product abroad which directly or indirectly finally shows up as a retail sale in the U.S., a tax liability arises. Thus, in this indirect sense, there is an implicit import tax, i.e., the retail sales tax is the same whether the product sold in the U.S. is of domestic or foreign origin.

III. CONCLUSION AND RECOMMENDATIONS

AMT believes that any new tax system for America's future should be terroritial, should include complementary export and import adjustments, and should relieve the bias against personal saving and business capital investment. The new tax system should also be simple.

Based on our analysis using the International Competitiveness Index, it appears that there are two fundamentally different ways of doing this. One is the USA Tax (which resembles a very simplified version of a corporate income tax with expensing and appropriate international adjustments engrafted on to it). The other is the general idea of replacing the entire federal income tax with a retail sales tax.

While the USA Tax and the retail sales tax are far apart and greatly different in many other respects, either one would have a beneficial impact on international competitiveness.

Mr. NUNN. Mr. President, Senator DOMENICI and I believe we have a solution to the export problems created by our current Tax Code. The solution is the U.S.A. tax plan. We believe our proposal will make America much more competitive.

The first thing the U.S.A. tax plan does to level the playing field is to make America's business tax—which replaces the corporate income tax—border-adjustable. We exclude from our domestic tax base any items made by American manufacturers for export, just as our major competitors do by rebating their value-added taxes when their goods are exported for sale here.

Conversely, when a company, foreign or U.S. owned, manufactures abroad and sells in the U.S. market, the company is, through the operation of a new import tax, taxed essentially the same as if the factory were located in the United States. Again, we are trying to give imports and exports the same treatment our competitors do, rather than perpetuate the present system which favors companies that are located abroad selling to this country. Imports would be subject to an import tax that would equal the overall business tax levied in this country.

The border adjustability feature of the U.S.A. plan is intended to favor and encourage production and employment here in the United States and to make American goods, services and know-how more competitive in foreign markets. Our current Tax Code does exactly the opposite.

For example, in Georgia, Ford Motor Co. operates a very large manufacturing facility which produces thousands of Ford Tauruses and Mercury Sables every year. These vehicles are mid-sized, moderately priced automobiles. Many of these vehicles are exported. When a $20,000 Taurus is exported to Great Britain, it carries with it the burden of today's U.S. Tax Code—a 34-percent rate on corporate profits, the alternative minimum tax, and numerous other business levies. In addition when this Taurus is sold in Great Britain, a 17 percent Value Added Tax [VAT] is also imposed on it. This adds $3,400 to the price of the car. In essence, doubling the tax burden on this single car.

Under this same scenario with the U.S.A. tax plan, when this Taurus is exported, no U.S. business income tax would be imposed. The car would still be subject to a VAT when it reaches Great Britain, but it would not be burdened with the cost of the U.S. Tax Code.

Conversely, under today's Tax Code, when Rover—a British automobile manufacturer—exports a vehicle to the United States, the VAT it carries in Great Britain is rebated to Rover before it leaves British soil. When this Rover vehicle is sold in the United States, it carries no U.S. corporate income tax burden nor does it carry a VAT. With the U.S.A. tax system, an U.S. import tax would be levied on the Rover vehicle. This levy would be the equivalent of the U.S. corporate tax carried on the Taurus built and sold in the United States. In other words the playing field would be level on goods manufactured abroad and sold in the U.S. market compared to goods both manufactured and sold in the United States.

The second, related feature of our business tax on imports and exports is that the U.S.A. tax is territorial. If a company located a plant in a foreign country in order to sell in that country's local markets, then under the U.S.A. tax plan we do not allow a deduction for those foreign costs, but neither do we include the proceeds of these foreign sales as part of our domestic tax base. Overseas sales would not be part of that company's U.S. corporate income tax calculations.

This is what we mean by saying the U.S.A. tax is territorial. Businesses would not have to include overseas sales in their profits when computing their business taxes, nor would they deduct costs they incur purchasing goods and services overseas. I might add that this will have another huge benefit—it will greatly simplify the computation of U.S. tax liabilities for our international corporations.

When I have highlighted this aspect of the U.S.A. tax plan to groups here in Washington and throughout the country, one of the first questions asked about this element of the U.S.A. tax plan is—is it GATT complaint? According to the many tax and trade experts, including officials at the Department of the Treasury, we have consulted, the weight of the legal argument is with the U.S.A. tax plan.

Should the U.S.A. plan be enacted, we can expect a GATT challenge. In fact, a number of our allies' Ambassadors have raised this question with me. When I explain the essence of the U.S.A. tax plan to them and point out that their country's value added taxes [VAT's] do the same thing to U.S. products exported to their nations as the U.S.A. tax proposes to do to their exports, the answer I usually receive is a blank stare. It seems to me that what is good for the goose is good for the gander.

Another question I receive is the question about the U.S.A. tax plan's omission of the deductibility of wages at the business level. Wages under the

U.S.A. tax plan would not be deductible. The principle reasons why this deductibility is denied are twofold: first under GATT rules, our Nation can not provide wage deductions while also providing, in essence, an excise tax on imports and second to provide wage deductibility and still maintain revenue neutrality the business rates would have to be raised significantly from the 11 percent flat rate we propose.

While this conclusion seems necessary, the wage nondeductibility issue is going to have to be thought through very carefully. Attaining a level playing field in international trade is a very important goal and to achieve it would be a sea change in U.S. tax policy. The same would be true to deny wage deductions to businesses. However, on this latter point, businesses need to keep in mind that the business rates proposed in the U.S.A. tax plan are much, much lower than today's business tax rates. In fact, they would be less than one-third of today's rates, yet these rates raise the same amount of revenue for the Federal Government as is raised today. It is also important to keep in mind that under our proposal, businesses would receive a credit for the employer share of Social Security taxes paid. So the effective business tax rate on wages paid up to the $62,000 Social Security tax wage limit would be 11 percent less 7.65 percent paid in FICA taxes, or just 3.35 percent.

Mr. President, in conclusion, the U.S.A. tax plan would promote U.S. competitiveness and level the international playing field for American business by implementing a territorial and border adjustable business tax. All goods, whether produced here or abroad, sold in the United States will bear the same U.S. tax burden. And U.S. exports, which are generally subject to a value-added tax when they are sold in foreign markets, would no longer be subject to a U.S. corporate income tax on top of that. It's time we had a Tax Code that works for us, not against us, and the U.S.A. plan, for this and many other reasons, provides the answers.

CRS REPORT ON ENVIRONMENTAL TOBACCO SMOKE

Mr. FORD. Mr. President, on November 14, 1995, the Congressional Research Services issued a report authored by C. Stephen Redhead and Richard E. Rowberg entitled Environmental Tobacco Smoke and Lung Cancer Risk. This report was prepared in response to multiple requests from congressional offices and presents an analysis of the potential health effects of environmental tobacco smoke [ETS].

Consistent with statutory requirements for CRS work, this report was prepared in a nonpartisan, unbiased manner and is an excellent example of the professional and academic quality of CRS work. The report calls into question some of the findings of the Environmental Protection Agency with regard to ETS. Not surprisingly, some of the conclusions contained in the report have proven controversial.

Subsequent to the release of the report, one of the authors of the report made statements to the press regarding the conclusions of the report. Reports of the author's statements have appeared in several newspapers. It appears that his statements have been either misconstrued or taken out of context in an apparent attempt to discredit the results of the report.

In a letter to me, dated March 19, 1996, Daniel P. Mulhollan, Director, CRS, clarified that, based on conversations with the author, news reports were either misleading or inaccurate. Further, Mr. Mulhollan stated that CRS continues to stand by the findings of the report.

I ask unanimous consent that a copy of this letter from Dan Mulhollan, dated March 19, 1996, be inserted in the RECORD at this point.

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

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, March 19, 1996.

Hon. WENDELL H. FORD,
U.S. Senate,
Washington, DC.

DEAR SENATOR FORD: This is in response to the questions you raised yesterday concerning an article that appeared last month in the Kitchener-Waterloo record about the CRS report, Environmental Tobacco Smoke and Lung Cancer Risk. Based on my conversations with the analysts involved, the article was misleading and inaccurate. I can assure you that we continue to stand by the findings of the report.

I am advised that the article contains three specific statements about the content of the report which were attributed to one of its authors. First, it states that the report ''does not dispute the claim that second-hand smoke is a known, class A (human) carcinogen.'' In fact the report takes no position regarding the Environmental Protection Agency's classification of ETS as a class A carcinogen. The relevant sections in the report appear on page 1 (paragraph 3) and the last two paragraphs on page 16.

The article also states that the ''number of [ETS] deaths....likely ranges anywhere from several hundred to several thousand a year in the United States.'' The report cited several possible values ranging from zero to as high as 5,500 depending on the level of risk selected from those appearing in the published literature (see page 2, paragraph 2).

Finally, the article states that the CRS report attempted to ''point out the uncertainties of determining what level of exposure to ETS is likely to cause cancer.'' This statement is misleading and incorrect. The report presents an analysis of the uncertainties in performing a quantitative risk assessment of the ETS-lung cancer risk using epidemiologic data.

Notwithstanding any comments that have appeared in this or any other press articles or other published comments about the CRS report, we have not changed our position on any of its findings. We also believe that these findings are clearly expressed in the report.

I am also enclosing a copy of a March 18 letter from the Acting Chief of the Science Policy Research Division that was E-mailed to Ms. Martha Perske. The letter states that we have not changed our position on any of the findings of the report on ETS.

Sincerely,

DANIEL P. MULHOLLAN,
Director.

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

The PRESIDING OFFICER (Mrs. FRAHM). Without objection, it is so ordered.

RELATIVE TO CAMBODIA HUMAN RIGHTS RECORD

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 629, Senate Resolution 285.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 285) expressing the sense of the Senate that the Secretary of State should make improvements in Cambodia's record on human rights, the environment, narcotics trafficking and the Royal Government of Cambodia's conduct among the primary objectives in our bilateral relations with Cambodia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Foreign Relations, with amendments:

(The part of the resolution intended to be stricken are shown in boldface brackets and the parts of the resolution intended to be inserted are shown in italic.)

[ers, and helped finance both the Royal Cambodian Armed Forces and the Khmer Rouge in their civil war; and

[Whereas the desire to cite Cambodia United Nations peacekeeping success story has stifled official international expressions of concern about deteriorating conditions in Cambodia: Now, therefore, be it**]**

Whereas the Paris Peace Accords of 1991 and the successful national elections of 1993 brought two decades of civil war nearer to cessation, demonstrated the commitment of the Cambodian people to democracy and stability, and led to the creation of a national constitution guaranteeing fundamental human rights;

Whereas since 1991 the international community has contributed almost $2 billion to peacekeeping and national reconstruction in Cambodia and currently provides over 40 percent of the budget of the Royal Government of Cambodia (RGC);

Whereas recent events in Cambodia—including the arrest and exile of former Foreign Minister Prince Sirivudh, the expulsion of former Finance Minister Sam Rainsy from the FUNCINPEC Party and the National Assembly, a grenade attack against members of the independent Buddhist Liberal Democratic Party of Cambodia, mob attacks against pro-opposition newspapers, the assassination of journalist and Khmer National Party member Thun Bunly,

and harassment of other journalists—suggest that Cambodia is sliding back into a pattern of violence and repression;

Whereas the RGC has failed to investigate fully incidents of political violence and prosecute the perpetrators;

Whereas, the RGC, without appropriate prior consultation with the Cambodian Parliament and despite protestations from Cambodians residing both inside the country and overseas, has obtained from King Sihanouk an amnesty for Ieng Sary, the former deputy Prime Minister of the Khmer Rouge and brother-in-law of Khmer Rouge leader Pol Pot during the period when the Khmer Rouge murdered as many as two million innocent Cambodians;

Whereas that amnesty may allow Ieng Sary to fully reintegrate into Cambodian society and from a political party that may participate in upcoming elections;

Whereas, Ieng Sary has disavowed any responsibility for the genocide perpetrated by the Khmer Rouge against the Cambodian people;

Whereas, the Cambodian Genocide Justice Act states that it is the policy of the United States to support efforts to bring to justice members of the Khmer Rouge for their crimes against humanity, and in circumstances which the President deems appropriate, to encourage the establishment of a national or international criminal tribunal for the prosecution of those accused of genocide in Cambodia and to provide such national or international tribunal with relevant information;

Whereas, rampant corruption in the RGC has emerged as a major cause of public dissatisfaction, which—when expressed by politicians and the press—has resulted in government crackdowns;

Whereas, Cambodia has been added to the Department of State's list of major narcotics trafficking countries, though Cambodia has been certified by the President as cooperating fully with the United States or taking adequate steps on its own to achieve full compliance with the goals and objectives established by the United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances;

Whereas, the RGC—in contravention to the Cambodian Constitution—has sanctioned massive deforestation and timber exploitation which has devastated the environment, endangered the livelihoods of many of the country's farmers; and

Whereas, illegal logging has helped finance both the Royal Cambodian Armed Forces and the Khmer Rouge in their civil war: Now, therefore, be it

Resolved, [That it is the sense of the Senate that—

[(1) among the primary objectives in U.S. policy toward Cambodia should be improvements in Cambodia's human rights conditions, environmental and narcotics trafficking record, and the RGC's conduct;

[(2) the Secretary of State should closely monitor preparations for upcoming Cambodian elections in 1997 and 1998 and should attempt to secure the agreement of the RGC to full and unhindered participation of international observers for those elections to ensure that those elections are held in a free and fair manner complying with international standards;

[(3) the Secretary of State should support the continuation of human rights monitoring in Cambodia by the United Nations, including monitoring through the office of the United Nations Center for Human Rights in Phnom Penh and monitoring by the Special Representative of the United Nations Secretary General for Human Rights in Cambodia; and

[(4) the Secretary of State should encourage Cambodia's other donors and trading partners to raise concerns with the RGC over Cambodia's human rights, environmental, narcotics trafficking, and governmental conduct.]

That it is the sense of the Senate that:

(1) among the primary objectives in U.S. policy toward Cambodia should be enforcement of the Cambodian Genocide Justice Act, improvements in Cambodia's human rights conditions, environmental and narcotics trafficking record, and the RGC's conduct;

(2) in compliance with the Cambodian Genocide Justice Act, the United States should support efforts to bring to justice members of the Khmer Rouge for their crimes against humanity, and that the President deem it appropriate to encourage the establishment of a national or international criminal tribunal for the prosecution of Ieng Sary and to provide that tribunal with any information available on Ieng Sary's alleged involvement in the Cambodian genocide;

(3) the Secretary of State should closely monitor preparations for upcoming Cambodian elections in 1997 and 1998 to ensure that those elections are held in a free and fair manner in compliance with international standards, and toward that end should attempt to secure the agreement of the RGC to full and unhindered participation of international observers for those elections;

(4) the Secretary of State should support the continuation of human rights monitoring in Cambodia by the United Nations, including monitoring through the office of the United Nations Center for Human Rights in Phnom Penh and monitoring by the Special Representative of the United Nations Secretary General for Human Rights in Cambodia; and

(5) the Secretary of State should encourage Cambodia's other donors and trading partners to raise concerns with the RGC over Cambodia's record on human rights, the environment, narcotics trafficking and governmental conduct.

Mrs. FEINSTEIN. Madam President, I am pleased that the Senate is acting today on Senate Resolution 285 with respect to Cambodia. I want to briefly outline why the distinguished chairman of the Senate Finance Committee, Senator ROTH, and I offered this resolution with respect to Cambodia, and why we feel it is important.

On September 12, the House of Representatives passed H.R. 1642, as amended by the Senate, extending most-favored-nation trading status to Cambodia. The legislation now awaits the President's signature, which is expected.

That is as it should be. Cambodia has made tremendous strides since the signing of the Paris Peace Accords in 1991. The granting of MFN status is an important way of recognizing that Cambodia is emerging from the violence and repression that plagued its past. The United States can help Cambodia continue in its path of normalization and development by engaging it in a free and open trade relationship.

But the extension of MFN status to Cambodia should not be misconstrued as a signal that we no longer have concerns about the conduct of the Royal Government of Cambodia [RGC]. Indeed, while the U.N.-sponsored elections of 1993 blew the air of freedom and democracy through Cambodia, recent events suggest that the RGC may be sliding backward in its safeguarding of these principles.

Among the most concerning developments is the deterioration of the political rights and freedoms of opposition leaders and the press. In recent months:

Former Foreign Minister Prince Sirivudh was arrested and exiled on trumped up charges of plotting to assassinate Second Prime Minister Hun Sen;

Former Finance Minister Sam Rainsy—a persistent critic of government corruption, was expelled from the National Assembly and the FUNCINPEC Party;

A gathering of leaders of the Buddhist Liberal Democratic Party was attacked with a grenade;

Journalist and Khmer party member Thun Bunly was assassinated; and

Other journalists have been harassed and intimidated for criticizing government corruption and abuse, and few of these crimes have been properly investigated.

These incidents, and many others like them, suggest that Cambodia is in danger of slipping back into its old habits of repression. In addition, corruption is widespread in Phnom Penh, with many government officials directing money into their own pockets. Furthermore, Cambodia has emerged as a major center of heroin trafficking, and there is evidence that some government officials—including members of police and military units, have profited from this trade as well. The RGC, which has been certified as cooperating in our antinarcotics efforts, needs to do even more.

Finally, despite the Cambodian Constitution's requirement that the RGC safeguard the environment, the RGC has allowed massive deforestation to take place in many areas of the country. This environmental degradation, a serious concern in its own right, is compounded by three factors:

Unrestricted clear-cutting is threatening the agricultural livelihoods of numerous Cambodians, to the point where some communities have been destroyed by drought and floods, and famine is a serious concern;

Concessions granted to timber companies are often a means of lining the pockets of national and local officials, adding to the corruption problem; and,

Concessions granted to timber companies for logging in western Cambodia, where the Khmer Rouge still dominates, have enabled the Khmer Rouge to generate millions of dollars of income by charging the loggers passage fees.

The specter of the Khmer Rouge still haunts Cambodia. That is why it was particularly disturbing in recent weeks to see that the RGC obtained from King Sihanouk an amnesty for Ieng Sary, the former Deputy Prime Minister of the Khmer Rouge and Pol Pot's brother-in-law.

It should be of great concern to Members of the Senate that a former Khmer Rouge leader, who participated in the genocide of some 2 million Cambodians—rather than being charged as a war criminal, as he should be, and as Congress has endorsed in the Cambodian Genocide Justice Act—is being allowed to participate fully in Cambodia's political life.

That is the spirit in which this resolution is offered, Mr. President. The United States has provided much assistance to Cambodia to aid in its recovery from civil war. We are now extending MFN status to them, another step forward in our relations.

But we should not allow that progress to obscure our understanding of the serious and troubling trends beginning to emerge in Cambodia. I hope this resolution will help the administration send the appropriate message of concern over these trends.

Mr. ROTH. Madam President, I rise today to express my thanks to my colleagues for their unanimous support in passing this resolution expressing the Senate's concerns about a series of disturbing developments in Cambodia.

Recently, Congress sent to the President H.R. 1642, a bill to extend permanent most-favored-nation tariff treatment to Cambodia. Congress made it clear in that legislation that it was doing so, in part, because it believes normal trade relations with Cambodia could serve to improve the conditions in Cambodia.

The resolution we have passed today is meant to send a parallel message—that the United States Senate remains deeply concerned about problems in Cambodia, and will continue to follow events in that country closely.

Since 1991, the international community has contributed almost $2 billion to peacekeeping and national reconstruction to Cambodia. Multilateral aid also provides over 40 percent of the Royal Government of Cambodia's annual budget.

While the U.N.-sponsored election of 1993 brought a brief period of freedom and democratic improvement to Cambodia, recent developments on a variety of fronts suggest that Cambodia's future remains precarious at best.

Most recently, the Royal Government of Cambodia, without appropriate prior consultation with the Cambodian Parliament and despite protestations from Cambodians residing both inside the country and overseas, obtained from King Sihanouk an amnesty for Ieng Sary. This man, brother-law to Khmer Rouge leader Pol Pot, served as Deputy Prime Minister of the Khmer Rouge during the period when that loathsome group murdered as many as two million innocent Cambodians. Despite his position during that period, Ieng Sary has—incredibly—disavowed any responsibility whatsoever for the genocide perpetrated by the Khmer Rouge.

Just as appallingly, the amnesty granted Ieng Sary may allow him to fully reintegrate into Cambodian society. In fact, he appears likely to form a political party that he will lead into the local and national elections slated for 1997 and 1998.

Among other things, this resolution states that in compliance with the Cambodian Genocide Justice Act, the United States should support efforts to bring to justice members of the Khmer Rouge for their crimes against humanity, that the President deem it appropriate to encourage the establishment of a national or international criminal tribunal for the prosecution of Ieng Sary and to provide that tribunal with any information available pertaining to Ieng Sary's alleged involvement in the Cambodian genocide.

The resolution also notes that Prince Norodom Sirivudh, former Deputy Prime Minister and Foreign Affairs Minister was arrested by the current government under trumped up charges of fomenting a plot to assassinate the Second Prime Minister, Hun Sen. After a summary trial without proper defense, Prince Sirivudh was found guilty by Hun Sen-appointed judges and was sent into exile in France.

Another prominent opposition leader, former Finance Minister Sam Rainsy was expelled from the coalition Funcinpec Party and the National Assembly for having criticized the RGC for its lack of transparency in its business deals with foreign firms. Since his expulsion, several members of his party have been murdered.

A number of members of another opposition party, the Buddhist Liberal Democratic Party of Cambodia, headed by former Prime Minister Sonn San, died as a result of a grenade attack during that party's national convention.

In addition, several editors and reporters from opposition newspapers have been assassinated. Currently, not one of these assassination cases has been solved.

Corruption in Phnom Penh is rampant and Cambodia has emerged as a major heroin trafficking center in Asia. Finally, in contravention to the Cambodian Constitution, the RGC has permitted deforestation and timber exploitation on such a massive scale that the agricultural livelihoods of enormous numbers of Cambodians are now threatened.

Madam President, all of us in this Chamber want Cambodia to become as swiftly as possible a peaceful, stable, prosperous, free and democratic member of the community of nations. The horrors the people of Cambodia have endured are beyond comprehension. Their resilience in the face of genocide, however, is a tribute to the true character of the Cambodian people. Mr. President, in adopting this resolution, we send an unmistakable message of support to the Cambodian people as they do the hard work of support to the Cambodia people as they do the hard work of restoring and renewing their country.

Mr. NICKLES. Madam President, I ask unanimous consent that the committee amendment be agreed to, and the resolution be agreed to, the amendment to the preamble be agreed to, the preamble, as amended, be agreed to, the amendment to the title be agreed to, and the motions to reconsider the previous actions be laid upon the table, en bloc, and that any statements relating to the resolution appear at this point in the RECORD.

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

The committee amendment was agreed to.

The resolution (S. Res. 285) was agreed to.

The preamble, as amended, was agreed to.

The resolution, as amended, with its preamble, as amended, was agreed to, as follows:

[The resolution was not available for printing. It will appear in a future issue of the RECORD.]

The title was amended so as to read:

A resolution expressing the sense of the Senate that enforcement of the Cambodian Genocide Justice Act, improvements in Cambodia's record on human rights, the environment, narcotics trafficking and the Royal Government of Cambodia's conduct should be among the primary objectives of the United States in its relations with Cambodia.

WAIVING TEMPORARILY THE MEDICAID ENROLLMENT COMPOSITION RULE

Mr. NICKLES. Madam President, I ask unanimous consent that the Finance Committee be discharged of H.R. 3871, and further, the Senate proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3871) to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations.

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. NICKLES. Madam President, I ask unanimous consent that the bill be deemed read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

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

The bill (H.R. 3871) was deemed read the third time, and passed.

JOINT FEDERAL-STATE COMMISSION ON POLICIES AND PROGRAMS AFFECTING ALASKA NATIVES

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate immediately proceed to the consideration of H.R. 3973, which is currently at the desk.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3973) to provide for a study of the recommendations of the Joint Federal-State Commission Policies and Programs Affecting Alaska Natives.

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. MCCAIN. Madam President, I rise today to express my support for H.R. 3973, a bill to provide for a study of the recommendations of the Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives. H.R. 3973 authorizes $350,000 in funding to the Alaska Federation of Natives to study how to implement the findings of the Alaska Native Commission, which was established under Public Law 101–379.

In 1990, the Commission, which was funded jointly by Federal and State appropriations, made a comprehensive study of the social and economic conditions of Alaska Natives and the effectiveness of programs and policies of the United States and the State of Alaska which provide services to the Alaska Native communities.

In May 1994, the Commission issued a three-volume report containing many policy recommendations regarding Alaska Native Physical Health; Social/Cultural Issues and the Alcohol Crisis; Economic Issues and Rural Development; Alaska Native Education; and Self-Governance and Self-Determination. By enacting H.R. 3973, Congress will provide Alaska Natives with a process to determine the most appropriate means to implement the findings of the Commission. I would like to commend the hard work of my colleagues from Alaska, Senator MURKOWSKI and Senator STEVENS, on this important legislation.

This bill is noncontroversial and is widely supported by both the Alaska Native communities and the Administration for Native Americans within the U.S. Department of Health and Human Services. I urge my colleagues to support passage of H.R. 3973.

Mr. MURKOWSKI. Madam President, I rise today to express my strong support for passage of the Alaska Native Commission study bill. This legislation is the product of years of study and candid self-appraisal by Alaska Natives about their standard of living conditions and the need to address these problems. While this self-appraisal has been exhaustive, it has not been pessimistic. On the contrary, the study is evidence of an exciting time for Alaska Natives, for they are taking the initiative to work to improve their standard and way of life. Their efforts will lead to a strengthening of their livelihoods and their pride in being both Alaska Natives and American citizens. I am proud that this bill will be part of that process.

In 1989, Congressman Young and I introduced a bill that became Public Law 101–379. Public Law 101–379 established the Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives, better known as the Alaska Natives Commission. Among its many recommendations, the Commission called for Federal funding to examine how best to implement the recommendations of the Commission. The purpose of this bill is to establish the funding, in the amount of $350,000, for such a study.

From the beginning, the efforts of the commission have involved cooperation from both the Federal and Alaska State governments, and I am pleased to announce that this process will continue. The Commission was jointly funded by the Alaska State and Federal governments. Half of the 14 Commission members were appointed by the President, and half by the Governor. The Alaska congressional delegation and the Alaska Federation of Natives have already worked with State government representatives throughout this past summer to discuss ways to implement some of the findings of the Commission. I call on the State to stay active in the implementation process, and to assist the effectiveness of the study by appropriating additional funds to operate the study. I am confident that through the active participation of all interested parties, the study will lead to realistic and effective recommendations for implementation of the Commission's recommendations.

I thank my colleagues Congressman YOUNG for getting this bill passed by the House of Representatives, Indian Affairs Committee Chairman, Senator MCCAIN for moving the bill through the Senate expeditiously, and Senator STEVENS for securing the appropriations to fund this bill.

Mr. NICKLES. Madam President, I ask unanimous consent that the bill be deemed read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The bill (H.R. 3973) was deemed read the third time, and passed.

NATIONAL SHAKEN BABY SYNDROME AWARENESS WEEK

Mr. NICKLES. Madam President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of and that the Senate turn to the immediate consideration of Senate resolution 300.

The PRESIDING OFFICER. Without objection, it is ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 300) designating the week of November 3, 1996, as ''National Shaken Baby Syndrome Awareness Week.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NICKLES. Madam President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

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

The resolution (S. Res. 300) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 300

Whereas Shaken Baby Syndrome describes the consequences that occur when a young child is violently shaken;

Whereas Shaken Baby Syndrome is so lethal that 20 to 25 percent of its victims die, and most survivors suffer brain damage;

Whereas Shaken Baby Syndrome accounts for 10 to 12 percent of all child abuse and neglect cases in the United States;

Whereas 25 to 50 percent of teenagers and adults do not know that shaking a baby is dangerous;

Whereas education is the key to preventing this tragedy; and

Whereas the United States Senate has a continuing commitment to the health and safety of this Nation's children: Now, therefore, be it

Resolved, That the Senate designates the week of November 3, 1996, as ''National Shaken Baby Syndrome Awareness Week''. The President is requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

AMERICAN FREE ENTERPRISE DAY

Mr. NICKLES. Madam President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Resolution 291, and that the Senate proceed to its consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 291) designating November 18, 1996, as ''American Free Enterprise Day.''

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NICKLES. Madam President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

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

The resolution (S. Res. 291) was agreed to, as follows:

S. Res. 291

Whereas American prosperity is founded on the free enterprise system of individual opportunity and economic freedom;

Whereas the roots of American free enterprise can be found in the experiences of the people of Jamestown and Plymouth, the earliest American colonies;

Whereas the basis of free enterprise is the right to ownership of private property, which ensures to individuals the fruits of their own labor and encourages the virtues of self-reliance, thrift, and industriousness;

Whereas the settlers at Jamestown and Plymouth were initially deprived of the fruits of their own labor and therefore lacked the incentive for private initiatives and hard work;

Whereas William Bradford, Governor of the Plymouth Plantation, wrote that in response to the misery and want experienced by the people of Plymouth he decided ''that they should set corn every man for his own particular; and that regard trust to themselves . . . . This had very good success, for it made all hands very industrious, so as much more corn was planted than otherwise would have been by any means the Governor or any other could use.'';

Whereas on November 18, 1618, ''The Great Charter'' endowed the colonists of Virginia with the right to profit from property under their individual control for the first time; and

Whereas the result of the Great Charter was a blossoming of individual initiative and self-sufficiency that laid the foundations for the American tradition of economic freedom, prosperity, and self-government; Now, therefore, be it

Resolved, That the Senate—

(1) commends the men and women of our first colonies who began the American tradition of hard work and individual initiative;

(2) honors all those who have defended the right of individuals to own property, pursue their own initiative, and to reap the fruits of their own labor; and

(3) designates November 18, 1996, as ''American Free Enterprise Day''.

The President is authorized and requested to issue a proclamation calling upon the people of the United States and Federal, State, and local administrators to observe the day with appropriate programs, ceremonies, and activities.

IMPLEMENTING PROVISION OF THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 304, submitted earlier today by Senator LOTT.

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

The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 304) approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to employing offices of the Senate and employees of the Senate, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. NICKLES. Madam President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

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

The resolution (S. Res. 304) was agreed to, as follows:

S. RES. 304

Resolved,

SECTION 1. APPROVAL OF REGULATIONS.

(a) IN GENERAL.—The regulations described in subsection (b) are hereby approved, insofar as such regulations apply to employing offices of the Senate and employees of the Senate under the Congressional Accountability Act of 1995 (2 U.S.C. 1301 et seq.) and to the extent such regulations are consistent with the provisions of such Act.

Mr. GRASSLEY. Mr. President, I would like to compliment the Senate and the leadership for acting on these resolutions today approving certain Congressional Accountability Act regulations. The first bill passed in this Congress was the Congressional Accountability Act. With great fanfare we stood together in this Chamber and announced to other Americans that we, as Senators, are no better than they are. We are not special, we are not different, and we will no longer make laws just for other Americans. Rather, we will make laws for all Americans, including ourselves. And with my bill, the Congressional Accountability Act, we applied 11 laws, including the Fair Labor Standards Act, the Americans With Disabilities Act, and so on, to ourselves.

Now the Office of Compliance, created by the Congressional Accountability Act, has promulgated regulations that require our approval. The resolutions before us approve the so-called 220(d) regulations. These regulations address the collective bargaining rights of nonlegislative offices. I am very pleased that the Senate is acting on these regulations today.

Unfortunately, neither of these resolutions contain the 220(e) regulations, which address the collective bargaining rights of legislative offices. The House Oversight Committee recently voted to send these regulations back to the Office of Compliance and asked that they be redrafted. And last week, the Office of Compliance's Board responded with two separate letters addressing the committee's actions. Due to these recent events, it seems pointless to push the Senate to consider these regulations at this time. However, I plan to ask the leadership to make the 220(e) regulations one of the first items of business for the 105th Congress.

If we are to be honest with the American people, we must not escape fully implementing the Congressional Accountability Act. For now, I ask that the Senate act on the 220(d) regulations by voting on these resolutions.

APPROVING CERTAIN REGULATIONS TO IMPLEMENT PROVISIONS OF THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. NICKLES. Madam President, I ask unanimous consent that the Rules Committee be discharged from further consideration of House Concurrent Resolution 207, and the Senate proceed to its immediate consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 207) approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. NICKLES. Madam President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be placed at the appropriate place in the RECORD.

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

The concurrent resolution (H. Con. Res. 207) was agreed to.

VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

Mr. NICKLES. Madam President, I ask unanimous consent that the Veterans Affairs Committee be discharged from further consideration of H.R. 3118, and that the Senate proceed to its consideration.

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

The clerk will report.

The assistant legislative clerk read as follows:.

A bill (H.R. 3118) to amend title 38 of the U.S. Code to reform eligibility for health care provided by the Department of Veterans Affairs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5414

(Purpose: To provide a substitute)

Mr. NICKLES. Madam President, Senator SIMPSON has a substitute amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. SIMPSON, for himself and Mr. ROCKEFELLER, Mrs. HUTCHISON, Mr. AKAKA, Mr. MURKOWSKI, and Mr. WELLSTONE, proposes an amendment numbered 5414.

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

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

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

Mr. SIMPSON. Madam President, the legislation now before this body may be one of the most significant veterans' bills of the last few years. In agreeing to this bill, the Congress will make, under the rubric of health care ''eligibility reform'', changes in the nature

of our Nation's health care commitment to veterans that are more far-reaching than any decision since the end of World War II.

The Congress faces the issue of setting priorities for VA care because all 26 million veterans are eligible for VA health care. However, VA care is not an entitlement. VA provides as much care to as many veterans as resources allow.

Our Nation's historic commitment to veterans is to care for the wounds of war, that is, to care for service-connected disabilities. The VA hospital system was created to fulfill that obligation. And, having created a network of hospitals—now numbering 173—it made good sense to put it to use caring for non-service-connected veterans when space was available. That is how VA got into the business of caring for non-service-connected conditions and veterans.

As so often happens, the world changed over time, while VA and the laws that govern VA lagged behind. Over time, the non-service-connected tail began to wag the service-connected dog. Today, 89 percent of VA's medical workload is care for non-service-connected conditions. VA built a hospital system at a time when the terms ''hospital care'' and ''medical care'' were synonymous. Today, American medical care is rapidly moving out of hospitals and into the outpatient arena. VA is also moving in that direction. But, VA's movement has been hampered by statutory ''eligibility'' rules which set priorities reflecting VA's hospital-based infrastructure. VA medical centers are underutilized and VA has excess beds.

This fact is reflected in the eligibility rules which give a large number of veterans, perhaps 10 million, priority access to inpatient hospitalization.

Outpatient care is the bottleneck in the VA system and only a small number of veterans, about 500,000, have guaranteed access to a complete continuum of care. In addition, 2.2 million veterans receive whatever care is needed for their service-connected disabilities, and other veterans have conditional access to outpatient care.

The eligibility rules set by Congress are really a way to ration care by setting priorities. They allow VA to live within its resources.

However, they have two major faults: first, they are very complex. Second, they stand modern medical practice on its head by making it easier to provide inpatient care than outpatient care.

The easy to describe—and from a medical point of view, desirable—fix would be to simply eliminate the distinction between inpatient and outpatient care and direct VA to provide care in the most cost-effective therapeutically appropriate manner.

There are two ways to do this. We could direct VA to provide complete care—including outpatient—to all of the veterans now ''mandatory'' for inpatient care. However, giving new access to outpatient care, including virtually free prescription drugs and prosthetic devices such as hearing aids, to millions of additional veterans could be very expensive.

Or, the Congress could direct VA to provide complete care, but only to the number of veterans who could be served with a budget equal to VA's current funding level. This would make VA's rules simple and allow the most cost-effective care. However, $17.1 billion may not fund a full continuum of care for all of the veterans who are now ''mandatory'' for inpatient care. If the Congress takes this course, we could be accused of ''taking away a veterans' benefit'' from those veterans excluded under the new rules.

There are savings to be realized by moving treatment out of hospitals and into less expensive ambulatory care. However, CBO costed unconstrained bills directing that course as being in the billions of dollars.

As I read the CBO estimates, improved and expanded health care benefits will draw new veteran patients who do not now use VA care and the cost of their care would more than offset the savings of moving some inpatient care into the outpatient arena. For Federal budget purposes, VA health care is ''discretionary'' rather than ''mandatory'' spending. CBO cost estimates show how much it will cost to provide the care which ''eligibility reform'' proposals would authorize. Since VA health care spending is ''discretionary'', this is not a ''pay-go'' cost for which offsets must be found. However, appropriators are bound by a ceiling on discretionary spending and they could fund the ''promised'' care only if they reduced other discretionary programs, unless eligibility reform legislation imposes its own limits on the obligations of the taxpayer to fund VA health care.

VA, the Veterans Service Organizations, (VSO's), and others dispute CBO's analysis. They have stated that if the Congress reforms the rules under which VA operates the resulting efficiencies will pay for, or perhaps even more than pay for, the cost of the additional care. The Veterans' Affairs Committee has taken them at their word. The legislation we now bring before the Senate caps VA medical care spending at $17.250 billion for 1997 and $17.9 billion in 1998. I expect those caps to be extended into the future at a level reflecting any increases in the cost of providing health care and taking into account the declining veteran population.

Current eligibility rules do really stand modern medicine on its head by making it easier to treat a veteran on an inpatient basis than in a non-hospital, outpatient setting. Many advocates for eligibility reform point to the need for changes in the law in order to allow VA the freedom to bring itself up to date. I note, however that VA has informed the Committee that it is moving rapidly to a primary care model for medical care under the current rules. VA's Under-Secretary for Health, Dr. Kenneth Kizer,—one splendid administrator—in a May 10, 1996 letter to the Veterans' Committee's distinguished ranking minority member, Senator ROCKEFELLER, deemphasized sound medicine as a reason for seeking ''eligibility reform''. He instead said that he needs eligibility reform in order to instill respect for the law (asserting that VA clinicians feel they must evade rather than follow statutory criteria), in order to provide a mechanism for him to hold the field management accountable to the taxpayers, and to allow him to design an efficient system of care.

Madam President, these are all worthy and desirable goals. I support them. But they are goals driven by sound public administration, not a crisis. The legislation now before the Senate will allow the able Dr. Kizer to pursue those goals.

This legislation makes some real choices and I expect its enactment to have real consequences.

Current priorities for VA health care favor veterans who are service-connected, or poor, or who are members of special groups (former POW's, World War I, exposed to radiation, agent orange, Persian Gulf).

Changing these priorities requires a Congressional decision as to the Nation's health care obligation to veterans. When care was rationed by hospital bed availability it was easy to set limits. If we move to ambulatory care, constrained only by funding, and do not want to, or can not, create a new entitlement, it will be necessary to set explicit limits on who will be served.

In approving this legislation, the Congress will answer questions as basic as:

First, Should VA care for all disability and illness for service-connected veterans, or just the service-connected conditions? If yes, for all service-connected veterans or just some of them? If just some of them, which ones?

Second, Should VA serve as a social safety net for ''poor'' veterans? If yes, how poor?

Third, Should VA provide the same general medical services as the private sector or should it focus on providing veterans with services not generally available in the private sector (such as long term psychiatric care, or lifetime treatment of spinal cord dysfunction?

Madam President, reform even opens the door to the question of VA's role as a direct care provider. Should VA continue to provide care itself or should it fund private sector care for eligible veterans?

Madam President, I would like to take a moment to describe the eligibility reform provisions of the bill and then discuss how the bill answers the questions this issue puts before the Congress and the implications of some of those answers.

First, and most importantly, the bill eliminates the distinction between inpatient and outpatient care. VA is directed to provide hospital care and

medical services in the most clinically appropriate setting for the veterans it treats. However, and this is important, the fully discretionary nature of eligibility for nursing home care remains unchanged. In addition, VA is required to maintain special programs (such as treatment for spinal cord dysfunction, blind rehabilitation, amputation, and mental illness) at least at the current level. On a per capita basis, these services are expensive to provide and it is not the intent of the Committee to allow VA to reduce them in order to pay for other kinds of routine care. This decision means that VA will be forced to reduce the number of veterans it treats for routine conditions and diseases in order to sustain its effort for the unique services it provides. In many cases, VA is a national leader for these services and, in this regard, VA is truly a national asset.

Second, the legislation does not create an entitlement to health care for veterans. Funding for veterans' health care has always been considered discretionary spending and the benefits provided by this bill are explicitly subject to the availability of appropriations. As I noted earlier, the amount of appropriations authorized is capped at about the current level of effort, $17.25 billion for 1997 and $17.9 billion for 1998.

Third, VA is directed to manage access to its health care system by enrolling veterans according to the following priorities:

First, veterans with service-connected disabilities evaluated 50 percent and greater.

Second, veterans with service-connected disabilities evaluated at 30 percent and 40 percent disabling.

Third, former POW's and veterans with 10 percent and 20 percent service-connected disabilities.

Fourth, catastrophically disabled veterans and veterans in receipt of increased non-service-connected disability pension because they are housebound or in need of the aid and attendance of another person to accomplish the activities of daily life.

Fifth, veterans unable to defray the cost of medical care, as prescribed by VA in regulation.

Sixth, all other veterans in the so-called ''core'' group including veterans of WWI, and veterans with a priority for care based on presumed environmental exposure.

Seventh, all other veterans.

VA will be authorized to establish subdivisions for enrollment within priority groups. 1997 and 1998 will be a transition period with enrollment required for treatment after September 30, 1998. VA will, of course, continue to treat service-connected conditions (and veteran service-connected 50 percent and higher) without regard to enrollment. Other veterans will need to be enrolled if they are to receive VA care and VA will enroll only the number of veterans it will be able to treat with the resources available to it.

Madam President, this bill will change the way VA does business and it has the potential to change the characteristics of the veterans in our States who will have a realistic expectation of receiving VA care. Veterans with non-compensable service-connected disabilities will no longer have an automatic priority for care. However, by giving a high priority for enrollment to all veterans with compensable service-connected disabilities we will create a population of 2.2 million veterans who can expect VA to provide a complete continuum of care, including such services as free or virtually free prescriptions, which are not covered by Medicare. If this expansion of services draws large numbers of these veterans to the VA system, then veterans with a low priority for care, including the low-income veterans who now make up a large proportion of VA's patients, may not receive full care. The alternative to this would have been to give a low priority to veterans with minor service-connected disabilities, but that option was not acceptable to the members negotiating the legislation. This outcome is made more likely by the decision to freeze VA's level of effort in its special, but expensive, services. A possible outcome of this bill will be a VA system that primarily treats service-connected veterans for their non-service-connected conditions and veterans whose disabilities or illnesses make them candidates for treatment in one of VA's specialized programs. Of course, this outcome will not come about if VA and the Veterans Service Organizations are correct and the efficiencies this bill will allow VA to realize are adequate to pay for the additional services provided to veterans newly attracted to the VA system. We will see veterans turned away if the Congressional Budget Office and General Accounting Office are correct and liberalized rules lead to dramatic numbers of new veterans seeking free VA care.

Madam President, I also ask my colleagues to be aware of the effect of the increased VA efficiencies necessary if it is to continue to treat its current low income patients. Because VA's resources will remain constrained, we can expect VA to accelerate the already underway process of reevaluating the desirability of continuing to support underutilized and inefficient ''infrastructure''. In a word, we will see some hospitals closed and mission changes for many others. To his clear credit, VA's Under Secretary for Health, Dr. Ken Kizer, has already made more progress in this direction than any other Under Secretary or Chief Medical Director in my time in Congress. And, I believe he would continue that process with or without this legislation. He deserves our highest praise for that. However, I think it safe to predict that every unpopular decision to close a hospital, or limit or redirect a service, will be attributed to this legislation. Since those changes will be the very changes needed to transform VA from a 1945 system of hospitals into a twenty-first century health care system, we should thank those who often point their fingers in our direction—for giving us the credit. If Veterans' Service Organizations in our States voice complaints about the outcome of this legislation, we should remind them of the old saying about being careful what you ask for because you may get it!

Madam President, this amendment goes beyond reform of the rules governing access to VA medical care, and I will take a few minutes to summarize some of the major provisions for the benefit of my colleagues.

It extends VA's authority to treat Persian Gulf veterans with disabling symptoms, but for which no disease can be diagnosed. It also extends to December 31, 1998 VA's authority to provide health examinations to the families of Persian Gulf veterans. This authority originally ended September 30, 1996, but unless the deadline is extended, delays in putting the program into effect would result in a substantially shorter time frame for VA to provide these exams than was contemplated by the Congress when the authority was originally enacted.

In addition, it extends VA's authority to care for veterans presumed to have been exposed to Agent Orange or radiation, and also takes a necessary step to exclude from that treatment authority those diseases for which there is evidence that exposure is not the cause.

The amendment, authorizes the construction of 18 major construction projects. I am pleased that we have made the turn away from VA's past emphasis on the construction of inpatient hospital facilities and are beginning to expand the proportion of scarce resources allocated to ambulatory care. I urge my successors to reenforce this shift in emphasis as ambulatory care is the bottleneck in the VA system and the ''eligibility reform'' provisions of this bill will bring VA even more veterans seeking care on an ambulatory care basis.

The bill authorizes ambulatory care projects in Honolulu, HI ($43 m), Brockton, MA ($13.5 m); Shreveport, LA ($25 m); Lyons, NJ ($21.1 m); Tomah, WI ($12.7 m); Asheville, NC ($26.3 m); Temple, TX: ($9.8 m); Tucson, AZ ($35.5 m); and Leavenworth, KS ($27.75 m). In addition, it authorizes patient environment improvement projects in Lebanon, PA ($9.5 m); Marion, IL: ($11.5 m); Omaha, Neb. ($7.7 m); Pittsburgh, PA: ($17.4 m); Waco, TX ($26 m); Marion, IN ($17.3 m); Perry Point, MD ($15.1 m); and Salisbury, NC ($18.2 m). It also authorizes correction of seismic deficiencies at Palo Alto, CA ($20.8 m) and leases of outpatient clinics in Allentown, PA ($2.159 m); Beaumont, TX ($1.940 m); Boston, MA ($2.358 m); San Antonio, TX ($2.256 m), (also includes a VBA office); Toledo, OH ($2.223 m); and a parking facility in Cleveland, OH ($1.3 m).

In other construction provisions, the amendment directs VA to submit an

annual report with a 5-year strategic plan showing each of the 22 Veterans Integrated Service Network's (VISN) facility needs and plans for meeting those needs, and a listing of VA's 20 highest priority construction projects with the category, priority score and priority rank for each. Additional information will also be required in the prospectus for each project, especially on projected workload and costs. The threshold separating minor from major construction increased from $3 million to $4 million. The ''grandfathered'' authorization of projects already in the works when the authorization requirement was established will be eliminated. Future construction projects will require an affirmative authorization by the Congress. VA will also be required to give the Congress 30 days notice before obligating more than $500,000 for advance planning.

Eligibility reform will call upon VA to break out of the mold created by its historic dependence on its physical infrastructure. This amendment will assist in that process by expanding the types of providers with which, as well as the types of services for which, VA would be able to enter into sharing agreements. The amendment would also allow VA to use a simplified procedure for complying with Federal procurement processes when contracting with commercial providers.

The amendment would also make permanent VA's authority for CHAMPUS sharing agreements, an authority now expiring September 30, 1996.

The ''notice and wait'' period for VA reorganizations is reduced from 90 to 45 days, 30 of which must occur while Congress is in session.

The bar on VA contracting for patient care (which is now suspended through 1998) is deleted, with a requirement that VA report to Congress in advance of any contracting proposal.

The amendment has significant provisions relating to medical services for women veterans. It would require accreditation of VA mammography programs and require VA to adopt and enforce mammography quality control and quality assurance standards. Since VA is already in compliance with these provisions, their enactment will have the effect of codifying VA's current policy and practice. In addition, VA would be directed to survey its facilities in order to identify privacy deficiencies and to incorporate a correction plan into its construction planning process. VA would also be directed to assess the use, and barriers to use, of VA services by women veterans and to report on its findings, recommendations, and the correctional steps it has taken in response to those findings.

The Readjustment Counseling Service program administered through community based ''Vet Centers'' would be updated. Mandatory counseling eligibility would be limited to combat theater veterans (with nontheater Vietnam-era veterans ''grandfathered'' in if they become Vet Center clients before January 1, 2000). The Advisory Committee on the Readjustment of Veterans would be given statutory recognition. VA would be directed to report to the Congress on the feasibility and desirability of collocating Vet Centers and outpatient clinics or providing some medical services at Vet Centers.

VA would be directed to establish up to five Mental Illness Education Research and Clinical Centers [MIRECCs]. The centers established would be chosen from proposals through a peer review process. They would be located in various geographic regions, at sites linking tertiary care and primarily psychiatric VA Medical Centers [VAMCs]. In addition, the Committee on Care of Severely Chronically Mentally Ill Veterans would be made a statutory committee and VA would be required to forward its reports to the Congress.

VA would be directed to conduct research evaluating the most cost effective and efficient way to provide hospice care to veterans, with a report due to the Congress by April 1, 1998.

VA would be authorized to make construction grants to modify State homes to provide adult day care and to pay per diem to State homes for veterans receiving adult day care.

VAMCs would be allowed a new window of opportunity to create research corporations for the purpose of accepting gifts and grants from the private sector for funding VA medical research. This authority would sunset on December 31, 2000. These corporations would be required to report to Congress on the sources and expenditures of their funds.

The Office of the Under Secretary for Health be required to be staffed so as to ensure that the Under Secretary has the benefit of the expertise and policy guidance of: First, VA's specialized programs (e.g. blind rehabilitation, spinal cord dysfunction, mental illness, etc.) and, second, readjustment counseling. The amendment would also eliminate the current requirement that the Associate Deputy Under Secretary be an MD.

In addition, the amendment would eliminate current ''moonlighting'' restrictions imposed on full time VA health care professionals. The recovery of special pay incentives would be suspended for doctors and dentists while they pursue additional residency training if they return to VA employment. VA would also be given more flexibility in payment arrangements for residents and interns.

And, finally, land transfers at VAMCs Milwaukee and Cheyenne would be approved and the VA Medical Center at Mountain Home, TN, would be named after Congressman JAMES H. QUILLEN. That name change would take effect at the beginning of the 105th Congress or when Congressman QUILLEN ceases to be a Member of Congress.

Madam President, this amendment is a major legislative accomplishment. And, as we all know, such an accomplishment requires hard work on the part of everyone involved. We would not be where we are today without the active and sincere involvement and interest of the distinguished ranking minority member of the Committee on Veterans' Affairs, Senator JAY ROCKEFELLER. In addition to recognizing his hard work and that of the Committee's minority staff director and chief counsel, Jim Gottlieb, I must acknowledge the tireless effort and broad expertise of Bill Brew. Bill Brew took me by the hand and ''showed me the ropes'' when I first came to the Committee on Veterans' Affairs as a junior member of the committee. Now years later, and when I am in the last days of my chairmanship of the committee, I find that Bill is still indispensable to the committee's operations. They don't make many like Bill, and veterans everywhere are very fortunate that he has chosen to put his talent to work on the committee staff.

And then my dear friend, SONNY MONTGOMERY. What a man. The present ranking minority member of the House Committee on Veterans' Affairs. Sometimes it seems to us all that there hasn't been a piece of veterans' legislation that has gone through this body since before the war (and I'll let you decide which war) that didn't carry the fingerprints of that fine and noble gentleman. He is leaving the legislative arena this year. But we shall all remember the unquenchable flame powering his singular focus on the men and women whose uniformed service has kept this Nation free for so long. And he has played an unmatched role in the development and enactment of the amendment now before this body. He is a very dear friend. Chairman BOB STUMP of the House committee takes second place to no one when it comes to veterans' legislation and so it has been in the evolution of this bill. He is steady and courageous and I am proud to be his friend also. I thank him for his constructive role and acknowledge his indispensable efforts to transform the commitment of the Congress to America's veterans into effective and generous benefits and services.

Madam President, I suspect that Congressmen STUMP and MONTGOMERY would be the first to acknowledge their debt to their dedicated staff. Carl Commentator, Kingston Smith and JoAnn Webb of the majority staff, and Pat Ryan and Ralph Ibsen of the minority staff have worked tirelessly to implement the policy direction of their bosses.

And lastly, Tom Harvey, my chief counsel and staff director, and his crew on the Senate Veterans' Committee staff have done yeoman service over the last 2 years. Tom has long been the absolutely indispensable voice of reason to whom I have turned for advice so many times when the topic turned to veterans. And he has ''saved my bacon'' many a time, especially with the Veterans' service organizations. A more loyal, savvy, protective friend I

could never have. For the last 2 years, I have slept less fitfully knowing he is in full charge of the committee staff. Chris Yoder, as a fine professional staff member, has been responsible for health care issues, and has shepherded this amendment from it's origin as a cluster of ideas on a ''to do'' list through the legislative product now before this body. Bill Tuerk, the committee's general counsel, has played an indispensable and strong role in the development of this amendment and has committed more time and energy to its enactment than it is reasonable to ask of someone unless they work for love of country as well as for sustenance. Their efforts were well supported by Deputy Staff Director Dave Balland, Dat Tran, Bill Foster, Stephanie Foster, Dr. Sally Satel, Dennis Doherty, Rosie Ducosin, Linda Reamy, and Dolores Moorehead. All very wonderful people. The Members of this body, as well as America's 26 million veterans, are all deeply indebted to all of them for their consistent hard work and commitment.

Madam President, I urge my colleagues to join me in support of this legislation and I thank the Chair.

I ask unanimous consent that a joint explanatory statement be printed in the RECORD.

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

JOINT EXPLANATORY STATEMENT FOR H.R. 3118, THE PROPOSED VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

H.R. 3118, the proposed ''Veterans' Health Care Eligibility Reform Act of 1996'' reflects a compromise agreement that the Senate and House of Representatives Committees on Veterans' Affairs have reached on a number of bills considered in the Senate and House during the 104th Congress, including: a construction authorization bill, ordered reported by the Senate Committee on Veterans' Affairs on July 24, 1996, [hereinafter, Senate Construction Authorization Bill]; an eligibility reform bill, ordered reported by the Senate Committee on Veterans' Affairs on July 24, 1996, [hereinafter, Senate Eligibility Reform Bill]; and a health care bill, ordered reported by the Senate Committee on Veterans' Affairs on July 24, 1996, [hereinafter, Senate Health Care Bill]; H.R. 1384, ordered reported on June 15, 1995, and passed by the House on October 10, 1995; H.R. 3376, ordered reported on May 8, 1996, and passed by the House on June 4, 1996; H.R. 3118, ordered reported on May 8, 1996, and passed by the House on July 30, 1996; and H.R. 3643, ordered reported on June 20, 1996, and passed by the House on July 16, 1996.

The Committees on Veterans' Affairs have prepared the following explanation of H.R. 3118 (hereinafter referred to as ''compromise agreement''). Differences between the provisions contained in the compromise agreement and the related provisions in the bills listed above are noted in this document, except for clerical corrections and conforming changes made necessary by the compromise agreement, and minor drafting, technical, and clarifying changes.

TITLE I—ELIGIBILITY REFORM

ELIGIBILITY FOR CARE

Current law

Provisions of law governing eligibility for VA care, set forth in chapter 17 of title 38 U.S. Code, are complex and are not uniform across levels of care. All veterans are ''eligible'' for hospital care and nursing home care, but ''eligibility'' does not in itself assure access. Existing law draws a broad distinction, for purposes of all levels of care, between two categories. The first is a ''multi-tiered'' cohort (''category A'') of veterans who have been recognized through a series of acts of Congress as having a priority to VA care, including service-connected veterans, those considered unable to defray the expenses of necessary care, and several special-eligibility subgroupings. The second category, which has a lower priority for VA care, encompasses all other veterans who have no special eligibility and whose income exceeds means-test thresholds set in law.

With respect to hospital care, the law states that VA ''shall'' provide needed care to all category A veterans, while VA ''may'' provide those same veterans nursing home care. Eligibility for outpatient care is more fragmented. Only limited groups of veterans are eligible for comprehensive outpatient care. The VA ''shall'' furnish such care to those who are 50% or more service-connected, and ''may'' furnish it to former prisoners of war, World War I veterans, and certain profoundly disabled veterans. Current law imposes specific limitations on certain other veterans. Those not eligible for comprehensive services are limited generally to treatment ''to obviate a need of hospital admission'' or to complete treatment initiated on an inpatient basis. Veterans undergoing treatment based on a need to obviate hospitalization are specifically not eligible to receive prosthetic supplies.

A provision of existing law, which sunsets on December 31, 1996, provides special eligibility for health care services for veterans exposed to toxic or hazardous substances during their service.

9House bills

H.R. 3118: Section 2 would provide that, within appropriations, VA shall provide all needed hospital care and medical services (including preventive health services), and may provide all needed nursing home care to veterans in category A (other than veterans with a non-compensable disability). VA shall ensure that a service-connected veteran is provided all benefits under chapter 17 for which the veteran was eligible prior to enactment of the bill. Section 3 would authorize VA to furnish needed prosthetic items for a veteran otherwise receiving care or services under chapter 17; in addition, it would require VA to develop guidelines applicable to provision of hearing aids and eyeglasses.

Section 4 would establish a new section 1705 which would require that VA manage provision of hospital care and medical services under new section 1710 through a system of annual patient enrollment. Enrollment of veterans is to be managed in accordance with specified priorities in the following order:

Veterans with service-connected disabilities rated 30% or higher;

Former POW's and veterans with service-connected disabilities rated 10% and 20%;

Veterans in receipt of increased pension based on need of aid and attendance or housebound status, and other veterans who are catastrophically disabled (such as the spinal cord injured);

Veterans unable to defray the cost of care; and

All other ''category A'' veterans.

In designing an enrollment system, the Secretary would be authorized to establish additional priorities within the priority groupings and to provide for exceptions to the specified priorities where dictated by compelling medical reasons, but would be required to ensure that the system is managed in a manner to ensure that the provision of care to enrollees is timely and acceptable in quality.

Section 4 would also establish a new section 1706, applicable to managing the provision of hospital care and medical services, which would:

Require VA, to the extent feasible, to design, establish and manage health care programs so as to promote cost-effective delivery of care in the most clinically appropriate setting;

Authorize VA to contract for hospital care and medical services when VA facilities could not furnish such care economically, and to establish such acquisition policies and procedures as appropriate to provide the needed services; and

Require VA to maintain its capacity to provide for the specialized treatment and rehabilitation needs of disabled veterans so as to afford those veterans reasonable access, and ensure that overall capacity is not reduced below its capacity to provide those services as of the date of enactment of the section.

The bill would also authorize appropriations for the medical care account, for the purposes specified for that account in the most recent VA/HUD appropriations act, including the cost of providing care under the amendments made by section 2, not to exceed $17.25 billion for fiscal year 1997 and not to exceed $17.9 billion for fiscal year 1998.

The bill would also include a detailed report on implementation and operation applicable to sections 2, 3, and 4.

H.R. 3643: Section 1 would extend special eligibility provisions applicable to veterans exposed to toxic or hazardous substances and, with respect to herbicide-and ionizing radiation-exposed veterans, revise such eligibility, as follows:

Extend the special eligibility provision applicable to service in the Persian Gulf until December 31, 1998;

Provide with respect to herbicide-exposed veterans, that VA for a two-year period shall provide care for diseases (1) for which the National Academy of Sciences in a report issued in accordance with section 2 of the Agent Orange Act of 1991 has determined (or subsequently determines) that there is either some evidence of, or insufficient evidence to permit a conclusion as to, an association between occurrence of the disease in humans and exposure to a herbicide agent, and (2) which the Secretary, based on peer-reviewed research published within a specified period after the most recent Academy report, determines there is credible evidence suggestive of such an association;

Limit the treatment of veterans exposed to ionizing radiation to treatment of those diseases listed in 38 USC sec. 1112(c)(2) and those as to which VA determines there is credible evidence of a positive association between disease occurrence and radiation exposure; and

Provide that, as to veterans who received care under the special eligibility provisions being amended, such provisions shall continue in effect for continued care of the disability for which such care was furnished before the date of enactment.

Section 1 would also expand eligibility for health care applicable to the Persian Gulf War to veterans who served in Israel or Turkey during the period August 2, 1990 through July 31, 1991.

Senate health care reform bill

Section 2 would amend section 1701 of title 38 to add definitions for the terms ''health care'' and ''respite care''.

Section 3 generally conditions eligibility for health care to a requirement that a veteran enroll for VA care. It would provide that VA—

Shall furnish health care to any veteran for a service-connected disability, and any veteran who is 50% or more service-connected disabled, a former prisoner of war, or a veteran of World War I or the Mexican border; and shall furnish hospital care for the treatment of any disability of a veteran with a compensable disability;

Shall, to the extent resources and facilities are available, furnish health care to all other category A veterans (other than veterans with a non-compensable disability); and

May furnish health care, subject to copayment requirements, to any other veteran.

The section recodifies existing law on eligibility for nursing home care and domiciliary care, but generally conditions such eligibility on a requirement that a veteran enroll for such care. The section would also recodify into new section 1710, without substantive change, other eligibility provisions of current section 1712.

The section would exempt veterans who are 50% or more service-connected disabled and veterans in need of care for a service-connected condition from the requirement that a veteran enroll to receive VA care, and provide that VA shall automatically enroll such veterans upon application for care.

Section 3 would extend through December 31, 1997, existing law governing special eligibility for veterans exposed to toxic or hazardous substances.

Section 4 would require that VA manage provision of care under new section 1710 through a system of annual patient enrollment, with enrollment of veterans (who are not automatically enrolled) to be managed in accordance with specified priorities in the order listed, from veterans with service-connected disabilities rated 50 percent or greater having the highest priority and category C veterans the lowest. In designing an enrollment system, the Secretary would be authorized to establish additional priorities within the priority groupings, and to provide for exceptions to the specified priorities where dictated by compelling medical reasons.

Section 5 would make conforming and clerical amendments.

Section 6 would authorize appropriations for the Department for FY 1997 of $17,068,447,000 for the purposes of the provision of VA medical care. It would authorize increases in appropriations in subsequent fiscal years in the amount of the consumer price index.

Compromise agreement

Sections 101, 103, 104, 105, and 106 are derived substantially from H.R. 3118, with revisions, based primarily on the Senate bill, to include the following:

Addition of a requirement that, effective on October 1, 1998, VA may not provide hospital care or medical services unless the veteran enrolls with VA;

Revision in the list of priorities for enrollment to provide highest priority to any veteran who has a service-connected disability rated 50% or greater, and second priority to veterans 30% or 40% service-connected disabled:

Deletion of proposed amendments to section 1703 of title 38 that would have established broad authority to contract for hospital care and medical services; and

With respect to the requirement that VA maintain its special disability program capacity, inclusion of a report requirement and establishment of a consultative role for special VA committees in assisting the Secretary in carrying out this provision.

Section 102 would extend special eligibility provisions applicable to veterans exposed to toxic or hazardous substances and, with respect to herbicide- and ionizing radiation-exposed veterans, revise such eligibility. With respect to the special eligibility provisions associated with ionizing radiation and Persian Gulf War service, the section follows section 1 of H.R. 3643 (with the exception of the proposed expansion to Israel and Turkey, which is not contained in the compromise). The revisions applicable to herbicide-exposed veterans are partially derived from H.R. 3643, and would:

Extend the special eligibility provision (applicable to herbicide-exposed veterans) in existing law until December 31, 2002, but provide that VA shall not furnish care (under this special eligibility authority) for diseases for which the National Academy of Sciences, in a report issued in accordance with section 2 of the Agent Orange Act of 1991, has determined that there is evidence that is (at least) suggestive of the lack of a positive association between occurrence of the disease in humans and exposure to a herbicide agent; and

Provide that, as to veterans who received care under the special eligibility provisions being amended (for herbicides and ionizing radiation), such provisions shall remain in effect for continued care of the disability for which treatment was furnished before the date of enactment.

TITLE II—CONSTRUCTION AUTHORIZATION

AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS

Current law

Section 8104(a)(2) of title 38 provides that no funds may be appropriated for any fiscal year, and the Secretary of Veterans Affairs may not obligate or expend funds (other than for advance planning and design), for any major medical facility project unless funds for that project have been specifically authorized by law.

House Bill

Section 101(a) of H.R. 3376 would authorize the Secretary to carry out the following ambulatory care projects: Dallas, TX, $19.9 million; Brockton, MA, $13.5 million; Shreveport, LA, $25 million; Lyons, NJ, $21.1 million; Tomah, WI, $12.7 million; Asheville, NC, $28.8 million; Temple, TX, $9.8 million; and Tucson, AZ, $35.5 million.

Section 101(b) of H.R. 3376 would authorize the Secretary to carry out the following environmental improvement projects: Lebanon, PA, $9.5 million; Marion, IL, $11.5 million; Atlanta, GA, $28.2 million; Battle Creek, MI, $22.9 million; Omaha, NE, $7.7 million; Pittsburgh, PA, $17.4 million; Waco, TX, $26 million; Marion, IN, $17.3 million; Perry Point, MD, $15.1 million; and Salisbury, NC, $18.2 million.

Section 101(c) would authorize the Secretary to carry out the following seismic correction projects: Palo Alto, CA, $36 million; Long Beach, CA, $20.2 million; and San Francisco, CA, $26 million.

Senate construction authorization bill

Section 101 would authorize the Secretary to carry out identical ambulatory care projects except for the following: Projects not authorized: Dallas, TX; Lyons, NJ; and Tucson, AZ. Projects authorized at modified amounts: Shreveport, LA, $25.4 million; Asheville, NC, $28.5 million; and Temple, TX, $9.5 million. Additional projects authorized in the Senate Amendment: Honolulu, HI, $43 million; Wilkes Barre, PA, $42.7 million; and Leavenworth, KS; $27.75 million.

Section 101 would also authorize the Secretary to carry out identical environmental improvement projects except for the following: Atlanta, GA; Battle Creek, MI; and Waco, TX, which are not authorized.

The bill would not authorize the Secretary to carry out any seismic correction projects.

Compromise Agreement

The projects authorized in the Compromise Agreement are derived from both measures. The Senate agrees to the addition of projects at Waco, TX; Lyons, NJ; Tucson, AZ; and scaled-down seismic work at Palo Alto, CA. The House agrees to the addition of ambulatory care projects at Honolulu, HI and Leavenworth, KS. It also contains a modified authorization of $26.3 million for Asheville, NC, and the House recedes from its proposed inclusion of projects at Dallas, TX; Atlanta, GA; Battle Creek, MI; Long Beach, CA; and San Francisco, CA.

AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES

Current Law

Section 8104(a)(2) of title 38 provides that no funds may be appropriated for any fiscal year, and the Secretary of Veterans Affairs may not obligate or expend funds (other than for advance planning and design), for any major medical facility lease unless funds for that lease have been specifically authorized by law.

House bill

Section 102 of H.R. 3376 would authorize the Secretary to carry out the following leases of satellite outpatient clinics: Allentown, PA, $2.159 million; Beaumont, TX, $1.94 million; Boston, MA, $2.358 million; and Toledo, OH, $2.223 million.

Section 102 of H.R. 3376 would authorize the Secretary to carry out a lease of a parking facility in Cleveland, OH, for $1.3 million.

Section 102 of H.R. 3376 would authorize the Secretary to carry out a lease of a satellite outpatient clinic and a VBA field office in San Antonio, TX, for $2.256 million. Senate Construction Authorization Bill

Section 102 contains the same lease authorizations as the House bill, and would also authorize the lease of an outpatient facility in Ft. Myers, FL.

Compromise agreement

Section 202 follows the House Bill.

AUTHORIZATION OF APPROPRIATIONS

Current law

Section 8104(a)(2) of title 38 provides that no funds may be appropriated for any fiscal year, and the Secretary of Veterans Affairs may not obligate or expend funds (other than for advance planning and design), for any major medical facility project or major medical facility lease, unless funds for that project or lease have been specifically authorized by law.

House bill

Section 103(a) of H.R. 3376 would authorize to be appropriated to the Secretary of Veterans Affairs for fiscal year 1997 (1) $422.3 million for the authorized major medical facility projects; and (2) $12.236 million for the authorized major medical facility leases.

Section 103(b) of H.R. 3376 would limit the authorized projects to be carried out using only (1) specifically authorized major construction funds appropriated for fiscal year 1997; (2) funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 1997 that remain available for obligation; and (3) funds appropriated for Construction, Major Projects, for fiscal year 1997 for a category of activity not specific to a project.

Senate construction authorization bill

Section 103(a) would authorize to be appropriated to the Secretary of Veterans Affairs for fiscal year 1997 (1) $299.75 million for the authorized major medical facility projects; and (2) $13.972 million for the authorized major medical facility leases.

Section 103(b) is substantively identical to the House provision in section 103(b).

Compromise agreement

Section 203(a) authorizes to be appropriated to the Secretary of Veterans Affairs for fiscal year 1997 and fiscal year 1998 (1) $358.15 million for the authorized major medical facility projects; and (2) $12.236 million for the authorized major medical facility leases.

Section 203(b) follows the House and Senate provisions except that it provides that projects in section 201 are authorized for funding in fiscal years 1997 and 1998.

STRATEGIC PLANNING

Current law

Section 8107(a) of title 38 requires the Secretary to submit to the Senate and House Committees on Veterans' Affairs an annual report detailing VA's five-year medical facility construction plans, to include a list of the VA's highest priority hospital construction projects.

House bill

Section 201 would repeal the report requirement in section 8107(a) and require a broader annual report on long-range health planning. The new annual report would be required to include (a) a strategic plan for provision of care (including provision of services for the specialized treatment and rehabilitative needs of disabled veterans) through networks of VA medical facilities operating within prescribed geographic service delivery areas; (b) a description of how such networks will coordinate their planning efforts; and (c) a profile of each network.

The network profile would be intended to identify (a) the mission of each medical facility, or proposed facility; (b) any planned change in any facility's mission and the rationale for the change; (c) data regarding the population of veterans served by the network and anticipated changes both in demographics and in health-care needs; (d) pertinent data by which to assess the progress made toward achieving relative equivalency in the availability of services per patient in each network; (e) opportunities for providing veterans services through contract arrangements; and (f) five-year construction plans for facilities in each network.

The report would also be required to include information with respect to each VA medical care facility regarding progress toward instituting identified, planned mission changes; implementing managed care; and establishing new services to provide veterans alternatives to institutional care.

The report would also be required to include (a) the 20 most highly ranked major medical construction projects (by category of project) and the relative rank and priority score for each; (b) a description of the specific factors that account for the project's ranking in relation to other projects within the same category; and (c) a description of the reasons for any change in the ranking from the last report.

Senate construction authorization bill

The Senate Bill contains no comparable provision.

Compromise agreement

Section 204 follows the House Bill.

REVISION TO PROSPECTUS REQUIREMENTS

Current law

Section 8104(b) of title 38 requires the Secretary to submit to the Senate and House Committees on Veterans' Affairs a prospectus for any medical facility proposed by the President or the Secretary. The prospectus is required to include a detailed description and a cost estimate of the proposed medical facility.

House bill

Section 202 of H.R. 3376 would expand the requirements of each prospectus under section 8104(b) to include (a) demographic data applicable to the project; (b) current and projected workload and utilization data; (c) current and projected operating costs of the facility; (d) the priority score assigned to the project under VA's prioritization methodology (and if a project is proposed for funding ahead of a higher-scored project, an explanation of the factors underlying that funding decision); and (e) a listing of each alternative to construction of the facility that has been considered.

Senate bill

No comparable provision.

Compromise agreement

Section 205 follows the House bill.

CONSTRUCTION AUTHORIZATION REQUIREMENTS

Current law

Under section 8104(a)(3)(A) of title 38, the term ''major medical facility project'' means a project for the construction, alteration or acquisition of a medical facility involving a total expenditure of more than $3 million, but such term does not include an acquisition by exchange.

Under section 301(b) of the Veterans' Medical Programs Amendments of 1992, Public Law 102–405, major medical construction projects for which funds were appropriated prior to Public Law 102–405 are exempted from the requirement of congressional authorization.

There is no provision in current law expressly requiring the Secretary to report to the Senate and House Committees on Veterans' Affairs prior to obligating funds from the Advance Planning Fund (APF) or toward design or development of a major medical facility project.

House bill

Section 203(a) would increase the funding threshold for major medical facility projects from $3 million to $5 million.

Section 203(b) would provide that, effective as to fiscal year 1998, the ''grandfather clause'' in section 301(b) of Public Law 102–405 shall have no application.

Section 203(c) would require the Secretary to report in advance on plans to obligate APF funds in excess of $500,000 on any project.

Senate construction authorization bill

The Senate bill contains no comparable provisions.

Compromise agreement

Section 206(a) increases the funding threshold for major medical facility projects from $3 million to $4 million.

Section 206(b) follows the House bill.

Section 206(c) follows the House bill.

TERMINOLOGY CHANGES

Compromise agreement

Section 207 would make technical changes in terminology in sections 8101 and 8109 of title 38 regarding elements of the construction process.

TITLE III—HEALTH CARE AND ADMINISTRATION

Subtitle A—Health Care Sharing and Administration

REVISION OF AUTHORITY TO SHARE MEDICAL FACILITIES, EQUIPMENT AND INFORMATION

Current law

Subchapter IV of chapter 81 of title 38 authorizes VA to enter into agreements with specified health care entities for the mutual use or exchange of use of ''specialized medical resources,'' a narrowly defined term. VA is only authorized to enter into ''sharing agreements'' involving specialized medical resources with health care facilities, research centers or medical schools. VA has broader authority under section 8153 to ''share'' any health care resource only with State veterans homes.

House bill

Section 6 of H.R. 3118 would (a) expand both the range of health care resources which can be the subject of mutual use or exchange of use contracts, and the kind of entities with which VA may so contract; (b) provide that VA may execute such contracts involving any health care resource, and may contract with any individual or entity, including a health plan; (c) provide greater flexibility as to when a VA facility may enter into such a contract, and what payment requirements it may negotiate in selling services, while conditioning the circumstances under which VA furnishes services to non-veterans [only when such an arrangement (1) would not result in delay or denying veterans' care and (2) would result in improving the care of veterans, or is necessary to maintain an acceptable level or quality of service at that facility]; and (d) clarify that VA is to be reimbursed when it provides services under a ''sharing agreement'' to a Medicare-covered patient.

Senate health care bill

Section 101 of S. 1359 contains provisions substantively similar to the provisions described in (a) and (b) of the House bill.

The Senate bill contains no provisions pertaining to the provisions described in (c) and (d) of the House bill

Compromise agreement

Section 301 is derived from provisions of both the House and Senate bills. As provided for under the Senate bill, the section would revise the statement of purpose in 38 USC sec. 8151 to reflect a broader sharing mandate, and revise the definitional provisions applicable to the broader scope of the new authority. Amendments to section 8153 are primarily derived from the House bill and are intended to encourage increased efficiencies, applicable to sharing hospital care and medical services (as those terms are defined in chapter 17 of title 38), supplies, and any other health-care service, support, or administrative resource. The measure is subject to the limitation that VA may furnish services to non-veterans under this section only if veterans will receive priority under such an arrangement and that arrangement either is needed to maintain an acceptable level and quality of service or will result in improved services to eligible veterans. Section 301 would also provide that in instances where the health-care resource is a commercial service, the use of medical equipment or space, or research, and is to be acquired from an institution affiliated with the VA, including medical practice groups, blood banks, organ banks or research centers, the acquisition may be accomplished on a sole source basis. Where the health care resource is to be obtained from other commercial sources, it would be obtained in accordance with simplified procurement procedures developed by the Secretary that would permit all responsible sources to compete for the resources being obtained.

IMPROVED EFFICIENCY IN HEALTH CARE RESOURCE MANAGEMENT

Current law

Title II of Public Law 102–585 authorized an expansion of the cooperative arrangements between VA and DoD facilities instituted

under Public Law 97–174. Public Law 102–585 authorized the Departments to enter into agreements under which VA facilities could provide medical services to beneficiaries of DoD's CHAMPUS program. Under this authority, VA has begun to provide care to dependents of active-duty members and retirees. Section 204 of Public Law 102–585 ''sunsets'' this expanded authority on September 30, 1996.

House bill

Section 5 of H.R. 3118 would repeal section 204 of Public Law 102–585 and extend indefinitely VA's authority to provide care and services through contract arrangements to DoD beneficiaries under chapter 55 of title 10, United States Code. Section 5 would also clarify VA's authority to recover or collect from the insurance plans (including so-called ''CHAMPUS supplemental'' plans) of CHAMPUS beneficiaries cared for by VA to the same extent as DoD recovers for care rendered to these beneficiaries in its facilities. This section would also direct that all funds received by VA from insurance plans of CHAMPUS beneficiaries be credited to the VA facility that furnished the care.

Senate health care bill

Section 212 of S. 1359 would extend for two years, from October 1, 1996 to December 31, 1998, VA's authority to provide care and service through contract arrangements to DoD beneficiaries.

The Senate Amendment contains no comparable provision relating to VA's authority to recover from insurance plans of CHAMPUS beneficiaries or to VA's authority to credit the VA facility that furnished such care.

Compromise agreement

Section 302 follows the House bill. It also provides that any services provided under agreements entered into under section 201 of Public Law 102–585 during the period beginning on October 1, 1996, and ending on the date of enactment of the Act are ratified.

PERSONNEL FURNISHING SHARED RESOURCES

Current law

Section 712 of title 38 established a requirement for minimum numbers of employees in the Department of Veterans Affairs. As implemented, however, this provision has resulted in the establishment of employment ceilings. Such ceilings potentially create a dilemma with respect to medical facility staffing in that they may force a choice between dedicating staff solely to internal service delivery, regardless of the level of efficiency of such service, or to providing as well some level of service delivery to other entities under the auspices of efficiency-driven ''sharing agreements''. Faced with such a choice, facility directors might opt not to embark on any new ''sharing agreements'' or may question the merits of maintaining those in place.

House bill

Section 7 of H.R. 3118 would provide that for purposes of determining the minimum number of positions to be maintained at VA during a fiscal year, the number of positions at VA in any fiscal year (to be reduced under existing law by reference to specified categories of positions) would be further reduced by the number of positions in that fiscal year held by persons involved in providing health care resources under ''sharing agreements'' executed under section 8111 of title 38 (as expanded by section 201 of Public Law 102–585) or section 8153 of title 38.

Senate health care bill

The Senate bill contains no comparable provision.

Compromise agreement

The Compromise Agreement follows the House Bill.

WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATIONS

Current law

Section 510 of title 38 authorizes the Secretary to reorganize the functions of the Administrations, offices, facilities or activities in VA. Prior to implementing such a reorganization, the Secretary must submit to the House and Senate Committees on Veterans' Affairs a report containing a detailed plan and justification for the change. The reorganization may not be started until 90 days after the Congressional committees have received the Secretary's report.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 102 would change the waiting period from 90 days to 45 days, thirty days of which Congress shall have been in continuous session.

Compromise agreement

Section 304 follows the Senate Health Care Bill.

REPEAL OF LIMITATIONS ON CONTRACTING OUTPATIENT CARE ACTIVITIES

Current law

Section 8110(c) of title 38 prohibits contracting out of direct patient care activities or activities ''incident to'' direct care, and permits contracting out other activities at VA health-care facilities only on the basis of a VA-conducted cost-comparison study carried out in accordance with the provisions of that subsection. Under section 1103 of Public Law 103–446, the provisions of section 8110(c) have no effect through fiscal year 1999.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 103 would repeal section 8110(c).

Compromise agreement

Section 305 incorporates the Senate provisions and adds an annual reporting requirement.

Subtitle B—Care of Women Veterans

MAMMOGRAPHY QUALITY STANDARDS

Current law

Section 354 of the Public Health Service Act, as added by Public Law 102–539, relates to the certification by the Secretary of Health and Human Services of facilities which perform mammograms. This section does not apply to VA health care facilities.

House bill

Section 8 of H.R. 3643 would add a new section 7319 to title 38 which would (a) require VA facilities to be accredited by a private nonprofit organization to perform mammography testing; (b) require VA to prescribe quality assurance standards for the performance and interpretation of mammograms and the use of mammography equipment by facilities, that these standards be prescribed by the Secretary of Veterans Affairs in consultation with the Secretary of Health and Human Services, and that they are to be as stringent as those prescribed under the Public Health Services Act; (c) provide for annual inspection of equipment and facilities used by and in Department health care facilities for the performance of mammograms; (d) require that any outside facility performing mammography services for VA under contract must meet the requirements issued by the Secretary of Health and Human Services. Section 8 would also require the Secretary of Veterans Affairs to prescribe standards under section 7319(b) not later than 120 days after enactment. It would also require an implementation report to be submitted to the House and Senate Committees on Veterans' Affairs within 120 days after the Secretary prescribes quality standards or the date of enactment, whichever comes later.

Senate health care bill

Title V contains substantially similar provisions.

Compromise agreement

Section 321 contains this provision.

PATIENT PRIVACY FOR WOMEN PATIENTS

Current law

There is no express provision in current law relating to patient privacy issues for women patients.

House bill

Section 9 of H.R. 3643 would require VA to (a) survey each of its medical centers to identify deficiencies relating to the personal privacy of women patients; (b) ensure that plans to correct deficiencies identified in the survey are developed and incorporated into VA's construction planning processes and given high priority; (c) compile an annual inventory of those deficiencies and remedial plans; and (d) report to Congress annually through 1999 on such deficiencies and include the inventory compiled by the Secretary, the proposed corrective plans and the status of such plans in the report.

Senate health care bill

The Senate bill contains no comparable provisions.

Compromise agreement

Section 322 generally follows the House Bill. The Compromise Agreement limits the construction requirement to projects where it is cost efficient to do so.

ASSESSMENT OF USE BY WOMEN VETERANS OF VA HEALTH SERVICES

Current law

Section 318 of title 38 provides for a Center for Women Veterans at VA. The Center's director serves as the principal adviser to the Secretary on the adoption and implementation of policies and programs affecting women veterans. The Secretary includes in documents submitted to Congress in support of the President's budget for each fiscal year the following: (1) detailed information on the budget for the Center; (2) the Secretary's opinion as to whether the resources proposed in the budget are adequate for the Center; and (3) a report on the activities of the Center for the preceding fiscal year.

House bill

Section 7 of H.R. 3643 would (a) require the Center for Women Veterans, in consultation with the Advisory Committee on Women Veterans, to assess the use by women veterans of VA health services, including counseling for sexual trauma and mental health services; (b) require the Center to submit to the Under Secretary for Health a report by April 1, 1997, 1998 and 1999 on the extent to which women veterans eligible for VA health care fail to seek or face barriers in seeking health services at VA and recommendations for encouraging greater use of such services; (c) require the Secretary to submit a report to the House and Senate Committees on Veterans' Affairs by July 1, 1997, 1998, and 1999 containing the most recent report of the Center, the views of the Under Secretary for Health on the Center's report findings and recommendations, and a description of the steps being taken by the Secretary to remedy any problems described in the report.

Senate health care bill

The Senate bill contains no comparable provision.

Compromise agreement

Section 323 follows the House bill.

REPORTING REQUIREMENTS

Current law

Section 107 of Public Law 102–585, which expired in 1995, required the Secretary to submit annual reports on the provision of health care services and the conduct of research relating to women veterans carried out by, or under the jurisdiction of, the Secretary to the Committees on Veterans' Affairs.

House bill

Section 6 of H.R. 3643 would (a) extend through January 1, 1998, the annual reporting requirements of section 107 of Public Law 102–585; and (b) add to the reporting requirements information on the number of inpatient stays and outpatient visits by women veterans and a description of the Secretary's action to foster and encourage research on women veterans.

Senate health care bill

The Senate bill contains no similar provision.

Compromise agreement

Section 324 follows the House bill.

Subtitle C—Readjustment Counseling and Mental Health Care

ELIGIBILITY FOR READJUSTMENT COUNSELING SERVICES

Current law

Section 1712A requires VA to provide, at the request of any eligible veteran, counseling to assist such veteran in readjusting to civilian life. Under current law, eligible veterans include Vietnam-era veterans and in-theater veterans of post-Vietnam hostilities, such as Lebanon, Grenada, Panama and the Persian Gulf.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 202 would make the following changes in current eligibility for readjustment counseling: it would require VA to furnish such counseling to in-theater Vietnam-era veterans; in-theater combat veterans for periods prior to the Vietnam era; and Vietnam-era veterans who seek such counseling before January 1, 2000, or who have been furnished such counseling before that date. It would also authorize VA to furnish such counseling to any other veteran. The measure would require the Secretary to provide bereavement counseling to the surviving parents, spouse and children of certain veterans and grant the Secretary the discretion to provide bereavement counseling to the surviving parents, spouse and children of other certain veterans; and (d) authorize the Secretary to contract for bereavement counseling under this section in the same manner in which it contracts for medical services for veterans with total service-connected disabilities under sections 1712(a)(1)(B) and 1703(a)(2).

Compromise agreement

Section 331 is derived from the Senate Health Care Bill. It modifies existing law as follows: it requires VA to furnish such counseling to in-theater Vietnam-era veterans and Vietnam-era veterans who seek such counseling before January 1, 2000, or who have been furnished such counseling before that date. It also authorizes VA to furnish such counseling to any veteran who had served in a theater of combat operations prior to the Vietnam-era. Section 331 does not contain any provision relating to the provision of, or contracting for, bereavement counseling.

REPORTS RELATING TO VET CENTERS

Current law

Current law contains no specific authorization for VA to provide medical services at Vet Centers.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 204 would require the Secretary to submit to the Senate and House Committees on Veterans' Affairs a report, not later than six months after enactment, on the feasibility and desirability of collocating Vet Centers and VA outpatient clinics as current leases for such centers and clinics expire. Section 205 would require the Secretary to submit to the Senate and House Committees on Veterans' Affairs a report, not later than six months after enactment, on the feasibility and desirability of providing a limited battery of health care services, including ambulatory services and health care screening services, to veterans at VA readjustment counseling centers.

Compromise agreement

Section 332 incorporates the two report provisions of the Senate Amendment and adds language stating that nothing in the section is intended to preclude the Secretary from providing limited health care services at Vet Centers during the period before submission of the reports.

ADVISORY COMMITTEE ON THE READJUSTMENT OF VETERANS

Current law

There is no statutory requirement for VA to establish an Advisory Committee on the Readjustment of Veterans.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 203 would (a) add a new section 545 to title 38, which would establish in VA the Advisory Committee on the Readjustment of Veterans, consisting of 18 members to be appointed by the Secretary; (b) provide that a term of service on the Committee may not exceed 2 years and that the Secretary may reappoint any member for additional terms of service; (c) require the Committee to submit a report to the Secretary, which shall be submitted to Congress, on the programs and activities of VA that relate to the readjustment of veterans to civilian life; and (d) provide that the original members of the Committee shall be the members of the present, administratively established Advisory Committee on the Readjustment of Vietnam and Other War Veterans.

Compromise agreement

Section 333 follows the Senate bill.

CENTERS FOR MENTAL ILLNESS RESEARCH, EDUCATION AND CLINICAL ACTIVITIES

Current law

There is no provision in current law relating to the establishment of centers for mental illness research, education and clinical activities.

House bill

Section 3 of H.R. 3643 would add a new section 7320 to title 38, which would (a) require the Secretary to designate not more than five VA centers of excellence in mental illness research, education and clinical care activities (MIRECCs); (b) require centers to be established and operated collaboratively (through a formal governance structure) by a VA facility (or facilities) with a mission centered on care of the mentally ill and a VA facility in the same geographic area with a mission of providing tertiary medical care; (c) require that no less than 50 percent of the funds for the center for care, research and education shall be provided to the collaborating facility or facilities with a mission centered on care of the mentally ill; (d) require one of the participating facilities to be affiliated with a medical or other school which provides mental illness training, attracts clinicians and investigators with a clear and focused clinical mental health research mission and maintains an advisory committee; (e) require, as a prerequisite to selection of any MIRECC ''center'' that a peer review panel has determined that any such proposed center meets the highest competitive standards of scientific and clinical merit; and (f) require that at least three of the five centers emphasize the development of community-based alternatives to institutional treatment of mental illness.

The purpose of the MIRECCs would be to facilitate the improvement of health care services for veterans suffering from mental illness—especially from conditions which are service-related—and to develop improved models for the furnishing of clinical services. The centers would do this through research, education and training of health personnel and development of improved models of clinical services. The aim is to channel the interests and expertise of VA tertiary medicine to work toward improving mental health care at VA's often unaffiliated psychiatric hospitals and developing improved models of mental health care delivery. Such collaboration in the case of proposed MIRECCs would entail establishing a dual-sited (or even multi-sited) ''center'' which involves the two (or more) VA institutions forming a collaborative program encompassing mental health research, education and clinical care.

Section 3 would authorize appropriations for centers through 2001, and require annual reports to the Senate and House Committees on Veterans' Affairs not later than February 1, 1998, 1999, and 2000. Section 3 would also require the Secretary to designate at least one center not later than January 1, 1998.

Senate health care bill

Section 301 contains a similar provision, differing primarily in that it imposes no requirement for collaborative operation and establishment of a MIRECC by two or more VA facilities. It would authorize appropriations for centers through 2000, require designation of at least one MIRECC by January 1, 1997, and require annual reporting until 1999.

Compromise agreement

Section 334 generally follows the House bill.

COMMITTEE ON CARE OF SEVERELY CHRONICALLY MENTALLY ILL VETERANS

Current law

There is no provision in current law relating to the establishment of an Advisory Committee on Severely Chronically Mentally Ill Veterans.

House bill

Section 2 of H.R. 3643 would (a) require VA to establish a Committee on Care of Severely Chronically Mentally Ill Veterans to assess VA's capability to meet the treatment needs of veterans, including women veterans, with severe and chronic mental illness; (b) require that Committee members be VA employees with expertise in the care of the chronically mentally ill; (c) require the Committee to advise and make recommendations to the Under Secretary for Health regarding policies for the care of chronically mentally ill veterans; and (d) require the Secretary to submit to the Senate and House Committees on Veterans' Affairs annual reports on the

recommendations of the committee on VA's need for improving care for the chronically mentally ill. The first report would be due not later than April 1, 1997, and subsequent annual reports would be due not later than February 1, 1998, 1999, 2000, and 2001.

Senate health care bill

Section 214 would require the Secretary, not later than 60 days after receipt, to submit to the Senate and House Committees on Veterans' Affairs any report submitted to the Under Secretary for Health by the Special Committee for the Seriously Mentally Ill Veteran as in existence on July 1, 1996.

Compromise agreement

Section 335 follows the House bill.

HOSPICE CARE STUDY

Current law

Current law provides no express authority relating to VA's provision of hospice care to terminally ill veterans. However, many VAMCs currently provide hospice or palliative care in some form, including: (a) on-site hospice care consultation teams; (b) caregiver counseling; (c) the provision of pain management and other services to terminally ill veterans; and (d) inpatient hospice care units, freestanding buildings or separate units where a home like atmosphere is created.

House Bill

The House bill contains no provision relating to this matter.

Senate health care bill

Title IV of S. 1359 would add a new subchapter VII to chapter 17 of title 38, ''Hospice Care Pilot Program; Hospice Care Services''. Title IV would require VA to conduct a five-year pilot program from October 1, 1996, to December 31, 2001, to assess the desirability of furnishing hospice care services and to evaluate the best way to provide hospice care.

VA would be required to set up demonstration projects at 15 to 30 VA sites (selected in a manner that provides a broad spectrum of experience with regard to facility size, location and range of affiliations) at which terminally ill veterans receive care by (a) a hospice operated by a VAMC; (b) a non-VA hospice under contract with a VAMC pursuant to which any necessary inpatient care would be furnished at VA facilities; or (c) a non-VA hospice under contract with a VAMC with any necessary inpatient care to be furnished at non-VA facilities. As to each such program model, VA is to furnish care under the pilot in at least five VAMCs.

The bill would require that in contracting for hospice care, VA would follow the Medicare policy in setting reimbursement rates. Contract hospice rates would generally be capped at the Medicare rates. However, exceptions could be made in cases in which the Secretary determines that the Medicare rate would not compensate a non-VA hospice for providing a veteran with necessary care. The intended effect of this provision would be to ensure that veterans for whom care is extraordinarily expensive due to the nature of their condition would not be excluded from the program.

VA would also be required to include at least 10 VAMCs that offer palliative care to terminally ill veterans. As part of the evaluation, the comparison group would be intended to help the Committee determine whether furnishing a less comprehensive range of services constitutes a viable alternative to VAMCs in which the numbers of veterans desiring such services may not be sufficient to justify a full-scale hospice program.

Not later than August 1, 2000, VA would be required to submit to the Senate and House Committees on Veterans' Affairs a detailed report containing an evaluation and assessment by the Under Secretary for Health of the hospice care pilot program and the furnishing of hospice care services.

In order to ensure that VA patient care is not compromised by this pilot program, the bill would expressly provide that VA would not be precluded from furnishing hospice care services at VAMCs not participating in the pilot program or the comparison group.

The bill would authorize appropriations of $1.2 million for fiscal year 1997, $2.5 million for fiscal year 1998, $2.2 million for fiscal year 1999 and $100,000 for fiscal year 2000.

Compromise agreement

Section 341 would (a) require the Secretary to conduct a research and evaluation study to determine the desirability of furnishing hospice care to terminally ill veterans at VA facilities and to evaluate the most cost effective and efficient way to do so; (b) require the Secretary to conduct the study using VA resources and personnel; and (c) require the Secretary to submit to the Senate and House Veterans' Affairs Committees a report on the research study not later than April 1, 1998. The Committees intend that such study would be conducted by the Management Decision and Research Center of the Health Services Research and Development Service.

PAYMENT TO STATES OF PER DIEM FOR VETERANS RECEIVING ADULT DAY HEALTH CARE

Current law

There is no authority in current law for VA to make per diem payments to State Veterans Homes in connection with the furnishing of adult day health care. There is no authority in current law relating to VA's program of assistance to States in connection with the construction of facilities to furnish care to veterans to provide assistance in connection with the construction of facilities to furnish adult day health care.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

Section 211 would (a) amend section 1741 to authorize VA to provide per diem payments to State Veterans Homes, at a rate set by VA, for adult day health care; and (b) amend subchapter III of chapter 81 to authorize construction grant support to States for expansion, remodeling or alteration of existing buildings to permit the provision of adult day health care.

Compromise agreement

Section 342 follows the Senate Health Care Bill.

RESEARCH CORPORATION

Current law

Subchapter IV of chapter 73 previously authorized VA to establish nonprofit corporations at individual VA medical centers in order to facilitate and foster the conduct of VA medical research. The establishment of such corporations was intended to create mechanisms which could accept public and private grants and administer funds for support of VA-approved research. These corporations have served as flexible mechanisms to enable VA clinicians to carry out research projects for which funding might not be available through VA's own research appropriation. The more than 80 corporations are self sustaining and require no appropriation. VA's authority to establish additional research corporations expired in 1992. Consequently, a significant number of VA facilities, including several major VA medical centers, do not have a research corporation to support their research programs.

House bill

Section 304 of H.R. 3376 would renew VA's authority to establish additional research corporations and extend that authority until December 31, 2000.

Senate health care bill

Section 302 contains a substantially similar provision. It would also make a technical change in citations to the tax code to clarify that research corporations shall be tax-exempt entities without regard to the specific provision of the code under which they achieve that status. It would also expand the annual reporting requirements applicable to the corporations to require the Secretary to report to the Committees with respect to each corporation on amounts received from governmental entities, tax-exempt entities, and all other sources; information on the source of contributions in the case of amounts greater than $25,000 received from entities other than governmental or tax-exempt sources; and with respect to expenditures, amounts expended for salary for research and support staff, for direct support of research, and with respect to expenditures exceeding $10,000, information that identifies the recipient of such payment.

Compromise agreement

Section 343 is generally derived from the Senate bill. It would renew VA's authority to establish additional research corporations and extend that authority through December 31, 2000; delete references to ''section 501(c)(3)'' of the tax code in sections 7361 and 7363 of title 38, United States Code. It would expand reporting requirements, generally as provided for in the Senate bill except (to conform more closely with reporting requirements set by the Internal Revenue Service) that it omits any requirement to isolate amounts received from tax-exempt entities, and requires identification with respect to payees only where the amount expended exceeds $35,000. The provision would also clarify section 7366(b) by specifying that corporations must obtain an audit performed by an independent auditor. In the case of a corporation with annual revenue greater than $300,000, the corporation shall be audited annually. In the case of a corporation with annual revenues between $10,000 and $300,000, the measure requires that an audit be conducted at least once every three years. Finally, the compromise includes an amendment to simplify administration of the requirement that corporation directors and employees are aware of and comply with conflict-of-interest laws and regulations.

VETERANS HEALTH ADMINISTRATION HEADQUARTERS

Current law

Subchapter I of chapter 73 of title 38 requires specified clinical service positions in the Veterans Health Administration and the Office of the Under Secretary for Health.

House bill

Section 205 of H.R. 3376 would (a) repeal certain statutory requirements regarding the organization and staffing of the Office of the Under Secretary for Health; (b) authorize the Under Secretary to include such professional and other services as deemed necessary; and (c) ensure that the Office is sufficiently staffed to provide expertise in clinical care disciplines generally as well as in the unique, specialized VA programs such as blind rehabilitation, prosthetics, spinal cord dysfunction, mental illness and geriatrics and long-term care.

Senate health care bill

Section 201 of S. 1359 would provide that the Secretary may not alter or revise the organizational or administrative structure of the Readjustment Counseling Service.

Compromise agreement

Section 344 is derived primarily from the House provision. The Committees recognize,

however, the importance of ensuring that the Under Secretary's office be staffed so as to have a broad range of clinical expertise and, particularly, expertise in VA's special disability programs. Section 344, accordingly, would require that in organizing the Office, the Under Secretary shall ensure that the office is staffed in a manner such that a designated clinician from the appropriate discipline serve as a principal policy adviser with respect to (1) the VA's unique special disability programs; and (2) the VA's readjustment counseling program. With respect to the latter program, it would require that the Under Secretary ensure that a clinician with appropriate expertise is responsible for the management of that program.

The Compromise Agreement does not contain the statutory repeals proposed in the House Bill. That legislation was derived in part from of legislative proposal submitted by the Department of Veterans Affairs, aimed at providing the Under Secretary of Health greater flexibility to manage a modern health care system. The Committees do not disagree with the view underlying that proposal, that current law is unduly prescriptive and that its centralized management model impedes VA's ability to operate most effectively in a dynamic health care environment. The loss of this provision in no way diminishes support of the Under Secretary's efforts to implement a field management structure which advocates decentralization of authority, programmatic accountability, and flexibility in organizational design and management. The failure to include a provision revising sections 7305 and 7306 of title 38, U.S. Code, should not be construed as an expression of agreement that those provisions any longer represent a sound legislative policy.

DISBURSEMENT AGREEMENTS RELATING TO MEDICAL RESIDENTS AND INTERNS

Current law

Section 7406(c) authorizes the use of disbursement agreements which provide pay and other employee benefits to residents and interns who train at VA hospitals. Current law makes no specific provision for such agreements for residents and interns who train at VA outpatient clinics, nursing homes or other Department medical facilities.

House bill

Section 4 of H.R. 3643 would permit disbursement agreements to be arranged for residents and interns who train at any VA health care facility.

Senate health care bill

Section 111 contains an identical provision.

Compromise agreement

Section 345 contains this provision.

AUTHORITY TO SUSPEND SPECIAL PAY AGREEMENTS FOR PHYSICIANS AND DENTISTS WHO ENTER RESIDENCY TRAINING PROGRAMS

Current law

Subchapter III of chapter 74 authorizes ''special pay'' in addition to basic pay to assist in physician recruitment and retention. To receive special pay, a physician must enter into a special pay agreement that carries certain service obligations. Failure to complete that obligation triggers refund liabilities. Under current law, employees incur a refund liability any time they leave voluntarily. A waiver can be granted only when the employee's breach of an agreement is for reasons beyond their control, as provided by section 7432(b)(2) of title 38. A physician or dentist who enters a residency training program is converted to a special appointment category that is excluded from receipt of special pay. Entering a residency training position constitutes a breach of the agreement and triggers the obligation to repay the special pay that the physician or dentist received during that year, thereby imposing adverse financial consequences on those individuals entering residency training programs.

House bill

Section 5 of H.R. 3643 would temporarily suspend the special pay agreement during residency training and allow the return of the physician or dentist to VA employment without incurring a special pay refund obligation.

Senate health care bill

Section 113 contains an identical provision.

Compromise agreement

Section 346 contains this provision.

REMUNERATED OUTSIDE PROFESSIONAL ACTIVITIES BY VETERANS HEALTH ADMINISTRATION PERSONNEL

Current law

Section 7423(b)(1) prohibits full-time title 38 employees from obtaining outside employment which involves assuming responsibility for providing patient care.

House bill

H.R. 1384 would free registered professional nurses, physician assistants, and expanded-duty dental auxiliaries of this restriction on outside employment.

Senate health care bill

Section 112 would eliminate this restriction as to all title 38 employees.

Compromise Agreement

Section 347 follows the Senate bill.

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN

Current law

The terms of a conveyance of a parcel of land from the VA to Milwaukee County, Wisconsin, as authorized by statute in 1954, provided that such land was to be used for recreational and other purposes, and that if the county were to attempt to transfer title to a third party, title would automatically revert back to VA. Unlike two other adjacent parcels of land previously transferred from VA to the county, the deed of conveyance made no provision for reversion ''at the option of the United States''. Financing requirements associated with planned construction of a baseball stadium on the tract now require a transfer of title to the State. Legislation is clearly needed to enable the county to transfer the 28-acre tract, which would otherwise revert to the United States, to the State of Wisconsin.

VA has advised, with respect to its authority to weigh the option of reversion, that it will not exercise the option in favor of reversion back to the United States so long as the existing statutory restrictions on use are followed. VA has further advised that in the event that legislation is introduced to modify the deed restrictions, the VA would not object to releasing the properties from the restriction against alienation.

House bill

Section 10 of H.R. 3643 would modify VA's reversionary interest in the land which it had previously conveyed to Milwaukee County and authorize VA to execute instruments to permit the County to grant all or part of such land to another party with a condition on such grant that the grantee use the land only for civic and recreational purposes. It would also provide that the conditions under which title to all or any part of the land reverts to the United States are stated so that any such reversion would occur at the option of the United States.

Senate bill

There is no comparable provision in a Senate bill.

Compromise agreement

Section 348 follows the House Bill.

MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, CHEYENNE, WYOMING

Current law

Public Law 89–345 transferred VA-owned land adjacent to the VA Medical and Regional Office Center (VAMROC) in Cheyenne, WY, to the City of Cheyenne for park and recreational use. The instrument of transfer provides that title to the land will automatically revert to VA in the event the land is no longer used for park and recreational purposes.

The First Cheyenne Federal Credit Union in Cheyenne, WY, proposes to build a building on the land previously transferred to the City of Cheyenne for park and recreational use. The City of Cheyenne, and VA, agree that such a transfer would benefit VA, VA employees, and VA beneficiaries. However, the statutory restriction on the use of the land, and the reverter provision in the transfer instrument prevent such a change in land use without authorizing legislation.

House bill

The House had no provision relating to this matter.

Senate construction authorization bill

Section 202 of the Senate bill would authorize VA to modify the conditions under which the land would revert to VA, and thereby authorize the transfer of the land from the City to the First Cheyenne Federal Credit Union for the purpose of constructing a building to house its operations.

Compromise Agreement

Section 349 follows the Senate provision.

EVALUATION OF HEALTH STATUS OF SPOUSES AND CHILDREN OF PERSIAN GULF WAR VETERANS

Current law

Section 107 of the Persian Gulf War Veterans' Benefits Act (Public Law 103–446) requires the Secretary to conduct a study to evaluate the health status of spouses and children of Persian Gulf War veterans. Such study requires VA to arrange for diagnostic testing and medical examinations of such individuals through September 30, 1996.

House bill

The House bill contains no provision relating to this matter.

Senate health care bill

The Senate bill would extend the program from September 30, 1996 to December 31, 1998.

Compromise agreement

The Compromise Agreement contains this provision in section 352(a). Section 352(b) would provide that any testing and examinations conducted for the purposes specified in section 107 of Public Law 103–446 during the period beginning on October 1, 1996, and ending on the date of enactment of the Act are ratified.

REPORT ON HEALTH CARE NEEDS OF VETERANS IN EAST CENTRAL FLORIDA

Current law

Two years ago, Congress appropriated construction funds to convert the former Orlando Naval Training Center Hospital (which was transferred to VA) into a nursing home. VA currently operates an outpatient clinic at that facility, but has not begun construction on the nursing home care unit. Congress appropriated $17.2 million for the design of a 470-bed medical center and 120-bed nursing home in Brevard County, Florida. That project, developed and proposed by VA,

called for 230 psychiatric beds, 60 intermediate care beds, an ambulatory care clinic and a number of surgical and intermediate medicine beds. The Conference Report on the Fiscal Year 1996 VA/HUD Appropriations bill, however, called for allotting that design money, along with $7.8 million in new funds, to design and construct a comprehensive outpatient clinic in Brevard County.

House Bill

Section 104(a) would require the Secretary to report to the Veterans' Affairs Committees not later than 60 days after the date of enactment of this Act, on the health care needs of veterans in east central Florida, and to include in that report the Secretary's views as to the best means of meeting such needs (and particularly their needs for psychiatric and long-term care).

Section 104(b) would limit the Secretary's authority to obligate funds, other than for working drawings, for the conversion of the former Orlando Naval Training Center in Orlando, Florida, to a nursing home care unit until 45 days after the date on which the report required in section 104(a) is submitted.

Senate construction authorization bill

The Senate bill contains no comparable provision.

Compromise agreement

The Committees attach a high priority to meeting the needs of veterans in Florida. With respect to outpatient care, the Committees believe that construction of an outpatient clinic in Brevard County should begin as soon as possible. While the Conference Report on FY 1996 VA/HUD Appropriations addresses Florida veterans' outpatient needs, it makes no provision for meeting inpatient care needs that were to have been addressed by the Brevard project, particularly the lack of long-term psychiatric beds in the State of Florida.

In light of the unresolved questions surrounding inpatient needs, the Committees believe that a reassessment of the health care needs of veterans in east central Florida is needed. Section 351 of the bill would require the Secretary to report to the Committees on how these veterans' needs could best be met. It would specifically require the Secretary to include in that report his views on how those needs could best be met using existing facilities in east central Florida. The Secretary's analysis should also include a reexamination of other uses of the Orlando facility in light of the changing needs of central Florida's veterans population.

RENAMING OF THE VA MEDICAL CENTER IN JOHNSON CITY, TENNESSEE

Current law

The name of the VA medical center in Johnson City, TN, is the Mountain Home Department of Veterans Affairs Medical Center.

House bill

Section 302 of H.R. 3376 would rename the VA medical center the ''James H. Quillen Department of Veterans Affairs Medical Center'' on January 3, 1997.

Senate bill

There was no similar Senate provision.

Compromise agreement

Section 350 generally follows the House bill.

RENAMING OF THE VA NURSING CARE CENTER IN ASPINWALL, PENNSYLVANIA

Current law

The name of the VA nursing home in Aspinwall, PA, is the Aspinwall VA Nursing Care Center.

House bill

Section 303 of H.R. 3376 would rename the nursing home in Aspinwall, PA the ''H. John Heinz, III Department of Veterans Affairs Nursing Care Center.''

Senate bill

There was no similar Senate provision.

Compromise Agreement

The Compromise contains no provision relating to the renaming of the Aspinwall VA Nursing Care Center.

ADDITIONAL MATTERS: WEST LOS ANGELES VAMC

The Department of Veterans Affairs is directed to appropriately preserve for the Department's future needs, the land on the grounds of the West Los Angeles Medical Center bounded on the north by the VA property boundary, on the south by Wilshire Boulevard, on the east by Sepulveda Boulevard, and on the west by Bonsall Street. The Committee supports uses such as the development of an interim park as a memorial to veterans, or such other use as the Secretary may determine to be consistent with needs of the Department. The Committees understand that local community organizations are willing to work with the Department to raise the private funds to develop the land into a Veterans Memorial Park and to maintain the Park until such time as funds may be appropriated to convert the park to other uses consistent with the mission of the Department that the Secretary determines are in the best interest of the United States, such as cemetery expansion. The Secretary is free to use the property for events which provide benefit to veterans until its development into the Veterans' Memorial Park. The Department is directed not to dispose of the property or to use it for commercial development not in furtherance of the mission of the Department.

Mr. ROCKEFELLER. Madam President, as the Ranking Minority Member of the Committee on Veterans' Affairs, I am enormously pleased that the Senate is considering H.R. 3118, a bill that would, among other things, reform current law relating to eligibility for VA health care. I urge my colleagues to give their unanimous support to this measure as it will be amended with a final compromise developed by the two Veterans' Affairs Committees.

Madam President, before I discuss the content of this legislation, I will provide a brief procedural history so that those seeking to understand the background of the measure as it comes before the Senate today will be able to do so.

H.R. 3118, as it will be amended, which I will refer to as the compromise agreement, includes a number of provisions in three titles.

Title I of the bill contains the provisions which revise the law setting forth the criteria for eligibility for VA health care. The provisions in title I are a compromise between H.R. 3118 as passed by the House on July 30, 1996, and an original bill which the Senate Veterans' Affairs Committee ordered reported on July 24 of this year. Unfortunately, the committee was unable to complete and file its report on this legislation prior to today's action, so there is no formal record of our committee's efforts on this vital issue, a result I deeply regret. I will endeavor to provide some background on our committee's efforts later in my statement.

Title II of the compromise agreement addresses VA medical construction matters, including providing authorization for specific projects. These provisions are a compromise between H.R. 3376, passed by the House on June 4, 1996, and an original bill ordered reported by the Senate Veterans' Affairs Committee on July 24. As with the eligibility reform legislation, the committee was not able to complete and file a report on this legislation prior to today's consideration by the Senate, so there is no formal record of our actions.

Title III of the compromise agreement addresses a range of VA health care programs and services, including several that I have been particularly interested in for a number of years. These provisions are a compromise between a number of House bills—H.R. 1384, passed by the House on October 10, 1995; H.R. 3643, passed on July 16, 1996; and H.R. 3118 and H.R. 3376—and a comprehensive Senate bill, S. 1359, as ordered reported by the Senate Veterans' Affairs Committee on July 24. The committee's report on that legislation, which was filed on September 26, describes the various bills which were combined in the bill as reported.

Madam President, because a description of all of the provisions of the compromise agreement are set forth in the explanatory statement which Senator SIMPSON will place in the RECORD, I will just discuss some of the issues which are of particular interest to me. The explanatory statement was developed in cooperation with the House Committee on Veterans' Affairs and that committee's chairman, Rep. STUMP, will insert the same explanatory statement in the RECORD when the House considers this measure.

ELIGIBILITY REFORM

While I supported the Senate committee's action in ordering reported eligibility reform legislation and I support the inclusion of provisions derived from that measure in the compromise agreement, I do so with some significant reluctance. My reluctance is twofold—first, I remain unconvinced that there is a compelling need for this action at this time; and second, it is unclear that the course of action we are pursuing is the most appropriate.

Before discussing these concerns, I will outline briefly the legislative history of this legislation, and most particularly the activity in the Senate Committee on Veterans' Affairs. As I noted earlier, although eligibility reform legislation was ordered reported by our committee on July 24, a report was never filed. I believe it is important to provide some background on our committee's role in this effort.

Madam President, the current drive for eligibility reform legislation—that is, legislation which would amend those provisions of title 38, United States Code, which set forth which veterans are eligible to receive what care from VA—dates back to at least 1985, my first year in the Senate. Late that

year, in the context of reconciliation legislation, both Houses passed legislation which would have amended the then-current law on access to VA care. The differences between those measures were resolved and the final compromise, which set forth a hierarchy of veterans as to whom VA was required to furnish inpatient care, was enacted in title XIX of Public Law 99–272, the Consolidated Omnibus Budget Reconciliation Act of 1985.

That first attempt at setting forth in law exactly which veterans should be guaranteed what care from VA was limited to inpatient care because of significant differences between the House and Senate over the potential impact of providing such a guarantee for outpatient and other care, concerns that have persisted through to this Congress and that, as I will discuss later in my statement, remain largely unresolved. Indeed, there is some suggestion that those concerns cannot be resolved without some specific data-gathering initiative. And while it is not the sort of data-generating undertaking that I would prefer, what we are doing in the pending measure may be the way in which the Congress finally gets the information we need about demand for VA care and VA's ability to meet that demand within currently available resources.

Following the enactment of COBRA, the next step in the effort to modify the law relating to access to VA care came in 1988 with the enactment, in Public Law 100–322, of legislation which set forth those groups of veterans who would be guaranteed certain access to outpatient care. Because of ongoing concerns about the demand for outpatient care and VA's ability to meet that demand in a timely fashion, the universe of veterans described in the law as guaranteed access to outpatient care was smaller than the universe with access to inpatient care and, within that group, only a small portion was guaranteed unlimited access to ambulatory care.

Thus, under the law as it has been in effect since 1988, only a very small percentage of the veteran population—those with service-connected disabilities rated at 50 percent or more disabling, a number less than 470,000 out of a total service-connected population of 2.2 million—have comprehensive access to both VA inpatient and outpatient care. For the rest of the eligible veteran population, the greatest access to care is provided for inpatient care, with access to outpatient care much more restricted.

Since 1988, there have been various efforts to amend the law. Last Congress, under my chairmanship, the committee made significant progress toward that goal. However, our efforts were carried out as part of the national health care reform effort. When that larger effort died, so too did the work of our committee.

This Congress the issue was again before us and a number of events led up to our markup in July to consider eligibility reform legislation.

For example, beginning early in 1995, I worked with the four veterans service organizations that prepare the Independent Budget—AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and Veterans of Foreign Wars—to develop a draft eligibility reform bill based on those groups' testimony before our committee. Senator SIMPSON and I introduced this bill, S. 1563, in February of this year as a ''by request'' bill. In so doing, we both indicated that we were not endorsing the bill but merely making it available for consideration by the committee.

Last September, VA submitted eligibility reform legislation to the Congress which Senator SIMPSON introduced, by request, as S. 1345 on October 18, 1995. Also last September, The American Legion, during its annual legislative presentation, presented its eligibility reform proposal.

Finally, late in the first session, the House Committee on Veterans' Affairs included eligibility reform provisions as part of the legislation which that committee ordered reported to comply with reconciliation. These provisions were very similar to VA's proposal. Although the reconciliation measure passed the House with the eligibility reform provisions included, those provisions were not included in the conference report on that legislation. This session, the House again passed the eligibility reform provisions in H.R. 3118, which passed the House on July 30, 1996.

Against this backdrop of activity and strong expressions of support from VA and the veterans community for committee action on eligibility reform legislation, our committee held two hearings on the issue. The first, on March 20, 1996, heard testimony from the General Accounting Office and a number of veterans organizations. The second, on May 8, 1996, took testimony from VA and the Congressional Budget Office.

Following those hearings and significant work to develop a proposal which could gain the support of the committee, the committee met on July 24 and ordered reported an original measure. It was that measure which became the basis for the compromise agreement which is before the Senate today.

Our committee's action was premised on the position that whatever legislation we endorsed would have to eliminate the complexity and confusion in current law about which veterans would receive what care, but do so in a budget-neutral manner.

To that end, the committee started from an approach similar to that incorporated in the VA and House bills, both of which sought to eliminate differences in the law on eligibility for inpatient and outpatient care and differences among groups of veterans in the access to types of outpatient care. In an attempt to achieve budget neutrality, both of those approaches made access to all care for all groups of veterans ''subject to appropriations,'' a limitation not included in current law. In addition, the House bill included a provision requiring VA to utilize an enrollment system to manage care. However, that provision did not appear to limit care to those veterans who participated in the enrollment system.

The bill our committee ordered reported added three elements to the general format of the VA and House bills. I am pleased to note that provisions derived from two of those changes are included in the compromise agreement, and I regret that the third element is not included.

The first change that our committee incorporated in the bill we ordered reported related to the way in which veterans' access to care is described in the law. As I just noted, both the House bill and the VA proposal use the phrase ''shall, subject to appropriations'' to describe access to care for all veterans. Under current law, the word ''shall,'' with no limitation, is used to describe the access to care of those veterans who are included in what is known as the mandatory or ''category A'' group, and the word ''may'' is used to describe the access of those veterans in what is known as the discretionary category. While there is some disagreement about the full meaning or scope of the word ''shall'' in the context of access to health care, it is important to note that it is not otherwise limited in current law.

The bill ordered reported by the committee did not go as far as the House or VA bills, nor did we insist on maintaining current law. Instead, we took a middle ground. The bill we ordered reported provided that access to VA care for four subsets of the veterans' population—veterans with service-connected disabilities rated at 50 percent or greater for any disability, all veterans with service-connected disabilities seeking care for those disabilities, former prisoners of war, and veterans of the Mexican border period and World War I—would remain as in current law, that is, by using ''shall'' without any limitation. For all others in the mandatory or category A classification, the ''shall, subject to appropriations'' approach of the House and VA bills was used.

The approach adopted by our committee was designed to ensure that those veterans who have the highest claim on VA resources—veterans seeking care for their service-connected conditions and those more seriously disabled veterans for the treatment of any disability, as well as two categories of veterans whose service distinguishes them—receive the care they need, with no reference to any external limitation. As a practical matter, that result should be ensured by other provisions of the legislation relating to priorities for care, but it was my view, shared by others on the committee, that the Congress should not be cutting back on the promise of current

law as to those veterans with the greatest claim on the system.

Unfortunately, Mr. President, this effort to ensure that access to care is not compromised for these veterans for whom the system was established is not reflected in the compromise agreement. Initially, there was agreement that the compromise agreement would follow the Senate bill as to two of the four groups in the Senate bill—the more seriously disabled veterans and for the treatment of service-connected disabilities—and would apply the ''subject to appropriations'' limitation to all other category A veterans.

However, very late in the process of developing the compromise agreement, the Congressional Budget Office, which had previously expressed no concerns about the approach in the Senate bill, suggested that the use of ''shall'' as to these veterans would create an entitlement to care and that, as a result, spending for such purposes would be mandatory spending, rather than discretionary spending as VA health care funding has always been treated. This, of course, raised budget problems for the legislation.

One way to have avoided this problem would have been to drop the ''subject to appropriation'' language and restore the approach found in current law. However, this approach did not enjoy unanimous support from the Members working on the compromise agreement. While I feel very strongly that appearing to cut back on the guarantee for care for these most deserving veterans is not the course we should be following, I realized that my insistence on either the Senate approach or a return to the phrasing of current law could well jeopardize the enactment of this legislation in this legislative session. Thus, I reluctantly agreed to the use of the ''subject to appropriation'' language as to all veterans. As I noted earlier, as a practical matter, these veterans will still be guaranteed first access to VA care as a result of the priority scheme in the compromise agreement.

The second key difference between the bill our committee ordered reported and H.R. 3118 as passed by the House is the requirement that VA establish a rigorous enrollment system, rather than the apparently nonbinding system incorporated in the House bill. Under the approach in the Senate bill, only those who enroll, with certain exceptions, would be able to receive VA care. The purpose of this enrollment requirement is to create a mechanism that will ensure that those who desire VA care will know with some measure of certainty whether they will or will not receive such care within a particular enrollment period, which I anticipate will run for a year.

Madam President, I am pleased that this enrollment provision has been included in the compromise agreement. So as to give VA the opportunity to prepare to implement this enrollment system, the requirement that veterans enroll in order to receive care will not take effect until October 1, 1998. It is my expectation that, in the coming year, VA will begin to implement an enrollment process so as to gain experience with this system, but will not deny care to any veteran because of a failure to have enrolled.

The third difference between the bill our committee ordered reported and the House bill, at least as it was reported by the House Committee on Veterans' Affairs, was the inclusion in the Senate bill of a cap on the fiscal year 1997 appropriations so as to remove any doubt about the budget neutrality of the bill. This limitation is designed to avoid any suggestion that, if new demand for VA care is generated by the changes in access to care, additional appropriations will follow to meet the demand in the absence of specific authorization.

The House bill was amended prior to House passage to include a similar cap, so there is no longer any substantive difference between the bills on this provision.

Madam President, that is a brief outline of our committee's efforts on eligibility reform legislation. I regret that a more complete discussion is not available in a committee report, but I hope this discussion will shed some light on what our committee did and how we reached the final compromise agreement.

Earlier I noted that my support for both the Senate committee's action and the pending final compromise is reluctant, at best. I will turn now to an explanation of my position, not so as to highlight my personal concerns but rather to note what I believe are pitfalls in what we are doing and as to which we must be aware as the eligibility reforms are put in place.

At the outset, I note that I understand the concerns that many have expressed about the existing rules which set forth which veterans are eligible to receive what types of care from VA. The criticism that many raise about the complexity of these rules is certainly justified, as is the position that these eligibility rules do not reflect current trends in how and where health care is furnished.

Madam President, I note one ironic aspect about this current effort to amend the VA eligibility law, namely that, as VA facilities convert to a primary care model under which veterans are assigned to primary care teams which manage how and when care is furnished, there is less and less attention being paid at the facility level to the limitations in the law on who is eligible for specific care. In fact, it might fairly be said that, at least as to those veterans who are already receiving VA care, eligibility reform is already taking place.

In any event, while a case can be made that the current eligibility system is complex and difficult to defend, it has evolved as an appropriate response to demand and resources constraints over time and may have, to the extent it continues to be observed, a couple of advantages.

First, it is a known system, and facilities and veterans across the system understand its implications in any given locale. Changing it, especially if the changes appear to broaden access to care, as the compromise agreement surely does, can easily create false expectations.

The second advantage, related to the first, is that the current eligibility system is working to ration care. Facilities know when to use its restrictions—most especially on access to ambulatory care—to cut back on access so as to stay within budget. Replacing this system with an untested approach that relies on providing VA facilities with an unspecified authority to deny some veterans access to care is difficult to defend as a step forward.

The current system's role in rationing care seems particularly important in this time of fiscal constraint. In past years, when the issue of eligibility for VA care has been debated, there were those who expressed the belief that any increased demand resulting from a change in eligibility would be addressed by increased appropriations. No one appears to hold that view today. Thus, it seems clear that some form of rationing will continue to be needed if the population of those veterans who are eligible for VA care is not adjusted to meet VA's capacity to provide care.

Having said that, however, I note that my concerns about the compromise agreement bill do not stem from a view that the current eligibility rules must remain inviolate. Rather, my reluctance about this legislation is grounded in my belief that the Congress has a more involved role to play in determining the scope of VA health care than is reflected in the bill the Senate ordered reported or in the compromise agreement.

Madam President, throughout our committee's efforts on this legislation, I have held to the premise, on which I think there is general agreement, that whichever veterans are made eligible for VA care should be able to receive all the care they need, of whatever sort, with the possible exception of long-term care, because of the costs of that care. It certainly could be otherwise—that is, certain groups of veterans could be given access only to certain care—but that seems to be directly contrary to the spirit of eligibility reform.

With that as a guiding premise, and my certainty that VA will not receive any significant infusion of resources for health care at any time in the foreseeable future, it has been my view throughout the debate on eligibility reform that we, the Congress, should expressly set forth in law the population of veterans who are to receive comprehensive care from VA so that there would be no need for VA to make rationing decisions at the facility or other management level. However, as

the debate progressed, it became increasingly clear that developing such an approach was highly unlikely, both because we lacked data on which we might base a more comprehensive action and because reaching consensus on the specifics of such an approach was highly improbable.

During the eligibility reform debate, the key questions as to which I have sought answers have been:

First, in crafting legislation to define which veterans are to receive what care from VA, can we guarantee that those who are told they are eligible for care will be able to get that care without extensive delay?

Second, if we assume that we should expand access to outpatient care—and I do—but that there will be no significant increase in VA's medical care appropriation, will the demand for care, and the costs associated with that demand, increase, remain static, or decrease? Who should make the inevitable rationing decisions?

Third, and finally, do we have the necessary information to make informed decisions on these issue?

While I acknowledge that these are difficult questions, without easy solutions, I have been greatly disappointed in the lack of answers that I have received, particularly from VA. While I believe that I have gained some further insight into some of these issues, much remains far from clear.

For example, nothing VA has said has given me any satisfaction that the proposed eligibility reform proposals will help veterans or VA health care professionals answer with certainty the question of which veterans will receive care in a given time period.

Likewise, nothing VA has provided sheds any light on the likely demand for care that will follow from the enactment of this reform package and the almost certain publicity about that will follow which will lead many veterans to believe that they now are eligible for comprehensive care from VA.

However, as I noted earlier, one clear benefit of our action is that there will finally be an opportunity to see what happens when apparent access to VA care is expanded with no concomitant increase in resources. Once eligibility reform actually takes place, there will finally be some hard information on the impact of changing the definition of which veterans receive what care. This, in turn, will finally enable us to develop some understanding of whether those who believe that VA can furnish more care to more veterans within existing resources, or whether, as other believe, that eligibility reform legislation will generate significant new demand for care.

Madam President, during our committee's consideration of eligibility reform we heard some very different views on this issue. Some, including CBO and GAO, believe that amending the law to provide such expanded access to VA care will result in a significant increase in demand, which either would be met through increased funding or, if new funding is not provided, will lead to delays in getting care or outright denial of care which in turn will generate significant unrest in the veteran community. Others believe that there is little, if any, suppressed demand for VA care and therefore do not believe that eligibility reform will result in any significant increased costs. Indeed, some who testified in support of eligibility reform expressed the belief that it is possible that changing the law will result in a net decrease in the cost of VA care because veterans will be able to be treated in the most appropriate setting, rather than being forced into inpatient care because that is the extent of their current eligibility.

At this point, even after our hearings and all the followup actions associated with them, little more than speculation and best guesses support any of these positions.

What is known is that VA has been appropriated just over $17 billion for medical care in fiscal year 1997. It may be that, operating under revised eligibility criteria, the Department will be able to furnish more care to a larger cohort of veterans at that funding level. But, in any event, that will be all the funds that will be available, come what may.

Madam President, I am confident that the two committees and the Congress will be vigilant in our oversight of VA's implementation of this proposal, and, should it prove unsuccessful at matching scarce resources to demand for care, it will be modified in the years ahead.

Madam President, I have a final thought on this issue before I turn to other parts of the bill. During this debate on eligibility reform, VA expressed the view that any eligibility reform legislation should meet six objectives:

First, the eligibility system should be one that both the persons seeking care and those providing the care are able to understand.

Second, the eligibility system should ensure that VA is able to furnish patients the most appropriate care and treatment that is medically needed, cost effectively and in the most appropriate setting.

Third, veterans should retain eligibility for those benefits they are now eligible to receive.

Fourth, VA management should gain the flexibility needed to manage the system effectively.

Fifth, the proposal should be budget neutral.

Sixth, the proposal should not create any new and unnecessary bureaucracy.

Were I to grade the compromise agreement against this list, I'd say the only element that is clearly met is the fifth one—the measure is budget neutral. And while there can be some discussion about some of the others, the one that I think the bill fails to meet most dramatically is the first. Nothing in what we are doing, without a great deal more experience with the new eligibility criteria, will result in a system that can be understood by patients and providers alike.

In fact, I believe that just the opposite is true—we are setting in place a system that no one will be able to predict or, at least in the near future, understand. Since it is clear that whatever changes are to take place must occur with no additional resources, it is a virtual certainty that VA will still need to ration care and to make decisions about how to do that. While this bill may, in time, yield a flexible, streamlined bureaucracy that establishes clear rules about which veterans are to get what care, that result is far from guaranteed. In the early years of this new system, it is far more likely that more resources will have to be dedicated to making decisions about who gets what care, resulting in a confusing, labor-intensive system.

Madam President, despite my misgivings, it is clear that there is widespread support for our action on this issue. I intend to watch very closely as it goes forward and will be prepared to support any amendatory legislation needed as VA moves into this new era.

CONTRACTING AUTHORITY

Madam President, the compromise agreement contains two separate provisions relating to VA's authority to contract for health care services—section 301, which amends subchapter IV of chapter 81 of title 38, relating to VA's authority to share medical resources with non-VA entities; and section 304, which amends section 8110(c) of title 38 relating to VA's authority to contract with outside entities for the conversion of VA activities to private activities. Taken separately, these two provisions both break substantial new ground in terms of giving VA greater latitude to provide services other than through in-house resources. Together, the enactment of these provisions represents a potential sea change in how VA meets its health care mission.

Madam President, I want to be very clear that the enactment of these provisions is meant to give VA managers greater flexibility to operate the VA health care system in the most effective manner available, consistent with meeting the obligation to furnish quality medical care to those veterans who are eligible for VA care and who seek such services and benefits. I intend to monitor very closely VA use of this new flexibility and will not hesitate to seek to reimpose limitations on the Department's contracting authority if it appears that either authority is being used in a manner that impinges on veterans' access to care in the name of fiscal restraint. I invite input from the veterans organizations, veteran patients, VA employees and their representatives, those organizations which represent groups of VA professionals, and others with an interest in the integrity of the VA health care system.

MIRECC'S

Madam President, I am very pleased that a longstanding Senate initiative dating back nearly a decade—the establishment of VA centers of excellence in mental health research—is included in the compromise agreement. The provision in the compromise agreement is derived directly from legislation I originally introduced in S. 425 on February 15, 1995, with the cosponsorship of committee member Senators AKAKA, DORGAN, WELLSTONE, MURKOWSKI, and CAMPBELL.

Madam President, this provision requires VA to establish up to five centers of excellence in the area of mental illness at existing VA health care facilities. These centers, to be known as Mental Illness Research, Education, and Clinical Centers [MIRECC's] will be a vitally important and integral link in VA's efforts in the areas of research, education, and provision of clinical care to veterans suffering from mental illness.

As I noted at the time I introduced S. 425, the need to improve services to mentally ill veterans has been recognized for a number of years. For example, the October 20, 1985, report of the special purposes committee to evaluate the Mental Health and Behavioral Sciences Research Program of the VA, chaired by Dr. Seymour Kety—generally referred to as the Kety Committee—concluded that research on mental illness and training for psychiatrists and other mental health specialists at VA facilities were totally inadequate. The Kety report noted that about 40 percent of VA beds are occupied by veterans who suffer from mental disorders, yet less than 10 percent of VA's research resources are directed toward mental illness.

Little has changed since that report. The percentage of VA patients suffering from mental illness continues to hover over the same 40 percent rate found by the Kety Committee, and little has changed with respect to VA's research on mental illness.

VA provides mental health services to more than one-half to three-quarters of a million veterans each year, yet in the years between the time the Kety Committee began its work and now, there has not been a significant effort to focus VA's resources on the needs of mentally ill veterans. Among the recommendations of the Kety Committee was one that VA centers of excellence be established to develop first-rate psychiatric research programs within VA. Such centers, in the view of the Kety Committee, would provide state-of-the-art treatment, increase innovative basic and clinical research opportunities, and enhance and encourage training and treatment of mental illness.

Based on the recommendations of the Kety Committee, the Committee on Veterans' Affairs began efforts nearly 10 years ago to encourage research into mental illnesses and to establish centers of excellence. For example, on May 20, 1988, Public Law 100–322 was enacted which included a provision to add an express reference to mental illness research in the statutory description of VA's medical research mission which is set forth in section 7303(a)(2) of title 38.

At that time, the committee urged VA to establish three centers of excellence, or MIRECC's, as proposed by the Kety Committee. Unfortunately, VA has done little to implement the recommendations of the Kety Committee.

I also note that the January 1991 final report of the blue ribbon VA Advisory Committee for Health Research Policy recommended the establishment of MIRECC's as a means of increasing opportunities in psychiatric research and encouraging the formulation of new research initiatives in mental health care, as well as maintaining the intellectual environment so important to quality health care. The report stated that these ''centers could provide a way to deal with the emerging priorities in the VA and the Nation at large.''

In light of VA's failure to act administratively to establish these centers of excellence, our committee has developed legislation to accomplish this objective. The proposed MIRECCs legislation is patterned after the legislation which created the very successful Geriatric Research, Education, and Clinical Centers [GRECC's], section 302 of Public Law 96–330, enacted in 1980. The MIRECC's would be designed first, to congregate at one facility clinicians and research investigators with a clear and precise clinical research mission, such as PTSD, schizophrenia, or drug abuse and alcohol abuse; second, to provide training and educational opportunities for students and residents in psychiatry, psychology, nursing, social work, and other professions which treat individuals with mental illness; and third, to develop new models of effective care and treatment for veterans with mental illnesses, especially those with service-connected conditions.

The establishment of MIRECC's should encourage research into outcomes of various types of treatment for mental illnesses, an aspect of mental illness research which, to date, has not been fully pursued, either by VA or other researchers. This provision will promote the sharing of information regarding all aspects of MIRECC's activities throughout the Veterans Health Administration by requiring the Under Secretary for Health to develop continuing education programs at regional medical education centers.

Madam President, the VA for too long has made inadequate efforts to improve research and treatment of mentally ill veterans and to foster educational activities designed to improve the capabilities of VA mental health professionals. The establishment of MIRECC's will be a significant step forward in improving care for some of our neediest veterans. I am hopeful that this long recognized need will become more than a forgotten want item for veterans who suffer, in many cases, in silence.

HOSPICE CARE

Madam President, I am pleased that the compromise agreement includes a provision, section 341, which directs VA to carry out a research study on the desirability of VA furnishing hospice care services to terminally ill veterans and the most cost effective and efficient way to furnish such services. This provision is derived from legislation I authored which was included in S. 1359 as considered by the Senate committee. That legislation was in turn based on legislation dating back to the 102d Congress.

Madam President, I have been pursuing an effort for a number of years to have VA closely examine the area of hospice care so as to have a basis for deciding the Department's role in meeting the needs of terminally ill veterans.

In my view, it is important that VA develop the most cost-effective methods of providing treatment to those groups of veterans, especially those older veterans, who are most likely to seek VA services in the coming years. Among the methods that can meet the needs of an older population are a wide variety of community-based, noninstitutional services, including hospice care, which provides a compassionate alternative to customary curative care for terminally ill persons.

During the Veterans' Affairs Committee's pursuit of this issue, there have been a number of hearings and submission of reports by VA. While the record before the committee on hospice care, including hearings in 1991, 1993, and 1995, indicates that there is some focus on hospice care within VA, I am convinced that VA has moved ahead too cautiously to establish programs which achieve the goals of hospice care. For example, while VA, on April 30, 1992, issued a directive that required all VA medical centers [VAMC's] to implement hospice programs, that directive provided only vague guidelines, regarding the manner in which VAMC's should provide hospice care. As a result, significant variations now exist in the manner in which hospice care is provided at VAMC's.

VA reports that all VA medical centers now have hospice consultation teams, consisting of at least a physician, nurse, social worker, and chaplain, and 56 out of 171 VAMC's have inpatient hospice units, freestanding buildings or separate units where a home-like atmosphere is created.

While this is an increase in the total number of inpatient units in recent years, it is not clear that it demonstrates a significant change in the overall effort in support of hospice care. In answer to posthearing questions on its hospice programs, VA noted that ''most VA inpatient hospice units are small with an average size of 7 beds.'' Other VAMC's provide pain management and other services to terminally ill veterans in units in which hospice rooms are adjacent to rooms in which other patients are administered

curative care. Still other VAMC's only provide some hospice services such as caregiver counseling and pain management.

Unfortunately, many VAMC's hospice efforts offer only an assessment of a terminally ill veteran's needs and referral to a non-VA hospice. While such referrals may benefit some veterans, they are of little value to the many veterans who are not entitled to Medicare or Medicaid or lack health insurance coverage for hospice care. Because VA has no authority under current law to contract with non-VA hospices, these veterans are left with the difficult choice of foregoing hospice care or using their own resources to pay for that care.

Although I am convinced that VA should provide hospice care, I am not certain as to the best way for the Department to provide such care. Some assert that the only bona fide form of hospice care is through a program in which palliative care—noncurative care focusing on alleviating pain and other symptoms—and support services to meet the psychological, social, and spiritual needs of patients and their families are available in both home and inpatient settings. Others believe that equally effective care can be furnished by integrating hospice concepts into customary care. Similarly, there is considerable disagreement as to whether veterans who wish to receive hospice care are best served by VA hospice programs or through contracts with non-VA providers.

Because I am satisfied that VA, to this point, has not carried out sufficient research to determine with any degree of certainty the most appropriate way in which to furnish hospice care, I have proposed legislation that would require VA to study the ways in which hospice care can successfully be furnished to veterans. That is what the provision in the compromise agreement calls for, and I look forward to VA's efforts to carry out this research and to the results of that study.

Given the growing numbers of VA patients who are elderly or have fatal diseases who could benefit from hospice care, demand for VA hospice care is likely to increase. Research related to the provision of hospice care is critical not only to VA health care professionals, many of whose patients cannot rely on friends and family to provide all of the care they require, but also to other health care providers who will soon have to accommodate a great increase in the number of aging patients comparable to that which VA is presently providing care.

MAMMOGRAPHY QUALITY STANDARDS

Madam President, I am delighted that the compromise agreement includes a provision, section 321, which seeks to ensure that women veterans are guaranteed that they will receive safe and accurate mammograms from or through VA. This provision is derived from legislation, S. 548, which I introduced last year.

At present, under the Mammography Quality Standards Act of 1992, Public Law 102–539, all health care facilities—hospitals, outpatient departments, clinics, physicians' offices, or mobile units—are required to be certified by the Secretary of Health and Human Services as meeting specified standards for mammography in equipment, personnel, and quality assurance. That law, however, does not apply to VA facilities that operate their own mammography equipment.

It is my strong opinion that women veterans who use VA facilities should have the same assurances as other women that their mammography tests will be performed properly and yield reliable information. The Secretary of Veterans Affairs agrees. In a letter to me, dated July 12, 1993, Secretary Jesse Brown wrote, ''It is my intent that VA will comply with standards equal to those set forth in the Mammography Quality Standards of 1992 for all mammography done within VA facilities and require that all contracts and sharing agreements for mammography include a provision for compliance.''

More recently, at the committee's October 25, 1995, hearing, Dr. Kenneth Kizer, VA's Under Secretary for Health, updated Secretary Brown's commitment, noting that ''VA policy now requires compliance with the requirements of the 1992 Mammography Quality Standards Act. Moreover, all VA facilities furnishing mammography services are currently using the FDA's guidelines.''

Section 321 of the compromise agreement would ensure that the goal of giving women veterans safe and accurate mammograms continues to be met by requiring the Secretary to promulgate quality assurance and quality control regulations for VA facilities that furnish mammography that are no less stringent than the Department of Health and Human Services regulations to which other mammography providers are subject under the Mammography Quality Standards Act of 1992. VA facilities that contract with non-VA facilities would be required to contract only with facilities that comply with that act.

OUTSIDE EMPLOYMENT

Madam President, I am pleased that the compromise agreement includes a provision, section 347, relating to the limitation in current law on certain VA health care personnel's ability to work outside of VA—the so-called ''moonlighting'' bar. Under current law, full-time VA professionals in seven professions—physicians, dentists, podiatrists, optometrists, nurses, physician assistants, and expanded-function dental auxiliaries—are not permitted to work in their professions during their non-duty times at VA.

This provision was reported by our committee in S. 1359 after it was amended in committee in response to a concern of mine. As originally introduced in S. 1752, VA-proposed legislation, the legislation lifted the bar to outside work for only three of the seven professions listed in current law. In response to my concerns, the provisions removed the existing limitation as to all seven of the title 38 professions, including physicians, and not just to a portion of that population.

CONCLUSION

Madam President, in closing, I acknowledge the work of my colleagues in the House, Chairman BOB STUMP and the ranking minority member, SONNY MONTGOMERY, and our committee's chairman, Senator SIMPSON, in developing the comprehensive legislation.

Madam President, I thank the staff who have worked extremely long and hard on this compromise—Ralph Ibson, Lori Fertal, Pat Ryan, JoAnn Webb, Sloan Rappoport, and others on the House Committee, and Bill Brew, Jim Gottlieb, Bill Tuerk, Chris Yoder, and Tom Harvey with the Senate committee. I also thank Bob Cover and Charlie Armstrong of the House and Senate Offices of Legislative Counsel for their excellent assistance and support in drafting the compromise agreement.

Mr. NICKLES. Madam President, I ask unanimous consent that the amendment be agreed to, the bill be deemed read a third time and passed, the amendment to the title be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The amendment (No. 5414) was agreed to.

The bill (H.R. 3118), as amended, was deemed read a third time and passed.

The title was amended so as to read: ''An act to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs, to authorize major medical facility construction projects for the Department, to improve administration of health care by the Department, and for other purposes.''

HONG KONG ECONOMIC AND TRADE OFFICES LEGISLATION

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 628, Senate bill 2130.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2130) to expand privileges, exemption, and immunities to Hong Kong Economic and Trade Office.

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. NICKLES. Madam President, I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (S. 2130) was deemed read a third time, and passed, as follows:

S. 2130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF CERTAIN PRIVILEGES, EXEMPTIONS, AND IMMUNITIES TO HONG KONG ECONOMIC AND TRADE OFFICES.

(a) APPLICATION OF INTERNATIONAL ORGANIZATIONS IMMUNITIES ACT.—The provisions of the International Organizations Immunities Act may be extended to the Hong Kong Economic and Trade Offices in the same manner, to the same extent, and subject to the same conditions, as such provisions may be extended to a public international organization in which the United States participates pursuant to any treaty or under the authority of any Act of Congress authorizing such participation or making an appropriation for such participation.

(b) APPLICATION OF INTERNATIONAL AGREEMENT ON CERTAIN STATE AND LOCAL TAXATION.—The President is authorized to apply the provisions of Article I of the Agreement on State and Local Taxation of Foreign Employees of Public International Organizations, done at Washington on April 21, 1994, to the Hong Kong Economic and Trade Offices.

(c) DEFINITION.—The term ''Hong Kong Economic and Trade Offices'' refers to Hong Kong's official economic and trade missions in the United States.

EXECUTIVE SESSION

TREATIES

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to executive session to consider the following treaties on today's Executive Calendar:

Executive Calendar Nos. 35 through 38.

I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification; that all committee provisos, reservations, understandings, et cetera, be considered agreed to; that any statements in regard to these treaties be inserted in the Congressional RECORD as if read; and that the Senate take one vote on the resolutions of ratification to be considered as separate votes; further, that when the resolutions of ratification are voted on the motion to reconsider be laid upon the table; the President then be notified of the Senate's action; and that, following disposition of the treaties, the Senate return to legislative session.

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

The treaties will be considered to have passed through their various parliamentary stages up to and including the presentation of resolutions of ratification.

The resolutions of ratification are as follows:

INCOME TAX CONVENTION WITH KAZAKSTAN

EXCHANGE OF NOTES RELATING TO THE TAX CONVENTION WITH KAZAKSTAN

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the Government of the United States of America and the Government of the Republic of Kazakstan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, Together with the Protocol, signed at Almaty on October 24, 1993, and Two Related Exchanges of Notes, dated August 1 and September 7, 1994, and dated August 15 and September 7, 1994 (Treaty Doc. 103–33); an Exchange of Notes dated at Washington July 10, 1995, Relating to the Convention Between the Government of the United States of America and the Government of the Republic of Kazakstan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, Together with a Related Protocol, signed at Almaty on October 24, 1993 (Treaty Doc. 104–15); and an Exchange of Notes, dated June 16 and 23, 1995 (EC–1431). The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

The United States shall not exchange the instruments of ratification with the Government of the Republic of Kazakstan until such time as the Government of the Republic of Kazakstan has notified the Government of the United States that its laws no longer permit anonymous bank accounts to be established.

TAXATION PROTOCOL AMENDING CONVENTION WITH INDONESIA

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol, signed at Jakarta on July 24, 1996, Amending the Convention Between the Government of the United States of America and the Government of the Republic of Indonesia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, with a Related Protocol and Exchange of Notes signed at Jakarta on July 11, 1988 (Treaty Doc. 104–32).

PROTOCOL AMENDING ARTICLE VII OF THE 1948 TAX CONVENTION WITH RESPECT TO THE NETHERLANDS ANTILLES

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Between the Government of the United States of America and the Government of the Kingdom of the Netherlands in Respect of the Netherlands Antilles Amending Article VIII of the 1948 Convention with Respect to Taxes on Income and Certain Other Taxes as Applicable to the Netherlands Antilles, signed at Washington on October 10, 1995 (Treaty Doc. 104–23).

Mr. NICKLES. I ask for a division vote on the resolutions of ratification.

The PRESIDING OFFICER. A division has been requested.

Senators in favor of the resolutions of ratification will please stand and be counted. (After a pause.) Those opposed will please stand and be counted.

On a division, two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

LEGISLATIVE SESSION

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

Mr. NICKLES. Madam President, I thank you. I thank my colleague from Kentucky for his assistance on passing these items.

THE PARKS LEGISLATION

Mr. NICKLES. Madam President, one thing I would urge my colleagues—and particularly leadership on the Democrat side in the Senate—would be for us to work together to pass the parks bill. Time is growing very, very short. I know that some of our colleagues—we have a lot of colleagues who are retiring this year—have bills that they would like to get passed. And a lot of these bills are very, very important.

I have had the pleasure of working with Senator BUMPERS and Senator PRYOR on one bill, the Arkansas and Oklahoma land exchange. Senator PRYOR is going to be retiring. I would like to pass that bill before he retires.

Senator BRADLEY has worked very, very hard on Sterling Forest, as well as Senator MOYNIHAN, and others; Senator D'AMATO. Sterling Forest—we need to pass these bills. The Presidio is maybe the best known of any of these parks, a beautiful area in San Francisco. A lot of work has gone into the Presidio legislation. I know the Senators from California and others are committed to it. The Senator from California would like to have passed the Presidio legislation, and I really want to do that.

Senator HEFLIN has a couple of bills, and other colleagues who will be leaving. Many of these bills—I guess I will still be around, and some of us will be here next year. Maybe we can take care of them at that time. But a lot of our colleagues will be leaving.

I see Senator NUNN has a couple of provisions.

Most of these are not controversial. I really hope that we can get a comprehensive package before the Senate and pass it. We need to pass it today while the House is still in session.

So I would just urge our colleagues. I know the Senator from Alaska, Senator MURKOWSKI, has worked a long time on a long list of projects. I hope that we can get these through.

So I just ask for bipartisan cooperation. This is not a partisan bill. It is a bill that those of us on the Energy Committee have worked on all year.

Maybe it is not a very good way to legislate when you end up having a bill like this come toward the end of the session. But there have been holds on this bill for months.

Anyway, I just urge my colleagues on both sides of the aisle to be cooperative to see if we can't pass the Presidio bill and the land exchanges. There are a lot of positive things. I saw, I think, over

a dozen projects in California. A lot of these are environmentally very sensitive and important. I know there are eight in Colorado that likewise are important; a couple in Arizona; Alaska has several.

There are a bunch of projects in here that I think will improve the Park System in the country that will have strong bipartisan support. If we can ever get this bill to a vote my guess is that it will pass if not unanimously very close to unanimously.

So I hope that we could do that, send it to the House, and hopefully get it on the President's desk before the 104th Congress adjourns sine die.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

END-OF-SESSION LOGJAM

Mr. FORD. I listened to my counterpart on the Republican side as he has talked about the parks bill. I have not been in the negotiations, but I know something about the negotiations. I understand several offers have been made in an effort to work out this piece of legislation. However, it has always come back, it is all or nothing.

I know it is very easy to pull on the strings of emotion here saying that these items for our retiring Members need to be done and that you are trying to get them done for retiring Members, but it is what kind of meat you put on that skeleton of projects for retiring Members. Now, you can use this all you want to. Hopefully, we will be able to work out something, but when you say it is all or nothing at all, I have been very concerned about the number of bills that have come out of the Energy Committee in the last 2 years. We have not been very productive, I think, and then all of a sudden at the end, next to the last day, we get a humongous bill.

And so the offers have been made. The struggle is still available. And if it is not all or nothing, I think we may be able to sit down and work out a little Henry Clay. Henry Clay was the great compromiser. Henry Clay said compromise was ''negotiated hurt.'' Well, let us sit down and hurt a little bit and get a bill out here that is in the best interests of the country instead of saying, if you do not take this, you do not get anything.

Mr. DORGAN. Will the Senator yield?

Mr. FORD. I will be happy to yield.

Mr. DORGAN. I was listening to the discussion about the parks bill, and I listened to the discussion yesterday about the bill. I listened to the discussions about the continuing resolution and appropriations bills, about the FAA bill. And the common issue with respect to all of them is we find ourselves here right at the edge of the midnight hour on this legislative session and in a circumstance where, as I understand it, four appropriations bills were not even brought to the floor of the Senate. We have a circumstance here the Senator from Kentucky would know more than most about where the FAA bill was not able to be resolved and finally got here, and now obviously an amendment has been offered. But the reason we find ourselves in a time crunch on these things is because they did not get here until right near the midnight hour.

Mr. FORD. I say to my friend, they are not here yet. They are not here yet.

Mr. DORGAN. That is true. In terms of trying to reach some agreements, I hope very much that those who want to advance the parks bill will understand that all of the interests that are involved in this, including the White House and both bodies here in the Congress, need to be involved in the discussions.

My understanding is that recommendations and negotiations have been offered, and that bill can be resolved. But I am also concerned about our finding ourselves at the end of a session once again with a CR, a continuing resolution which simply throws all of the appropriations bills that are not completed into one big pile, completed at 3 o'clock in the morning. There is not one Member of the Senate who has read it. I do not even know where it is. I do not suspect it is available. But if it is available, no one has read it. When it is available, no one will read it. Maybe the Senate will be forced to read it. I do not know.

But in any event, we should not find ourselves at the end of a session like this up against the wall on critical pieces of legislation. The reasonable way to do completion is earlier in the year to start the pieces of legislation through the process so that you can have back and forth negotiations.

I ask the Senator from Kentucky who has been involved integrally in a couple of these situations, is that not the case? We have seen a legislative logjam self-created, and then people express surprise that, gee, I do not understand why this is not being greased through here. Well, because they created a logjam themselves. We ought to resolve at least never to do this again. I hope we will.

Mr. FORD. I say to my friend, the continuing resolution is nothing new. Sometimes it is for a short period of time; sometimes it is for longer. I think this is the first time we have had a continuing resolution with appropriations bills that have never been to the Senate. There are four of them.

So we do not have to leave here. As I said last night, we do not have to leave here. We are still getting paid whether we are up here or not. You still draw your salary. So we do not have to leave here. We are being paid. I do not think we are earning our keep if we do not do our job. And so here we are with a continuing resolution with appropriations bills that are a must. Throw everything else aside. Appropriations bills are a must to operate government. The Defense bill conference report I do not think is here yet. We are going to try to wrap all that CR in that so we cannot amend it.

What kind of game are we playing here? And so everybody is checking their list to see if they have their little project in the CR. If they did not get it in the CR, they are fussing. So let us get it out in the Chamber and start looking at it.

I tell you one thing we might do to stop all this. Have a 2-year budget. I have been trying to get it for 8 or 10 years now. We now have a 1-year budget process and 1-year oversight. You can make all the changes in a 2-year budget you can make in a 1-year budget. If you have an emergency, you can correct it. If you have a flood or earthquake or hurricane, whatever it might be, you can have a method by which you can change that.

So let us have some oversight in 1 year. We have a budget for 2 years. We would not be up here with this logjam backed up to the wall and trying to go home, trying to go home without doing the people's business.

I know we are not in the majority, and so therefore we have very little control. So the majority wants to get out of town. With their record, I would want to get out of town, too.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

OMNIBUS PARKS LEGISLATION

Mr. MURKOWSKI. I wonder if I could respond to my good friend from North Dakota relative to his concerns about the process here, particularly on the Presidio-omnibus parks bill, because, I, too, as chairman of the committee on which he serves, feel an extraordinary frustration about what we went through in committee because, as the Members know, we held the hearings, accommodated members as they introduced their bills, and then we attempted to move these bills to the floor.

I think it is important to recognize that virtually every single bill in the parks package, 126 sections to accommodate Members, immediately have holds put on them by one Senator from New Jersey. That is just the fact. The record will reflect that reality. His motivation—it is part of the rules; it is appropriately done—was to get the House to move on Sterling Forest. There were objections over there on Sterling Forest. And that is part of the process. They have a right to do that. But as a consequence, we could not move a single bill to the floor for action because there was a hold on them.

Here we have this package today of 126 sections in the Presidio parks bill, and that is why we have it, Madam President. It is as a consequence of Members using the rules, if you will, to advance the position of their own bills. But my job as chairman of the committee is to try to advance all those bills

that came out of my committee. That is what the Presidio parks package is all about.

As a consequence, we are in a situation now where, having been notified by the administration of certain objections to that package, we responded. We responded in a conference mode, and we pulled off what they objected to. They objected to Utah wilderness. They objected to grazing. They objected to the 15-year Tongass extension contractual commitment. They objected to the Minnesota wilderness waters. So we pulled those. And then, they came back 2 days later with provisions in the Presidio conference report which would invoke a Presidential veto, and they listed: Conveyance to the city of Sumner, 1.5 acres to the City of Sumner, OR; 218. Shenandoah National Park; 219. Tulare conveyance; Alpine school district, 30 acres of land to the Alpine School District for a public school facility, passed the House by suspension. They never raised an objection. Coastal barrier, FL, 40 acres of developed property out of 1.2 million acres, supported by a bipartisan Florida delegation and the Governor; conveyance to Del Norte County Unified School District, transfer of small acres to the school district in California for recreation, recess purposes.

Now, Madam President, this administration has a responsibility for killing this package. This package is dead once the CR comes over from the House, as the majority whip is well aware. Right now there is a hold on this package, and the hold is by the minority leader on behalf of the administration. Otherwise we can move this conference back to the House while they are still in session and they will move it back here and it is passed. And the Presidio takes place as a reality, the Snow Basin takes place, so we can host the winter Olympics, that becomes a reality, the San Francisco Bay delta cleanup becomes a reality, Sterling Forest becomes a reality. And they are not even responding.

Last night we sent a letter down saying we are ready to continue discussions to get this done. It is 2:30, Saturday afternoon, no response.

I ask unanimous consent this letter be printed in the RECORD, as well as the identification of the 40-some-odd individual items that they indicated they would invoke a Presidential veto over, with an explanation on them, so that everyone who reads the RECORD can readily understand, if you will.

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

U.S. SENATE, COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC, September 27, 1996.

Mr. JOHN L. HILLEY,
Assistant to the President and Director for Legislative Affairs,
The White House.

DEAR MR. HILLEY: After our discussion earlier today, I thought it would be constructive if as Chairman of the Conference on H.R. 1296, I provided you with comments on the items to which the Administration appears to object by virtue of the fact they were not included on the list of acceptable items you provided to me late last night.

As you will see many of the legislative provisions previously passed the House under suspension with no Administration objections. Still other provisions passed the Senate or the House after the Administration testified in support. Others had passed the House or Senate after bi-partisan negotiations had attempted to address specific Administration concerns. Yet other provisions, while important to individual members, relate to such minor matter as the study of a four foot radio tower at the site of an existing tower on a national forest. It is difficult to comprehend an objection to such a provision in the context of this conference report. Finally, some provisions to which you apparently object have the broad bi-partisan support of House and Senate delegations, often including the Governor of the relevant state.

I hope this information is helpful to the Administration in re-considering its position. Tomorrow I will again attempt to recommit H.R. 1296 to conference for the purpose of allowing the conferees to meet and consider changes to the conference report. If the Administration would care to present information concerning its objections to specific provisions at such a meeting of the conferees I would be pleased to arrange this meeting and give the information presented due consideration. Obviously such a meeting will not be possible unless H.R. 1296 is recommitted to conference. I believe that in the short time remaining in the 104th Congress this is a reasonable path to take to a successful conference report. It is my sincere hope that for the benefit of the many intensely interested members both Democrat and Republican, some retiring at the end of this Congress, this important parks and public lands legislation will pass the Congress.

Sincerely,

FRANK H. MURKOWSKI,
Chairman.

PROVISIONS IN PRESIDIO CONFERENCE REPORT WHICH WOULD INVOKE A PRESIDENTIAL VETO.

216—*Conveyance to city of Sumpter Oregon:* Authorizes Secretary of Agriculture to convey 1.5 acres to City of Sumpter, Oregon for public purposes. Administration raised no objections when bill passed under suspension in the House.

218—*Shenandoah National Park:* Adjusts 1923 Park boundary authorization to match today's existing park boundary. Similar bill passed House 377–33 under suspension. Provision has support of bi-partisan VA. Delegation.

219—*Tulare conveyance:* Clears title of 14 acres owned by a railroad to citizens of Tulare, California. Attempt by City of Tulare to clean-up blighted downtown area. Hearings held and provision was reported by Resources Committee. DOI reportedly has no objection.

220—*Alpine School District:* Conveys 30 acres of land to the Alpine school district for a public school facility. Passed House by suspension and Administration never raised objection.

223—*Coastal Barrier Resource System:* Removes 40 acres of developed property out of a 1.2 million acre Coastal Barrier Resource System. Reported by the Resources Committee. Supported by bi-partisan Florida Delegation and the Governor.

224—*Conveyance to Del Norte County Unified school district:* Transfers small acreage to the School district in California for educational purposes. Passed House under suspension. Provision includes Forest Service requested amendments.

303—*Alaska peninsular subsurface consolidation:* Authorizes Secretary to exchange subsurface holdings of Koniag Corporation on an equal value basis for lands and interest owned by the federal gov't. Passed House and Senate. Included in the original Presidio package, the Administration indicated it would sign.

304—*Snow basin land exchange:* Would allow expedited land exchange to facilitate the 2002 Winter Olympics. Passed both House and Senate. Included in the original Presidio package, the Administration indicated it would sign.

309—*Sand Hollow exchange:* Equal value exchange in Zion National Park to transfer water development rights in order to protect Zion National Park. Passed the House. The Administration has indicated supported.

311—*Land exchange, city of Greely, Colorado:* Equal value exchange to secure property needed by the city to secure protection of the city's water supply.

312—*Gates of the Arctic National Park and Preserve land exchange and foundary adjustment:* This would add more than 2 million acres of native owned lands to Gates of the Arctic National Park and Preserve in AK—in exchange for lands in the NPR–A.

313—*Kenai Natives Association land exchange:* This would facilitate exchange between KNA and the FWS to allow an Alaska Native Corp. to gain economic use of their land—this would be an acre-for-acre exchange. An Administration supported two-for-one acre exchange passed the House.

401—*Cache La Poudre corridor:* Establishes a corridor to interpret and protect a unique and historical waterway. Included in the original Presidio package the Administration indicated it would sign.

405—*RS2477:* Places a moratorium on final regulations without Congressional approval. Language agreed to by Senate Republicans and Democrats and the Administration. Reported by Energy Committee.

406—*Hanford Reach preservation:* Extends a moratorium on construction of any new dams or impoundments in this area. Passed House under suspension with Administration objections.

502—*Vancouver National historic reserve:* Establishes a new historic reserve. Administration testified in support. Passed the Senate. Hearings held in both bodies.

602—*Corinth, Mississippi Battlefield Act:* Establishes a visitors center at Shiloh National Military Park in Mississippi. Included in the original Presidio package the Administration indicated it would sign. Passed the Senate.

603—*Richmond National Battlefield Park:* Establishes boundary in accordance with new NPS management plan dated 8/96. Passed the House 337–33 under suspension. Administration opposed House-passed bill, however it has been modified to address their concerns. Supported by the bipartisan Va. Delegation.

604—*Revolutionary War:* A study to determine if these sites warrant further protection Senate Energy reported bill—Administration testified in support. Hearings in both bodies.

607—*Shenandoah Valley Battlefield:* Establishes Historical Area. Does not create a new park. Administration opposed House-passed bill, however it has been modified to address their concerns. Supported by the bi-partisan Va. Delegation.

701—*Ski area permits:* Simplifies ski area fee collection. Passed House and Senate. Included in the original Presidio package the Administration indicated it would sign. Administration testified in support.

703—*Visitor services:* Would raise $150 million for parks to help with badly needed repairs of existing park structures. 100% of new fees go back to the parks. Provision was

modified to address Administration concerns.

704—*Glacier Bay National Park:* Raises fees to support research and natural resources protection through a per-person charge on vessels entering Glacier Bay.

803—*Ozark wild horses:* Would protect and prevent the removal of a existing wild horse herds at Ozark National Scenic Riverway. Passed the House under suspension without Administration objection. Passed Senate Committee.

806—*Katmai National Park agreements:* Authorizes research in National Parks, including the ability of the USGS to conduct volcanoligical research in Katmai National Park. Administration has supported research cooperative agreements for the last three Congressional sessions.

811—*Expenditures of funds outside boundary of Rock Mountain National Park:* Allows NPS to build a visitor center outside the park with private funds. Administration and the National Park Service requested this provision. Passed the House under suspension. Passed Senate Energy Committee.

815—*NPS administrative reform:* Provides authorities NPS has requested for years—aids parks in protection of resources and provide facilities for employees. Provides Senate confirmation of NPS Director. Administration testified in support at House hearings. Portions incorporated in President Clinton's Earth Day address on National Parks. Passed House under suspension with no Administration opposition.

816—*Mineral King:* Authorizes the continuation of summer cabin leases. Totally discretionary for the Secretary. Supported by bipartisan members of House and Senate California Delegation. House hearings held. Reported by Resources Committee. Provision has been modified to address Administration's concerns.

818—*Calumet Ecological Park:* A study of the Calumet Lake area to determine alternatives for preservation.

819—*Acquisition of certain property in Santa Cruz:* Provides for the acquisition of property on Santa Cruz Island to prevent the further destruction of the resource due to over-population of feral goats.

1021—*Black Canyon of the Gunnison National Park:* Formally designates a recreation area. Changes monument status to park and creates a BLM Conservation area. Designates 22,000 acres of wilderness. Energy Committee hearings held.

1022—*National Park Foundation:* Provides the opportunity for the private sector to sponsor the NPS, similar to the sponsorship of the Olympic games. Administration has testified in support. Administration testified in support. Part of President Clinton's Earth Day proclamation on Parks. Provision has been modified to address last minute Administration concerns.

1028—*Mount Hood:* Exchange between private company and federal gov't. Passed the Senate with no Administration objection.

1029—*Creation of the Coquille Forest:* Equal value exchange creating a tribal forest. Passed the Senate with no Administration objection.

1034—*Natchez National Historical Park:* Creates an auxiliary area to a NPS unit and provides $3 million for an intermodal transportation system and visitor center. Administration testified in support at Energy Committee hearing. Reported by Senate Energy.

1036—*Rural electric and telephone facilities:* Authorizes BLM to waive right-of-way rental charges for small rural electric and phone cooperatives.

1037—*Federal borough recognition:* Allows the unorganized borough in Alaska to receive PILT payments. Language was modified in conjunction with BLM and Administration has raised no objection. Reported by Energy Committee.

1038—*Alternative processing:* Prohibits the termination of a timber sale contract solely for the reason of failure to operate a pulp mill. Provides flexibility so that jobs in the sawmill portion of the contract are not lost along with the pulp mill jobs. This is not a contract extension nor is it an increase in timber harvesting. Language has been drastically modified from original proposal. Hearings on contract issues held in both bodies.

1039—*Village land negotiations:* Provides authority for the Secretary to negotiated with five tiny Alaskan villages regarding their entitlements under ANCSA. Language has been modified to address Administration concerns. Provides the Secretary with already existing authority to negotiate without the restrictions of a legal challenge against him. Language has been further modified from earlier versions and does not include the conveyance of any land or assets. Hearings held in both bodies.

1040—*Unrecognized communities in SE Alaska:* Authorizes the native residents of five Southeast Alaska villages to organize as urban or group corporations under an amendment to ANCSA. Provision does not direct grants of any federal land or compensation to these villages without a future act of congress. Language has been drastically modified from earlier proposals in that it does not contain any guarantee of land to the villages.

1041—*Gross brothers:* Transfers approximately 160 acres of Forest Service land to Daniel J. Gross and Douglas K. Gross of Wrangell, Alaska. These are the children of the original homesteaders. Energy Committee hearing held.

1043—*Credit for reconveyance:* Would allow Cape Fox Corporation to transfer 320 acres of land near the Beaver Falls Hydro project to the Forest Service. CFC's ANCSA entitlement would be credited with an equal amount of acreage. This provision does not provide CFC any additional entitlement. Hearing held in the House. Administration raised no objection to this provision.

1044—*Radio site report:* A study to determine if an existing radio site continues to be necessary.

1045—*Retention and maintenance of certain dams and weirs, etc.:* Requires the Forest Service to maintain specific dams and weirs in the Immigrant Wilderness Area.

1046—*Matching land conveyance (University of Alaska):* Authorizes the Secretary of Interior to discuss a land grant with the University of Alaska who has never received its federal entitlement under the Land Grant College Program. Provides for a matching grant to the State. Provision specifically excludes lands that are part of a CSU or part of a National Forest.

Mr. NICKLES. Will the Senator yield for a question?

Mr. MURKOWSKI. I will be happy to yield to my friend from Oklahoma.

Mr. NICKLES. Correct me if I am wrong, but I remember the administration originally said they might veto it if it had a provision dealing with an Alaska pulp mill, a provision in Minnesota, a couple of major provisions that they strongly objected to.

Those were removed, were they not, out of the package?

Mr. MURKOWSKI. The Senator from Oklahoma is correct. They were removed. The 15-year contract extension was removed. Minnesota wilderness waters were removed. And, of course, Utah wilderness and grazing were removed.

Mr. NICKLES. I was going to say, the grazing provisions were also seriously objected to. So you have removed the really contentious issues. I have looked through the list of 46. There are some Democrat's, and mostly Republican projects. For most of those there is not a great deal of land, there are not significant projects that they are trying to have removed. But it bothers me to think in many cases there has never been an objection raised to any of those, even in the Senate, when we passed it in the past, or from the House. Is that not correct?

Mr. MURKOWSKI. The Senator from Oklahoma is correct.

For example, this is in Missouri: Ozark wild horses preservation. What we would do would be to protect, prevent the removal, of the wild horse herds of the Ozarks on the national scenic riverway. This passed the House under the suspension without the administration's objection. It passed the Senate Energy Committee. Without this in the package, without this passing, those horses are going to be killed. They are going to be shot.

There is no explanation. I cannot imagine the administration, in an election year—I cannot imagine the administration not responding to the needs of the Presidio, or cleaning up the San Francisco Bay area, or getting behind the land exchange for Snow Basin, allowing the Olympics to continue in this plan. But there is no explanation.

Mr. NICKLES. Madam President, I compliment the Senator from Alaska, again. I want to encourage him not to give up faith, and maybe we will have some better cooperation from the administration and hopefully the minority leader so we can pass this package. It does have strong bipartisan support.

As I mentioned before, I read through a few of these projects. There are a lot of projects by Democrats and Republicans in this package. The Senator from Alaska runs the Energy Committee in a very bipartisan way, as Senator JOHNSTON has. So these projects are not partisan.

Mr. MURKOWSKI. Absolutely, the Senator is correct. As a matter of fact, I have a list here of those that affect Democratic Members, many of whom are retiring, that they want to encourage passage of. My Democratic friends on the committee know that, as we address the hearing process, it is in a bipartisan manner. We work very well together. I have always felt very comfortable with Senator JOHNSTON as the ranking member, and the professional staff of both sides.

I think our efforts are recognized, as trying to be responsive to Members regardless of what their party affiliation is.

I will share this with my friend from Oklahoma. The largest single beneficiary is the State of California. There are probably about 18 sections in here,

including the Presidio, Elsmere Canyon, San Francisco Bay enhancement—cleanup of the San Francisco Bay area.

The Arkansas-Oklahoma land exchange, which affects you and the State of Arkansas as well. Obviously, Senator BUMPERS is interested in that. Senator HEFLIN, who is retiring—Alabama, Selma to Montgomery Historic Trail. These are in the package and these affect our Democratic colleagues.

Florida, the Florida coastal barrier amendments, Senator GRAHAM. Georgia, Senator NUNN retiring, Chickamauga-Chattanooga. Hawaii, Illinois, Louisiana, Maryland, Massachusetts, Michigan—Montana, Lost Creek exchange; New Jersey, Sterling Forest; Senator MOYNIHAN in New York, Women's rights boundary adjustment, Sterling Forest; Virginia, Senator ROBB, Senator WARNER, Cumberland Gap boundary, Richmond Battlefield boundary adjustment, Shenandoah Valley Battlefield establishment.

That is why this is so cumbersome, because there are so many sections, 126 sections. West Virginia, West Virginia rivers, Senator BYRD.

I am absolutely at a loss. Maybe the administration simply feels that, somehow, they can put a spin on this that this is not important; or somehow the environmental community is not supporting the package in its entirety. There are a few items in here that probably the environmental community would not support. But when you put a package together in a democratic process it is a give and take, and that is why this package is together and not individually brought before the Senate, because holds were put on every single bill that came out of the committee. As the whip knows, as a member of the committee, we could not get anything to the floor because we had holds on every single bill that came out of this committee by the Senator from New Jersey, who saw fit to do that to influence the House. That issue was Sterling Forest, which I have always supported. I do not have any problem with Sterling Forest. It is a good piece of legislation. I want it to happen.

Now we are in the process of sacrificing everything, and I think, in these waning hours, it is very important the public understand where the responsibility has to lie. It has to lie at 1600 Pennsylvania Avenue.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, again, I thank my colleague from Alaska for his leadership. He has been very fair, No. 1, in putting this package together. As a member of the Energy Committee for many, many years, working with him, he has done a good job. I might say, most of these deal with our national parks. I think a lot of us like to consider ourselves big friends of the national parks. We like to enjoy them. You mentioned Shenandoah Park. You think of Yellowstone or you think of some of the other projects, Presidio next to San Francisco.

That is a project that a lot of people have been working on. The compromise package on Presidio is going to allow better management so the Federal Government is not writing checks, as we were, and utilization of the property is going to be a lot better for the public. Thinking of some of the other parks and systems that we have in this, to enhance the parks throughout our country is a good, significant investment. That is what we are trying to do by this bill.

I did talk to our colleague, Senator CAMPBELL, from Colorado, who, unfortunately, had a bad motorcycle accident and is not here. But he requested, he said, would you please help me try to pass some of these bills? I have been working on these for the last couple of years. I counted, I think, eight or nine bills dealing with Colorado and the parks and so on, some land exchanges, that are important to Colorado and really important to our country.

I told him I would try to help. I told the Senator from California I would try to pass Presidio. I want to do it.

There have been holds, primarily on the Democrat side, that have been blocking this bill for months. The Senator from Alaska has been trying to bring it up. Some of that dealt with the land in New Jersey.

That is in this bill. So we do need to pass it. I hope we can still find a way. I cannot imagine, when you have such strong bipartisan support, that we cannot find a way to do it. I am troubled by the administration's objection. I am troubled by the fact that they would come up with moving the goalposts.

They had objections before. The Senator from Alaska took those out. I urged him to take out, at some sacrifice to the Senator and to the State of Alaska, one of his largest year-round employers. And he made that sacrifice so we could pass this package. I compliment him for his willingness to make some sacrifice so we could enact a bill that would benefit most of the country.

Now, for the administration to come up with a lot of, I don't know, excuses, to object to that package? I hope they will relent. I hope they will reconsider. Because it will be a real shame not to be able to pass most all of this legislation that the Senator from Alaska has brought before the Senate.

Mr. MURKOWSKI. I wonder if I can ask my colleague a question, relative to what the possible motivation might be? Why will they not allow us as a body, bipartisan, to address this and resolve it by lifting the holds and letting us vote on it? Because the procedure is that it would come before the Senate. There would be, if it were in order, a vote to recommit back. If it prevails, then the Presidio and the entire omnibus package is dead.

We are being prevented from voting to make an ultimate determination of the disposition of the package. I tried to find out what possible explanation there might be. With this hold on it we cannot move the conference report back to the House. It is my understanding, procedurally, in the House, someone could move to recommit. That would kill it in the House. But I have been assured by the Members in the House that is very unlikely to occur. It is doubtful it would even come up, but, procedurally, it would come back here, be subject to recommittal, and we would have a vote so we could determine by a democratic process the disposition. But we are being precluded from that at this time.

Mr. NICKLES. To respond to the question of the Senator from Alaska, the parliamentary situation is such, in the last day or two of the Senate, a lot of things will not move unless you have unanimous consent. I know the Senator from Alaska has tried to get this bill up but there have been holds. There have been objections. Now I think we are at the place where we cannot bring this bill up unless we have unanimous consent.

We have an objection from the Democratic side. Maybe that will be removed. I hope that it will. I hope they realize what is at stake, and maybe it will be reconsidered. I am urging them to do so. I just think there are too many positive things for the entire country for us to let this fall.

Madam President, I ask unanimous consent to have printed in the RECORD the sections which I understand the administration is objecting to, so people can see.

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

SECTIONS DELETED

216—*Conveyance to City of Sumter Oregon* (Hatfield): Authorizes Secretary to convey 1.5 acres to City of Sumter Oregon for public purposes.

Parks—public purpose—this is supposed to be the people President—What in the world does he have against a place for kids to play.

218—*Shenandoah National Park* (Robb/Warner/Bliley/Wolf): Adjusts 1923 Park boundary authorization to match today's existing park boundary.

White House Staff informs you that they would have reached the same conclusion on the boundary adjustment but they needed more process.

Doesn't take anything away from the park—old map authorized 500,000 acres—if we went to that limit there wouldn't be enough money in the Treasury to buy all the private farms and homes that would be in the park.

219—*Tulare conveyance* (House GOP): Affirms that land sold by the railroad to citizens in Tulare, California is free from any title problems.

This was an attempt to bring some stability and certainty to land ownership in the town of Tulare—this administration doesn't seem to care about the towns folks or their future.

220—*Alpine School District* (Kyl, McCain): 30 acres of land to the Alpine School District for a public school facility.

What in the world is wrong with supporting a school district and aiding in the education of school children—I thought this was the education President.

223—*Coastal barrier resource system* (All Florida): Transfers 40 acres of development property out of a 2.1 million acre undeveloped resource area.

This was what the Florida delegation and the Governor believes is best for their citizens—since this President knows better than the States ''elected'' officials what's good for the people—there is certainly no longer a need for State level elected officials.

224—*Conveyance to Del Norte County Unified School District* (House California GOP): Transfers small acreage to the school district for educational purposes.

I guess that it now takes more than a village to raise a child—the title to the new book he is writing is ''All You Really Need is a President to Raise a Child.''

303—*Alaska Peninsula subsurface consolidation* (Murkowski): Authorizes Secretary to exchange subsurface holdings of Koniag Corporation on an equal value for lands and interest owned by the federal govt. This will complete exchanges approved earlier.

It was this provision of the bill that caused the tax problem in the bill.

From this action I can only conclude that the President thinks it's a ''good'' idea to have private in-holdings in national parks and refuges.

304—*Snow-Basin land exchange* (Hatch/Bennett/Hansen and all of Utah): This provision would allow expedited land exchange to facilitate the 2002 winter Olympics which would be an economic boom for the U.S. especially the west. This has been in the process for six years and have received nothing from the Clinton Administration.

I'm not sure what the President has against the Olympics or the people of Utah—maybe he would like to see the United States embarrassed in the eyes of the world.

309—*Sand Hollow exchange* (Hatch/Bennett): Equal value exchange to add acreage to Zion National Park and allows additional water to flow through the park.

His ''own'' people and the environmental community have pushed this exchange—what does this guy have against Utah!—all I can conclude is that a young Bill Clinton must have been pushed down by a big kid from Utah during recess.

311—Land exchange city of Greely, Colorado (Campbell/Brown):

Equal value exchange to secure property needed by city to secure ownership of the cities water supply.

Apparently this administration would like to manage the city of Greely's water supply—having achieved world peace and cured the common cold they apparently are bored and need something to do—sorry Greely.

312—Gates of the Arctic National Park and Preserve land exchange and boundary adjustment (Murkowski, Knowles):

This exchange could have led to a more than 2 million acre expansion of the Gates of the Arctic National Park and Preserve in AK—in Exchange for lands in the NPR–A.

Since when is helping the national parks a bad idea in the Clinton administration—the only conclusion that can be drawn is that they don't like it because its not their idea.

313—Kenai Natives Association land exchange:

This would facilitate exchange between KNA and the FWS to allow an Alaska Native Corp. to gain economic use of their land—this would be an acre-for-acre exchange.

There seems to be no rhyme or reason in the White House position—on one hand they don't want to add two million acres to a national park and on the other they want to double the acreage put into a withdrawal.

401—Cache la Poudre Corridor (Campbell/Brown's number #1 priority):

Establishes Corridor to interpret and protect unique and historical waterway.

All I can conclude from their refusal to support this action is that they don't think the Cache la Poudre deserves to be protected—I guess the people of Colorado are wrong in wanting to preserve an important piece of their history.

405—RS2477 (Murkowski/Hatch/Bennett/Stevens):

Puts a moratorium on the putting new regulations in place without Congressional approval.

This is ''just'' moratorium lanaguage—the minority and the BLM negotiated this language with us—we were all in agreement.

406—Hanford Reach Preservation (Gorton/Doc Hastings):

Extends a moratorium on construction of any new dams or impoundment sin this area.

Can we conclude from this action that Clinton ''wants'' to start building dams on the river.

502—Vancouver National Historic Preserve (Gorton/Murray):

Changes a historic site into a National Park.

Apparently Senator Gorton doesn't know his constituents.

602—Corinth, Mississippi Battlefield Act (Lott):

Establishes a NPS civil war site in Mississippi.

Is there something wrong with honoring the events associated with the civil war in Mississippi?—or could it be that this is in Trent Lott's State.

603—Richmond National Battlefield Park (Warner/Robb/Bliley/Wolf):

Establishes Boundary in accordance with new NPS management Plan dated 8/96.

Administration concerned about the process—this did not seem to bother them when he declared a national monument in Utah—no process!

604—Revoluntionary War (Jeffords):

A study to determine if these sites warrant further protection.

Most of the problems we have had with this administration is that the leap before they think—I guess the idea of studying the need for something before doing it is a alien concept in the White House.

607—Shenadoah Valley Battlefield (Warner/Robb):

Establishes Historical Area. Does not make a new park.

This is what the delegation wants—can they not be trusted to determine what's right for their own constituents.

701—Ski area permits:

Simplifies ski area fee collection.

This is supported by National Ski Association and western State elected officials.

703—Visitor services:

Would raise $150 million dollars for parks to help with badly needed repairs of existing park structures. 100% of new fees go back to park.

Opposition to this provision is simply ridiculous—the Park Service needs these funds to maintain operations—this seems like a blatant attempt to tear down the national parks and blame the Congress.

704—Glacier Bay National Park (Murkowski):

Raises fees to support research and natural resource protection through a head tax on passenger vessels into Glacier Bay.

Never let it be said that this administration would let scientific data get between them and a political decision.

803—Ferel burros and horses (Ashcroft and Bond):

Our bill would prevent the slaughter of horses by the NPS.

It's not bad enough that the White House has declared an open hunting season on people in the West—now they want to shoot the horse they rode in on, too.

806—Katmai National Park agreements (Young):

Authorizes USGS to drill scientific core samples.

Volcanological research—what can be wrong with that—maybe Mr. Clinton needs to live at the base of an active volcano for a while to appreciate the need for volcano research.

811—Expenditures of funds outside boundary of Rocky Mountain National Park (Campbell/Brown):

Simply allows NPS to build a visitor center outside the park mostly with private funds.

The NPS has sought this for years—I guess that Mr. Clinton no longer even trusts his own park service.

815—NPS administrative reform:

Provides authorities NPS has requested for years—Aid park in protection of resources and provide facilities for employees. Provides Senate confirmation of NPS Director.

In keeping with that theme—not only does he not trust his park employees—now he wants them to live under substandard conditions.

816—Mineral king (Boxer/Feinstein):

Extends summer cabin leases. Totally discretionary by Secretary.

Again, the President does not trust his Secretary of the Interior or his Park Service folks to do the right thing—this bill gives them complete control.

818—Calumet Ecological Park (Simon/Mosley/Braun):

A study to Extend I and M canal National Heritage Corridor to incorporate a large portion of Chicago.

Not much to say about this one.

819—Acquisition of certain property in Santa Cruz

Goats are ruining this Island—provision in this bill would allow the NPS to remove goats from Island and restore to pristine conditions.

Those portions of the island that are not under government management look like Afghanistan—the remainder of this island needs to be protected.

1021—Black Canyon of the Gunnison National Park (The only thing that Campbell wants. They are punishing him):

Formally creates a recreation area. Changes monument status to park. Creates a BLM Conservation area. Creates 22,000 acres of wilderness. Has all the four management agencies involved operating under one complex.

1022—*National Park Foundation:* Park Foundation—Murkowski/Lieberman/et. al. Provides for the opportunity for the Private Sector to sponsor the NPS similar to the sponsorship of the Olympic games. We have accepted Bumpers 6 amendments which clarify the sanctity of the NPS. Which clarifies that in no way the corporate entity can over commercialize the Park service system.

Can anybody deny that our national parks are in need of help and support and that Government funding is certainly not on the increase!

1028—*Mount Hood* (Hatfield): Exchange between private company and federal Gov't. Provision is already in CR.

1029—*Creation of the Coquille Forest* (Hatfield): Already in CR. Equal value exchange creating a tribal forest.

1034—*Natchez National Historical Park* (Cochran): Creates an auxiliary area to a NPS unit and provides $3 million for an intermodel transportation system and visitor system.

Is this administration opposed to creating less intrusive modes of transportation to allow more people to be able to enjoin the magnificent national park system—or are the just opposed to Republicans getting something for their home States?

1036—*Rural electric and telephone facilities:* Authorizes BLM to waive Right-of-way rental charges for small rural electric and phone cooperatives.

1037—*Federal borough recognition (PILT)* (Murkowski/Stevens): This allows the unorganized borough in Alaska to receive PILT payments. 60% of the federal lands in Alaska are in this borough. The Administration did not oppose this during committee and the language was worked out in cooperation with them.

The administration supported this in committee. This is a slap in the face to rural Alaskans who lose out of economic opportunities because of the massive amount of public lands in their backyards—what could possibly be the reason for opposing this—other than it is in a State that did not vote for the President.

1038—*Alternative processing* (Murkowski): This is an attempt to save the remaining jobs in SE Alaska.

Why doesn't the President just tell us, ''I want the remaining jobs to go away and I want the communities to suffer.'' This is what he is doing.

1039—*Village Land Negotiations (Appendix C issue)* (Murkowski): This is an outright slap in the face of Alaska natives. This provision just asked the Secretary to talk to five tiny Alaskan villages who have waited more than 20 years to receive the land they were promised under ANCSA.

This is a classic example of the Federal Government giving the old bait-and-switch routine to America's native people and having no intention of ever making good on their promises.

1040—*Unrecognized communities in SE Alaska* (Murkowski): This merely let five communities in Alaska establish as a group or Urban corporation. It involved no land transfers. It was a Native Alaska equal right bill.

Another situation in which the Federal Government has turned its back on Alaska's Native people!

1041—*Gross brothers* (Murkowski): They served their country in uniform and now there country is denying them the land they homesteaded.

1043—*Credit for reconveyance* (Murkowski): This would have allowed Cape Fox Corporation to transfer 320 acres of land near the Beaver Falls Hydro project Back to the Forest Service. CFC would not have gotten any new lands in exchange.

Does the Federal Government oppose receiving land back?

1044—*Radio site report*

A study to determine if a existing radio site is needed.

1045—*Retention and maintenance of certain dams and weirs etc.:* Forces the Forest Service to maintain specific dams and weirs in the Immigrant Wilderness Area.

1046—*Matching land conveyance (University of Alaska)* (Murkowski): This authorized the Secretary of the Interior to discuss a land grant with the University of Alaska who has never received it's federal entitlement. On a matching basis with the state.

Once again the ''Education President'' strikes again and proves he is against education.

Mr. NICKLES. Madam President, I will make one comment. Looking at the first one, authorizes the Secretary of Interior, I believe, to convey 1.5 acres to the city of Sumter, OR, for public purposes. Senator HATFIELD and Senator WYDEN, I am guessing, felt like this was important to the city of Sumter. I don't know. It is an acre and a half. I somewhat question why they are objecting to that. Senator HATFIELD is going to be retiring.

I am shocked, and I almost bet there has never been a veto threat or objection raised on that land before.

I see the Shenandoah National Park, adjust 1923 park boundary authorization to match today's existing park boundary. That seems to me to make sense.

We could go through this entire list. We already have entered it in the RECORD so people can see.

I have looked through this list, and there is no reason to veto this bill or to object to taking up this bill. To answer the question of my colleague from Alaska, I urge the minority to allow us to bring the bill up and vote. I will be shocked if we don't get 90 votes for this bill, 90-some votes, because there is no reason to object to this package, if you look at all the good things in this bill.

I am not totally knowledgeable of all 126 projects, but I have looked through the list, and what they are objecting to makes very, very little sense. My guess is—and I count votes on occasion—my guess is we will have overwhelming support. At least 80 or 90 percent of our colleagues would vote for passage of this package.

So I urge the minority leader to reconsider and talk to the administration and allow us to bring this bill up, pass it and let it become law this year.

Mr. MURKOWSKI. I wonder if I can just share with my friend, the whip, the Senator from Oklahoma, relative to the roles that seem to be eroding here as authorizers, and as a member of the Committee on Energy and Natural Resources, my friend from Oklahoma knows really what is happening here. It is almost like a line-item veto that is being dictated by the administration on this legislation, where we have met with them, taken out what they objected to, then they move the goalposts and come back with 46 more.

The constitutional structure of Government suggests the legislative body is involved in a process. Our process is hearings, input and movement on the bill. But they seem to come in and line-item veto or cherry-pick and say, ''No, this is unacceptable.''

If this continues, clearly the legislative responsibility that we have as authorizes is taken away. Of course, I have always had a concern about these items moving on to the appropriations bill, because the appropriators then become the authorizers as well, or they simply control the disposition.

It would seem to me that as a consequence of what happened this year in our committee, I refer to the experience and observation of my friend from Oklahoma, where every single bill that you try to move out results in a hold, that we are going to have to take some extreme means next year in the process, if we introduce this package and pass it out of committee, that if Members put holds on it, maybe the Senate is simply going to have to stop, maybe we are going to have to object to any unanimous consent agreement until we can get some kind of a restructuring so we can move bills as we report them out of committee, get them to the floor and get them to a vote. The disposition should be determined by a vote, not one Member holding up 126 bills.

So that is my degree of frustration, having the responsibility of chairman of the committee and the authorizing responsibility. To be put in a position where I am subject to negotiations with the administration to spin off bills that we passed and reported out for those that they will take and those they won't take clearly puts them in a position of line-item veto and circumvents the responsibility that we have as authorizers.

I know there are a lot of Members out there who have bills that are very important to them who want some kind of exception from the package, but the problem I have is I hold a responsibility equally to Republicans and Democrats within the committee to do the best I can to get their bills collectively passed. When I get in the position of having to pick and choose because of the administration's dictate, it is very, very difficult, and I am not sure I want to proceed in that kind of a manner because it is simply not fair to all the Members. I would like the RECORD to note that.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I appreciate the Senator's comment. I agree with him. Hopefully, we will figure out a way to get through this impasse. I am going to work with the Senator from Alaska today to try and make that happen, but it has to happen today because I think the House will be leaving later this evening.

Mr. MURKOWSKI. This is the last chance. The bus has left. If we don't get this done, I am guessing by—well, I am guessing the House is going to probably finish around 6 with the CR.

Mr. NICKLES. Or before.

Mr. MURKOWSKI. So we probably don't have much more than an hour or an hour and a half to have a hold that is applicable now, put on by the Democrats at the dictate of the White House, and if we don't get this thing done now, it is going to be too late and there is not going to be a Presidio, there is not going to be a San Francisco Bay cleanup, there is not going to be Sterling Forest, there is not going to be the ski exchange, and we simply have to move now. It is now or never, and I implore my colleagues on the other side to look at the merits of this package in its entirety and let us vote on it. That is why we are here.

Mr. NICKLES. Madam President, I thank my colleague from Alaska.

I ask unanimous consent to have printed in the RECORD an article in today's paper, Saturday, September 28, from the Denver Post. The headline of the editorial is ''Clinton's partisanship threatens lands bill.''

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

[From the Denver Post, Sept. 28, 1996]

CLINTON'S PARTISANSHIP THREATENS LANDS BILL

In an election, a certain number of power plays are expected. But the reasons President Clinton gave for threatening to veto an omnibus parks bill go beyond power politics to inject a dangerous level of partisanship into public lands policies.

A congressional conference committee already had stripped many of the most objectionable provisions from the bill, including an ill-advised grazing proposal. Most of the 126 projects that survived into the final version were noncontroversial.

Clinton, however, has labeled 45 of those remaining projects as unacceptable and threatened to veto the whole bill because of them. Of those, four are in Colorado.

Only one Colorado project had stirred much controversy previously; A deal would have let the U.S. Forest Service cede control of a reservoir whose water the city of Greeley wants, in exchange for Greeley giving the U.S. government some ranchland next to national forest property. Environmentalists feared the deal could let Greeley dry up streams near the reservoir. At the very least, the deal should wait until a pending study of the region's bypass flow issue has been completed.

But Clinton didn't cite only controversial projects as reasons for threatening to kill the bill. He also targeted mundane projects that enjoyed widespread bipartisan support.

For example, the bill would have funded construction of a new visitors center at the Fall River entrance of Rocky Mountain National Park, a project Clinton's own Interior Department had requested.

The president also objected to a deal that would have added 22,000 acres of wilderness to the Black Canyon of the Gunnison National Monument and transformed it into a full-fledged national park. A series of lengthy public hearings already had resolved concerns about the national park designation.

Strangest of all, the White House spurned plans to protect a stretch of the Cache La Poudre River from development and to build a system of hiking, biking and horse-riding trails in the preserved open space. Environmental groups had joined the cities of Fort Collins and Greeley in support of the plan.

Now, the GOP is howling because the 45 projects on Clinton's hit list all happen to be sponsored by congressional Republicans Clinton thus handed his foes a whole box of political ammunition that they will shoot back at him from now until Election Day.

If Clinton decided to veto the bill based on policy concerns, he has been poorly advised on the merits of the projects. If he is simply opposing projects as an election-year ploy, however, he may have committed a serious blunder in the eyes of many Colorado voters.

Mr. NICKLES. Madam President, looking through it, there are several projects in Colorado that are objected to. It says:

> The President also objected to a deal that would have added 22,000 acres of wilderness to the Black Canyon of the Gunnison National Monument and transformed it into a full-fledged national park. A series of lengthy public hearings already had resolved concerns about the national park designation.

That is just one. I know President Clinton stood outside of the Grand Canyon and had a big environmental picture day and talked about taking 1.8 million acres in Utah, without consulting the Utah delegation or the Utah Governor. But I am looking at their reluctance to cooperate with us on this package as being a lot more detrimental, because this package does lots of things in all States, from California to New Jersey, including Colorado.

I just think there are some real inconsistencies here. I hope our colleagues will join us in working together to see if we can't pass this bill later today.

I yield the floor, and 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. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TRIBUTE TO JOYCE McCLUNEY

Mr. LOTT. Mr. President, I rise today to say thank you, and express my appreciation, on behalf of all Senators for the outstanding work of Joyce McCluney who has served this Government for 29 years. She was with Senator Bob Dole during his tenure both as minority leader and as majority leader of this body. For 9 years, she served as his office manager and coordinated the Senator's support team, an endless challenge of organization and detail that I am witnessing first hand now. Along with her other responsibilities, she spent countless hours making the complicated arrangements for visiting heads of state and foreign parliamentary delegations meeting with the Republican leader.

These past 2 years, Joyce served as Deputy Sergeant at Arms with Sergeant at Arms Howard O. Greene, Jr. Time and again, she demonstrated her foresight and excellent administrative skills in administering the Senate's largest, most technologically complex office in the U.S. Senate and her unquestionable support to all Senators in this body has been exemplary. She has just done an outstanding job.

She raised three children while she was accumulating outstanding career credentials. Her impressive resume includes assignments with the Senate Finance Committee, the White House, the Commerce Department, the State Department, and the offices of the leader of the U.S. Senate.

Joyce is retiring from the Senate and from Government. She plans a brief interlude of well-deserved rest and recreation and I know that in the near future she will contribute her many talents to new and exciting endeavors. Joyce McCluney takes with her many, many accolades for her achievements and the gratitude of everyone who benefited from her dedication to this institution. She leaves a legacy of outstanding contributions and a legion of friends and admirers. I want to thank Joyce McCluney for all she has done for this institution and to wish the best of all good things in her future.

I extend best wishes to Joyce McCluney and express the appreciation of the Senate for her fine work.

THE Calendar

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed, en bloc, to the consideration of Calendar No. 579, which is H.R. 3660; Calendar No. 576, which is H.R. 1514; Calendar No. 476, which is H.R. 2967; and Calendar No. 475, which is H.R. 1823.

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

Mr. LOTT. Mr. President, I further ask unanimous consent that the bills be deemed read a third time, and passed, en bloc, the motions to reconsider be laid upon the table, and that any statements relating to the bills appear at the appropriate place in the RECORD.

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

RECLAMATION RECYCLING AND WATER CONSERVATION ACT OF 1996

The bill (H.R. 3660) to make amendments to the Reclamation Wastewater and Groundwater Study and Facilities Act, and for other purposes, and was considered, ordered to a third reading, read the third time, and passed.

PROPANE EDUCATION AND RESEARCH ACT OF 1996

The bill (H.R. 1514) to authorize and facilitate a program to enhance safety, training, research, and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes, was considered, ordered to be a third reading, read the third time, and passed.

Mr. BUMPERS. Mr. President, Senator THOMPSON and I would like to enter into a brief colloquy with the sponsor of this bill, Senator DOMENICI. Some concerns were raised in the last Congress, with respect to a similar bill, that such legislation might adversely affect users of propane by interfering with propane markets or artificially stimulating the demand for propane. Does the bill before us address these concerns?

Mr. DOMENICI. I thank my colleague from Arkansas for his question. He is correct that such concerns were raised, but the bill before the Senate today addresses these concerns. This bill includes changes that make clear that the Propane Research and Education Council [PERC], which is created by this bill, is not a marketing and promotion agency, but rather a research and educational one. It also caps the level of funding that can be committed to motor fuel uses of propane, which is

arguably the application that might have the greatest impact on propane usage in this country. These changes were agreed to by parties representing propane producers and propane consumers.

Mr. THOMPSON. Does this bill allow funds to be used for any marketing and promotional activities.

Mr. DOMENICI. The bill stipulates that the PERC may engage in education of consumers regarding propane. In fact, a specific provision of the bill, section 5(h), requires the PERC to give priority to research and development, safety, education, and training in the development of programs and projects.

Mr. BUMPERS. How will the PERC distinguish between education and market promotion? What might be some examples, of activities that are intended to be permitted under this bill, and activities that are not?

Mr. DOMENICI. Activities not intended under this bill would include efforts by the PERC, or efforts supported by PERC-provided funding but carried out by other organizations, that solicit individuals to switch from other fuels to propane, or that subsidize such fuel switching. Such activities would certainly not qualify as education under any definition. Another example of an activity not contemplated by this bill would be a general media campaign of 30-second television commercials to the effect that propane is a good fuel choice. This would not be considered education, since the amount of substantive information likely to be contained in such a commercial would not qualify it as a legitimate educational tool. However, builder/architect outreach efforts that disseminate information about propane home heating devices, so that consumers likely to consider propane heating could make informed choices, would be permitted under this bill. Similarly, efforts to educate propane consumers about new advances in technology, such as the development of a propane heat pump or the development of new flaming technologies for weed control in agriculture, would be permitted. While these types of activities could be considered marketing or promotion, they education consumers by making them aware of more efficient and therefore less costly appliances and practices, and thus are beneficial to consumers. Similarly, efforts to disseminate safety-related educational materials which will benefit consumers, are also contemplated, even though it might be argued that such materials are promotional. During our hearing on this bill earlier this year the Propane Consumers Coalition readily acknowledged that these types of activities were contemplated under this bill and I believe this strikes an appropriate balance.

Mr. THOMPSON. Are there other consumer protection provisions included in the bill.

Mr. DOMENICI. Yes. The bill provides that if, in any year, the 5-year rolling prices index of propane exceeds by a specified level the 5-year rolling average price of a composite index of other home heating fuels, the activities of the PERC will be restricted to research and development, training, and safety programs. In addition, the bill requires certain studies and reports to ensure that the bill is having no adverse effect on consumers. Finally, three seats on the PERC are reserved for members representing the public. I firmly believe, and the Propane Consumers Coalition has testified before the Senate Energy Committee, that these provisions will ensure that this legislation will not have a negative effect on consumers.

Mr. THOMPSON. I thank the Senator.

Mr. BUMPERS. I thank the Senator.

EXTENDING THE AUTHORIZATION OF THE URANIUM MILL TAILINGS RADIATION CONTROL ACT OF 1978

The bill (H.R. 2967) to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDING THE CENTRAL UTAH PROJECT COMPLETION ACT

The bill (H.R. 1823) to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1985, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZING HYDROGEN RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAMS OF DOE

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4138, received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4138) to authorize the hydrogen research, development, and demonstration programs of the Department of Energy, 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. LOTT. Mr. President, I ask unanimous consent that the bill be deemed read a third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (H.R. 4138) was deemed read the third time and passed.

IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 604, S. 1649.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1649) to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, 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 Energy and Natural Resources, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1649

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 ''Irrigation Project Contract Extension Act of 1996''.

SEC. 2. EXTENSION OF CONTRACTS.

The Secretary of the Interior shall extend the **[**construction repayment**]** and water service contracts for the following projects, entered into by the Secretary of the Interior under **[**subsections (d) and**]** *subsections* (e) of section 9 of the Reclamation Project Act of 1939 (43 U.S.C. 485h) and section 9(c) of the Act of December 22, 1944 (58 Stat. 891, chapter 665), for a period of 4 additional years after the dates on which each of the contracts, respectively, would expire but for this section:

[(1) The Ainsworth Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), the Act of August 21, 1954 (68 Stat. 757, chapter 781), and the Act of May 18, 1956 (70 Stat. 160, chapter 285), situated in Cherry County, Brown County, and Rock County, Nebraska.

[(2) The Almena Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), and the Flood Control Act of 1946 (60 Stat. 641, chapter 596), as a component of the Pick-Sloan Missouri Basin Program, situated in Norton County and Phillips County, Kansas.**]**

[(3)**]***(1)* The Bostwick Unit (Kansas portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Republic County, Jewell County, and Cloud County, Kansas.

[(4)**]***(2)* The Bostwick Unit (Nebraska portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Harlan County, Franklin County, Webster County, and Nuckolls County, Nebraska.

[(5)**]***(3)* The Farwell Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), and

the Act of August 3, 1956 (70 Stat. 975, chapter 923), situated in Howard County, Sherman County, and Valley County, Nebraska.

[(6)] *(4)* The Frenchman-Cambridge Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Chase County, Frontier County, Hitchcock County, Furnas County, *Red Willow County,* and Harlan County, Nebraska.

[(7)] *(5)* The Frenchman Valley Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Hayes County and Hitchcock County, Nebraska.

[(8)] *(6)* The Kirwin Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), and the Flood Control Act of 1946 (60 Stat. 641, chapter 596), as a component of the Pick-Sloan Missouri Basin Program, situated in Phillips County, Smith County, and Osborne County, Kansas.

[(9)] *(7)* The Sargent Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), and the Flood Control Act of 1946 (60 Stat. 641, chapter 596), situated in Blaine County, Custer County, and Valley County, Nebraska.

[(10)] *(8)* The Webster Unit, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), and the Flood Control Act of 1946 (60 Stat. 641, chapter 596), as a component of the Pick-Sloan Missouri Basin Program, situated in Rooks County and [Osborn] *Osborne* County, Kansas.

Mr. LOTT. Mr. President, I ask unanimous consent that the committee amendments be considered agreed to, the bill be deemed read a third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The committee amendments were agreed to.

The bill (S. 1649), as amended, was deemed read the third time and passed.

MARINE MINERAL RESOURCES RESEARCH ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 471, S. 1194.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1194) to amend the Mining and Mineral Policy Act of 1970 to promote the research, identification, assessment, and exploration of marine mineral resources, 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 Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Marine Mineral Resources Research Act of 1996''.

SEC. 2. RESEARCH PROGRAM.

The Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a) is amended—

(1) by inserting after the first section the following:

''TITLE I—MINING POLICY'';

(2) by redesignating section 2 as section 101; and

(3) by adding at the end the following:

''TITLE II—MARINE MINERAL RESOURCES RESEARCH PROGRAM

''SEC. 201. DEFINITIONS.

''In this title:

''(1) The term 'contract' has the same meaning as 'procurement contract' in section 6303 of title 31, United States Code.

''(2) The term 'cooperative agreement' has the same meaning as in section 6305 of title 31, United States Code.

''(3) The term 'eligible entity' means—

''(A) a research or educational entity chartered or incorporated under Federal or State law;

''(B) an individual who is a United States citizen; or

''(C) a State or regional agency.

''(4) The term 'grant' has the same meaning as 'grant agreement' in section 6304 of title 31, United States Code.

''(5) The term 'in-kind contribution' means a noncash contribution provided by a non-Federal entity that directly benefits and is related to a specific project or program. An in-kind contribution may include real property, equipment, supplies, other expendable property, goods, and services.

''(6) The term 'marine mineral resource' means—

''(A) sand and aggregates;

''(B) placers;

''(C) phosphates;

''(D) manganese nodules;

''(E) cobalt crusts;

''(F) metal sulfides; and

''(G) other marine resources that are not—

''(i) oil and gas;

''(ii) fisheries; or

''(iii) marine mammals.

''(7) The term 'Secretary' means the Secretary of the Interior.

SEC. 202. RESEARCH PROGRAM.

''(a) IN GENERAL.—The Secretary shall establish and carry out a program of research on marine mineral resources.

''(b) PROGRAM GOAL.—The goal of the program shall be to—

''(1) promote research, identification, assessment, and exploration of marine mineral resources in an environmentally responsible manner;

''(2) assist in developing domestic technologies required for efficient and environmentally sound development of marine mineral resources;

''(3) coordinate and promote the use of technologies developed with Federal assistance, and the use of available Federal assets, for research, identification, assessment, exploration, and development of marine mineral resources; and

''(4) encourage academia and industry to conduct basic and applied research, on a joint basis, through grants, cooperative agreements, or contracts with the Federal Government.

''(c) RESPONSIBILITIES OF THE SECRETARY.—In carrying out the program, the Secretary shall—

''(1) promote and coordinate partnerships between industry, government, and academia to research, identify, assess, and explore marine mineral resources in an environmentally sound manner;

''(2) undertake programs to develop the basic information necessary to the long-term national interest in marine mineral resources (including seabed mapping) and to ensure that data and information are accessible and widely disseminated as needed and appropriate;

''(3) identify, and promote cooperation among agency programs that are developing, technologies developed by other Federal programs that may hold promise for facilitating undersea applications related to marine mineral resources, including technologies related to vessels and other platforms, underwater vehicles, survey and mapping systems, remote power sources, data collection and transmission systems, and various seabed research systems; and

''(4) foster communication and coordination between Federal and State agencies, universities, and private entities concerning marine mineral research on seabeds of the continental shelf, ocean basins, and arctic and cold water areas.

In carrying out these responsibilities, the Secretary shall ensure the participation of nonfederal users of technologies and data related to marine mineral resources in planning and priority setting.

''SEC. 203. GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.

''(a) ASSISTANCE AND COORDINATION.—

''(1) IN GENERAL.—The Secretary shall award grants or contracts to, or enter into cooperative agreements with, eligible entities to support research for the development or utilization of—

''(A) methods, equipment, systems, and components necessary for the identification, assessment, and exploration of marine mineral resources in an environmentally responsible manner;

''(B) methods of detecting, monitoring, and predicting the presence of adverse environmental effects in the marine environment and remediating the environmental effects of marine mineral resource exploration, development, and production; and

''(C) education and training material in marine mineral research and resource management.

''(2) COST-SHARING FOR CONTRACTS OR COOPERATIVE AGREEMENTS.—

''(A) FEDERAL SHARE.—Except as provided in subparagraph (B)(ii), the Federal share of the cost of a contract or cooperative agreement carried out under this subsection shall not be greater than 80 percent of the total cost of the project.

''(B) NON-FEDERAL SHARE.—The remaining non-Federal share of the cost of a project carried out under this section may be—

''(i) in the form of cash or in-kind contributions, or both; and

''(ii) comprised of funds made available under other Federal programs, except that non-Federal funds shall be used to defray at least 10 percent of the total cost of the project.

''(C) CONSULTATION.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish, after consultation with other Federal agencies, terms and conditions under which Federal funding will be provided under this subsection that are consistent with the Agreement on Subsidies and Countervailing Measures referred to in section 101(d)(12) of the Uruguay Round Agreement Act (19 U.S.C. 3511(d)(12)).

''(b) COMPETITIVE REVIEW.—

''(1) IN GENERAL.—An entity shall not be eligible to receive a grant or contract, or participate in a cooperative agreement, under subsection (a) unless—

''(A) the entity submits a proposal to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require; and

''(B) the proposal has been evaluated by a competitive review panel under paragraph (3).

''(2) COMPETITIVE REVIEW PANELS.—

''(A) COMPOSITION.—A competitive review panel shall be chaired by the Secretary or by the Secretary's designee and shall be composed of members who meet the following criteria:

''(i) APPOINTMENT.—The members shall be appointed by the Secretary.

''(ii) EXPERIENCE.—Not less than 50 percent of the members shall represent or be employed by private marine resource companies that are involved in exploration of the marine environment or development of marine mineral resources.

''(iii) INTEREST.—None of the members may have an interest in a grant, contract, or cooperative agreement being evaluated by the panel.

''(B) NO COMPENSATION.—A review panel member who is not otherwise a Federal employee shall receive no compensation for performing duties under this section, except that, while engaged in the performance of duties away from the home or regular place of business of the member, the member may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as a person employed intermittently in the Government service under section 5703 of title 5, United States Code.

''(3) EVALUATION.—A competitive review panel shall base an evaluation of a proposal on criteria developed by the Secretary that shall include—

''(A) the merits of the proposal;

''(B) the research methodology and costs of the proposal;

''(C) the capability of the entity submitting the proposal and any other participating entity to perform the proposed work and provide in-kind contributions;

''(D) the amount of matching funds provided by the entity submitting the proposal or provided by other Federal, State, or private entities;

''(E) the extent of collaboration with other Federal, State, or private entities;

''(F) in the case of a noncommercial entity, the existence of a cooperative agreement with a commercial entity that provides for collaboration in the proposed research;

''(G) whether the proposal promotes responsible environmental stewardship; and

''(H) such other factors as the Secretary considers appropriate.

''(c) LIMITATIONS.—

''(1) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the amount made available to carry out this section during a fiscal year may be used by the Secretary for expenses associated with administration of the program authorized by this section.

''(2) CONSTRUCTION COSTS.—None of the funds made available under this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

''(d) REPORTS.—An eligible entity that receives a grant or contract or enters into a cooperative agreement under this section shall submit an annual progress report and a final technical report to the Secretary that—

''(1) describes project activities, implications of the project, the significance of the project to marine mineral research, identification, assessment, and exploration, and potential commercial and economic benefits and effects of the project; and

''(2) in the case of an annual progress report, includes a project plan for the subsequent year.

''SEC. 204. MARINE MINERAL RESEARCH CENTERS.

''(a) IN GENERAL.—No later than 90 days after the date of enactment of this section, the Secretary shall designate 3 centers for marine mineral research and related activities.

''(b) CONCENTRATION.—One center shall concentrate primarily on research in the continental shelf regions of the United States, 1 center shall concentrate primarily on research in deep seabed and near-shore environments of islands, and 1 center shall concentrate primarily on research in arctic and cold water regions.

''(c) CRITERIA.—In designating a center under this section, the Secretary shall give priority to a university that—

''(1) administers a federally funded center for marine minerals research;

''(2) matriculates students for advanced degrees in marine geological sciences, nonenergy natural resources, and related fields of science and engineering;

''(3) is a United States university with established programs and facilities that primarily focus on marine mineral resources;

''(4) has engaged in collaboration and cooperation with industry, governmental agencies, and other universities in the field of marine mineral resources;

''(5) has demonstrated significant engineering, development, and design experience in two or more of the following areas;

''(A) seabed exploration systems;

''(B) marine mining systems; and

''(C) marine mineral processing systems; and

''(6) has been designated by the Secretary as a State Mining and Mineral Resources Research Institute.

''(d) CENTER ACTIVITIES.—A center shall—

''(1) provide technical assistance to the Secretary concerning marine mineral resources;

''(2) advise the Secretary on pertinent international activities in marine mineral resources development;

''(3) engage in research, training, and education transfer associated with the characterization and utilization of marine mineral resources; and

''(4) promote the efficient identification, assessment, exploration, and management of marine mineral resources in an environmentally sound manner.

''(e) ALLOCATION OF FUNDS.—In distributing funds to the centers designated under subsection (a), the Secretary shall, to the extent practicable, allocate an equal amount to each center.

''(f) LIMITATIONS.—

''(1) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to carry out this section during a fiscal year may be use÷÷d by the Secretary for expenses associated with administration of the program authorized by this section.

''(2) CONSTRUCTION COSTS.—None of the funds made available under this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

''SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

''There is authorized to be appropriated such sums as are necessary to carry out this title.''.

Mr. LOTT. Mr. President, I ask unanimous consent that the committee amendment be agreed to, the title amendment be agreed to, the bill be deemed read a third time, and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

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

The committee amendment was agreed to.

The bill (S. 1194), as amended, was deemed read the third time and passed.

The title was amended so as to read: ''To promote the research, identification, assessment, and exploration of marine mineral resources, and for other purposes.''.

AMENDING THE HELIUM ACT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 4168 received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4168) to amend the Helium Act to authorize the Secretary to enter into agreements with private parties for the recovery and disposal of helium on Federal lands, 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. LOTT. Mr. President, I ask unanimous consent that the bill be deemed read a third time, and passed, that the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (H.R. 4168) was deemed read the third time and passed.

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Mr. LOTT. I ask unanimous consent the Senate proceed to the consideration of Calendar No. 556, which is H.R. 3868.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3868) to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

AMENDMENT NO. 5415

(Purpose: To extend energy conservation programs under the Energy Policy and Conservation Act through calendar year 1997, and for other purposes)

Mr. LOTT. Mr. President, I send an amendment to the desk on behalf of Senator MURKOWSKI.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], for Mr. MURKOWSKI, proposes an amendment numbered 5415.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS.

The Energy Policy and Conservation Act is amended—

(1) by amending section 166 (42 U.S.C. 6246) to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 166. There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to implement this part.'';

(2) in section 181 (42 U.S.C. 6251) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1997'';

(3) by striking ''section 252(1)(l)'' in section 251(e)(1) (42 U.S.C. 6271(e)(1)) and inserting ''section 252(k)(1)'';

(4) in section 252 (42 U.S.C. 6272)—

(A) in subsections (a)(1) and (b), by striking ''allocation and information provisions of the international energy program'' and inserting ''international emergency response provisions'';

(B) in subsection (d)(3), by striking ''known'' and inserting after ''circumstances'' ''known at the time of approval'';

(C) in subsection (e)(2) by striking ''shall'' and inserting ''may'';

(D) in subsection (f)(2) by inserting ''voluntary agreement or'' after ''approved'';

(E) by amending subsection (h) to read as follows—

''(h) Section 708 of the Defense Production Act of 1950 shall not apply to any agreement or action undertaken for the purpose of developing or carrying out—

''(1) the international energy program, or

''(2) any allocation, price control, or similar program with respect to petroleum products under this Act.'';

(F) in subsection (i) by inserting ''annually, or'' after ''least'' and by inserting ''during an international energy supply emergency'' after ''months'';

(G) in subsection (k) by amending paragraph (2) to read as follows—

''(2) The term ''international emergency response provisions'' means—

''(A) the provisions of the international energy program which relate to international allocation of petroleum products and to the information system provided in the program, and

''(B) the emergency response measures adopted by the Governing Board of the International Energy Agency (including the July 11, 1984, decision by the Governing Board on ''Stocks and Supply Disruptions'') for—

''(i) the coordinated drawdown of stocks of petroleum products held or controlled by governments; and

''(ii) complementary actions taken by governments during an existing or impending international oil supply disruption''; and

(H) by amending subsection (1) to read as follows:

''(1) The antitrust defense under subsection (f) shall not extend to the international allocation of petroleum products unless allocation is required by chapters III and IV of the international energy program during an international energy supply emergency.'';

(5) by adding at the end of section 256(h), ''There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to carry out this part.''

(6) by adding at the end of section 256(h) (42 U.S.C. 6276(h)) ''There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to carry out this part.'';

(7) in section 281 (42 U.S.C. 6285) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1997''.;

(8) in section 365(f)(1) (42 U.S.C. 6325(f)(1)) by striking ''not to exceed'' and all that follows through ''fiscal year 1993'' and inserting in lieu thereof ''for fiscal year 1997 such sums as may be necessary'';

(9) by amending section 397 (42 U.S.C. 6371f) to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 397. For the purpose of carrying out this part, there are authorized to be appropriated for fiscal year 1997 such sums as may be necessary.''; and

(10) in section 400BB(b) (42 U.S.C. 6374a(b)) by amending paragraph (1) to read as follows:

''(1) There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary for fiscal year 1997, to remain available until expended.''

SEC. 2. ENERGY CONSERVATION AND PRODUCTION ACT AMENDMENT.

Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 422. For the purpose of carrying out the weatherization program under this part, there are authorized to be appropriated for fiscal year 1997 such sums as may be necessary.''.

Mr. LOTT. Now I ask unanimous consent the amendment be agreed to, the bill be deemed read for the third time, passed as amended, the motion to reconsider be laid upon the table and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The amendment (No. 5415) was agreed to.

The bill (H.R. 3868), as amended, was deemed read the third time, and passed.

DEPARTMENT OF ENERGY STANDARDIZATION ACT OF 1996

Mr. LOTT. I ask unanimous consent the Senate proceed to Calendar No. 486, S. 1874.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1874) to amend sections of the Department of Energy Organization Act that are obsolete or inconsistent with other statutes and to repeal a related section of the Federal Energy Administration Act of 1974.

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. LOTT. I ask unanimous consent that the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (S. 1874) was deemed read for a third time and passed, as follows:

S. 1874

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 ''Department of Energy Standardization Act of 1996''.

SEC. 2. STANDARDIZATION OF DEPARTMENT OF ENERGY REQUIREMENTS WITH GOVERNMENT-WIDE REQUIREMENTS.

(a) DEPARTMENT OF ENERGY REGULATIONS.—

(1) Section 501 of the Department of Energy Organization Act (42 U.S.C. 7191) is amended by striking subsections (b) and (d).

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 501(e) of the Department of Energy Organization Act (42 U.S.C. 7191(e)) is amended by striking ''subsections (b), (c), and (d)'' and inserting ''subsection (c)''.

(b) SPECIAL REQUIREMENTS AFFECTING ADVISORY COMMITTEES.—

(1) Section 624 of the Department of Energy Organization Act (42 U.S.C. 7234) is amended by—

(A) striking ''(a)''; and

(B) striking subsection (b).

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 17 of the Federal Energy Administration Act of 1974 (15 U.S.C. 776) is hereby repealed.

HEALTH PROFESSIONS EDUCATION CONSOLIDATION AND REAUTHORIZATION ACT

Mr. LOTT. I ask unanimous consent to proceed to the immediate consideration of Calendar No. 121, S. 555.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 555) to amend the Public Health Service Act to consolidate and reauthorize health professional and minority and disadvantaged health education programs, 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 Labor and Human Resources, with an amendment to strike out all after the enacting clause, and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Health Professions Education Consolidation and Reauthorization Act of 1995''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

Sec. 101. Minority and disadvantaged health professions grant program.
Sec. 102. Training in family medicine, general internal medicine, general pediatrics, preventive medicine, physician assistants, and general dentistry.
Sec. 103. Enhanced health education and training.
Sec. 104. Health professions workforce development.
Sec. 105. General provisions.
Sec. 106. Preference in certain programs.
Sec. 107. Definitions.
Sec. 108. Savings provision.

Subtitle B—Nursing Education

Sec. 121. Short title.
Sec. 122. Purpose.
Sec. 123. Amendments to Public Health Service Act.
Sec. 124. Savings provision.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE PROGRAMS

Sec. 131. General amendments with respect to federally supported loans.
Sec. 132. Restructuring and technical amendments.
Sec. 133. Definition of underserved areas.
Sec. 134. Conforming amendments.

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

Sec. 135. Primary care loan program.
Sec. 136. Loans for disadvantaged students.
Sec. 137. Student loans regarding schools of nursing.
Sec. 138. General provisions.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS

Sec. 141. Health education assistance loan program.
Sec. 142. HEAL lender and holder performance standards.
Sec. 143. Reauthorization.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

Sec. 151. Scholarships for disadvantaged students.

TITLE II—OFFICE OF MINORITY HEALTH

Sec. 201. Revision and extension of programs of Office of Minority Health.

TITLE III—SELECTED INITIATIVES

Sec. 301. Programs regarding birth defects.

Sec. 302. Traumatic brain injury.
Sec. 303. State offices of rural health.
Sec. 304. Health services for Pacific Islanders.
Sec. 305. Demonstration projects regarding Alzheimer's Disease.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Technical corrections regarding Public Law 103–183.
Sec. 402. Certain authorities of Centers for Disease Control and Prevention.
Sec. 403. Administration of certain requirements.
Sec. 404. Technical corrections relating to health professions programs.
Sec. 405. Clinical traineeships.
Sec. 406. Construction of regional centers for research on primates.
Sec. 407. Required consultation by Secretary.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

SEC. 101. MINORITY AND DISADVANTAGED HEALTH PROFESSIONS GRANT PROGRAM.

(a) IN GENERAL.—Part B of title VII of the Public Health Service Act (42 U.S.C. 293 et seq.) is amended to read as follows:

"PART B—DISADVANTAGED HEALTH PROFESSIONS TRAINING

"SEC. 736. STATEMENT OF PURPOSE.

"(a) IN GENERAL.—The Secretary shall make grants to or enter into contracts with eligible entities for the purpose of establishing, enhancing, and expanding programs to increase the number and the quality of disadvantaged health professionals, particularly those who provide health services to disadvantaged populations or in medically underserved areas or rural areas.

"(b) USE OF FUNDS.—Amounts provided under a grant or contract awarded under this part may be used for costs of planning, developing, or operating centers of excellence in minority health professions education, programs for assisting individuals from disadvantaged backgrounds to enter a health profession, minority faculty development, minority faculty loan repayment or fellowships, trainee support, technical assistance, workforce analysis, and dissemination of information.

"(c) CONSORTIUM.—Schools within a consortium that applies for a grant or contract under this part shall enter into an agreement to allocate the funds received under the grant or contract among such schools and expend such funds in accordance with the application for such grant or contract.

"SEC. 737. PREFERENCES.

"In awarding grants or contracts to eligible entities under this part, the Secretary shall give preference to—

"(1) projects that involve more than one health professions discipline or training institution and have an above average record of retention and graduation of individuals from disadvantaged backgrounds; and

"(2) centers of excellence at Historically Black Colleges and Universities (as defined in section 739) beginning in fiscal year 1999 and for each fiscal year thereafter.

"SEC. 738. AUTHORIZATION OF APPROPRIATION.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $51,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.

"(b) SET-ASIDE.—With respect to each of the fiscal years 1996, 1997 and 1998, the Secretary shall set-aside $12,000,000 of the amount appropriated under subsection (a) in each such fiscal year for the purpose of making grants under section 736 to centers of excellence at certain Historically Black Colleges and Universities.

"(c) NO LIMITATION.—Nothing in this section shall be construed as limiting the centers of excellence referred to in subsection (b) to the set-aside amount, or to preclude such entities from competing for other grants under section 736.

"SEC. 739. DEFINITIONS.

"As used in this part:

"(1) CENTERS OF EXCELLENCE.—The term 'centers of excellence' means a health professions school that—

"(A)(i) has a significant number of minority individuals enrolled in the school, including individuals accepted for enrollment in the school;

"(ii) has been effective in assisting minority students of the school to complete the program of education and receive the degree involved;

"(iii) has been effective in recruiting minority individuals to attend the school and encouraging minority students of secondary educational institutions to attend the health professions school; and

"(iv) has made significant recruitment efforts to increase the number of minority individuals serving in faculty or administrative positions at the school; or

"(B) is a center of excellence at certain Historically Black Colleges and Universities.

"(2) CONSORTIUM.—The term 'consortium' means the designated eligible entity seeking a grant under this part and one or more schools of medicine, osteopathic medicine, dentistry, pharmacy, nursing, allied health, public health, or graduate programs in mental health practice.

"(3) ELIGIBLE ENTITIES.—The term 'eligible entities' means schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health or schools offering graduate programs in mental health practice, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application.

"(4) HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—The term 'Historically Black Colleges and Universities' means a school described in section 799B(1) that has received a contract under section 788B for fiscal year 1987, as such section was in effect for such fiscal year.".

(b) REPEAL.—

(1) IN GENERAL.—Section 795 of the Public Health Service Act (42 U.S.C. 295n) is repealed.

(2) NONTERMINATION OF AUTHORITY.—The amendments made by this section shall not be construed to terminate agreements that, on the day before the date of enactment of this Act, are in effect pursuant to section 795 of the Public Health Service Act (42 U.S.C. 795) as such section existed on such date. Such agreements shall continue in effect in accordance with the terms of the agreements. With respect to compliance with such agreements, any period of practice as a provider of primary health services shall be counted towards the satisfaction of the requirement of practice pursuant to such section 795.

(c) CONFORMING AMENDMENTS.—Section 481A(c)(3)(D)(i) of the Public Health Service Act (42 U.S.C. 287a-2(c)(3)(D)(i)) is amended by striking "section 739" and inserting "part B of title VII".

SEC. 102. TRAINING IN FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, PHYSICIAN ASSISTANTS, AND GENERAL DENTISTRY.

Part C of title VII of the Public Health Service Act (42 U.S.C. 293 et seq.) is amended—

(1) in the part heading by striking "PRIMARY HEALTH CARE" and inserting "FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, PHYSICIAN ASSISTANTS, AND GENERAL DENTISTRY";

(2) by repealing section 746 and sections 748 through 752 (42 U.S.C. 293j and 293l through 293p); and

(3) in section 747 (42 U.S.C. 293k)—

(A) by striking the section heading and inserting the following:

"SEC. 747. FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, GENERAL DENTISTRY, AND PHYSICIAN ASSISTANTS.";

(B) in subsection (a)—

(i) in paragraph (1)—

(I) by inserting ", internal medicine, or pediatrics" after "family medicine"; and

(II) by inserting before the semicolon the following: "that emphasizes training for the practice of family medicine, general internal medicine, or general pediatrics (as defined by the Secretary)";

(ii) in paragraph (2), by inserting ", general internal medicine, or general pediatrics" before the semicolon;

(iii) in paragraphs (3) and (4), by inserting ", general internal medicine (including geriatrics), or general pediatrics" after "family medicine";

(iv) in paragraphs (3) and (4), by inserting "(including geriatrics) after "family medicine";

(v) in paragraph (3), by striking "and" at the end thereof;

(vi) in paragraph (4), by striking the period and inserting a semicolon; and

(vii) by adding at the end thereof the following new paragraphs:

"(5) to meet the costs of projects to plan, develop, and operate or maintain programs for the training of physician assistants (as defined in section 799B), and for the training of individuals who will teach in programs to provide such training;

"(6) to meet the costs of projects—

"(A) to plan and develop new residency training programs and to maintain or improve existing residency training programs in preventive medicine, that have available full-time faculty members with training and experience in the fields of preventive medicine; and

"(B) to provide financial assistance to residency trainees enrolled in such programs; and

"(7) to meet the costs of planning, developing, or operating programs, and to provide financial assistance to residents in such programs, that would lead to a significantly greater ratio of participating individuals in such programs eventually entering practice in general dentistry in rural and medically underserved communities compared to the current ratio of all dentists nationally practicing general dentistry in rural and medically underserved communities.

For purposes of paragraph (7), entities eligible for such grants or contracts shall include entities that have programs in dental schools, approved residency programs in the general practice of dentistry, or approved advanced education programs in the general practice of dentistry. The Secretary may only fund programs under such paragraph if such programs provide a significant amount of care for underserved populations and other high-risk groups, and if the Secretary determines that there is a national shortage of general dentists.";

(C) in paragraphs (1) and (2)(A) of subsection (b), by inserting ", general internal medicine, or general pediatrics" after "family medicine";

(D) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(E) by inserting after subsection (b), the following new subsection:

"(c) PRIORITY AND LIMITATION.—

"(1) PRIORITY.—With respect to programs for the training of interns or residents, the Secretary shall give priority in awarding grants under this section to qualified applicants that have a record of training the greatest percentage of providers, or that have demonstrated significant improvements in the percentage of providers, which enter and remain in primary care practice or general dentistry upon completion of their first period of training required to obtain initial board certification. Each program shall designate the primary care training or general dentistry positions that such program shall provide with grant funding to support and for which such program shall be held accountable

regarding the primary care or general dentistry requirement set forth in this section.

''(2) LIMITATION.—With respect to programs for the training and education of medical students, the Secretary may only provide grants or contracts under this section to administrative units in general pediatrics or general internal medicine if a qualified administrative unit applicant demonstrates that its medical school has—

''(A) a mission statement that has a primary care medical education objective;

''(B) faculty role models and administrative units in primary care; and

''(C) required undergraduate ambulatory medical student clerkships in family medicine, internal medicine, and pediatrics.

Where a medical school does not have an administrative unit in family medicine, clerkships in family medicine shall not be required.''; and

(F) in subsection (e) (as so redesignated by subparagraph (D))—

(i) in paragraph (1), by striking ''$54,000,000'' and all that follows and inserting ''$76,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.''; and

(ii) in paragraph (2)—

(I) by striking ''20'' and inserting ''12''; and

(II) by inserting ''for family medicine academic administrative units'' after ''under subsection (b)''.

SEC. 103. ENHANCED HEALTH EDUCATION AND TRAINING.

Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended to read as follows:

''PART D—AREA HEALTH EDUCATION CENTERS

''SEC. 750. AREA HEALTH EDUCATION CENTERS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects which —

''(1) improve the recruitment, distribution, supply, quality, utilization, and efficiency of personnel providing health services in urban and rural areas and to populations that have demonstrated serious unmet health care need;

''(2) encourage the regionalization of educational responsibilities of the health professions schools;

''(3) are designed to prepare, through field placements, preceptorships, the conduct of or affiliation with community-based primary care residency programs, agreements with community-based organizations for the delivery of education and training in the health professions, and other programs, individuals to effectively provide health services in health professional shortage areas;

''(4) conduct health professions education and training activities consistent with national and State priorities, including geriatrics;

''(5) encourage health promotion and disease prevention activities;

''(6) conduct interdisciplinary training and practice involving other health professionals;

''(7) conduct continuing education programs for health professionals or coordinate with such programs; and

''(8) address other areas as determined appropriate by the Secretary.

''(b) PREFERENCES.—In awarding grants or contracts to eligible entities under this part, the Secretary shall give preference to projects that—

''(1) involve more than one health professions discipline or training institution; and

''(2) have a good record of retention and graduation of individuals that enter practice in medically underserved communities.

''(c) OTHER ELIGIBLE PROGRAMS.—

''(1) GERIATRIC EDUCATION CENTERS.—The Secretary shall award grants or contracts under this section for the establishment or operation of geriatric education centers.

''(2) PUBLIC HEALTH TRAINING CENTERS.—

''(A) IN GENERAL.—The Secretary shall award grants or contracts under this section for the operation of public health training centers.

''(B) ELIGIBLE ENTITIES.—A public health training center shall be an accredited school of public health, or another public or nonprofit private institution accredited for the provision of graduate or specialized training in public health, that plans, develops, operates, and evaluates projects that are in furtherance of the goals established by the Secretary for the year 2000 in the areas of preventive medicine, health promotion and disease prevention, or improving access to and quality of health services in medically underserved communities.

''(C) CERTAIN REQUIREMENTS.—With respect to a public health training center, an award may not be made under subparagraph (A) unless the program agrees that it—

''(i) will establish or strengthen field placements for students in public or nonprofit private health agencies or organizations; and

''(ii) will involve faculty members and students in collaborative projects to enhance public health services to medically underserved communities.

''(d) ELIGIBLE ENTITIES.—As used in this part, the term 'eligible entities' means schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health or schools offering graduate programs in mental health practice or physician assistant training programs, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application.

''(e) GERIATRIC EDUCATION CENTERS.—A geriatric education center shall be an accredited health professions school or program that—

''(1) improves the training of health professionals in geriatrics, including geriatric residencies, traineeships, or fellowships;

''(2) develops and disseminates curricula relating to the treatment of the health problems of elderly individuals;

''(3) supports the training and retraining of faculty to provide instruction in geriatrics;

''(4) supports continuing education of health professionals who provide geriatric care; and

''(5) provides students with clinical training in geriatrics in nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers.

''SEC. 751. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part, $43,000,000 for fiscal year 1996, such sums as may be necessary for each of the fiscal years 1997 and 1998, and $29,000,000 for fiscal year 1999.''.

SEC. 104. HEALTH PROFESSIONS WORKFORCE DEVELOPMENT.

(a) IN GENERAL.—Part E of title VII of the Public Health Service Act (42 U.S.C. 294n et seq.) is amended—

(1) in the part heading to read as follows:

''PART E—HEALTH PROFESSIONS WORKFORCE DEVELOPMENT'';

(2) by redesignating section 776 (42 U.S.C. 294n) as section 761; and

(3) by striking sections 777 and 778 (42 U.S.C. 294o and 294p) and inserting the following new section:

''SEC. 762. HEALTH PROFESSIONS WORKFORCE DEVELOPMENT.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects to strengthen capacity for health professions education and practice.

''(b) ELIGIBLE APPLICANTS.—Applicants eligible to obtain funds under subsection (a) shall include schools of medicine, osteopathic medicine, dentistry, veterinary medicine, pharmacy, podiatric medicine, chiropractic medicine, optometry, public health, or allied health, graduate programs in mental health practice, physician assistant training programs, and other public and nonprofit private entities.

''(c) PRIORITY AREAS.—In awarding grants or contracts under subsection (a), the Secretary shall give priority to entities that will use amounts provided under such grants or contracts to enhance the education of health professionals for purposes of—

''(1) providing care for underserved populations and other high-risk groups;

''(2) increasing the number of individuals who are pursuing a course of study in a health professions field in which there is a severe shortage of health professionals;

''(3) conducting health professions research and data collection; and

''(4) carrying out other activities in areas determined appropriate by the Secretary.

''(d) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $16,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.

''(2) RESERVATION.—Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall reserve not less than $2,000,000 for conducting health professions research and for carrying out data collection and analysis in accordance with section 792.''.

(b) HEALTH PROFESSIONS DATA.—The second sentence of section 792(a) of the Public Health Service Act (42 U.S.C. 295k(a)) is amended—

(1) by striking ''is authorized to'' and inserting ''shall''; and

(2) by inserting ''clinical social workers,'' after ''clinical psychologists,''.

(c) COUNCIL ON GRADUATE MEDICAL EDUCATION.—Section 301 of the Health Professions Education Extension Amendments of 1992 (Public Law 102-408) is amended—

(1) in subsection (j), by striking ''1995'' and inserting ''1999'';

(2) in subsection (k), by striking ''1995'' and inserting ''1999'';

(3) by adding at the end thereof the following new subsection:

''(l) FUNDING.—Amounts otherwise appropriated under this title may be utilized by the Secretary to support the activities of the Council.'';

(4) by transferring such section to part E of title VII of the Public Health Service Act (as amended by subsection (a));

(5) by redesignating such section as section 763; and

(6) by inserting such section after section 762.

SEC. 105. GENERAL PROVISIONS.

(a) IN GENERAL.—

(1) Part F of title VII of the Public Health Service Act (42 U.S.C. 295 et seq.) is repealed.

(2) Part G of title VII of the Public Health Service Act (42 U.S.C. 295j et seq.) is amended—

(A) by redesignating such part as part F;

(B) in section 791 (42 U.S.C. 295j)—

(i) by striking subsection (b); and

(ii) redesignating subsection (c) as subsection (b);

(C) by repealing section 793 (42 U.S.C. 295l);

(D) by repealing section 798;

(E) by redesignating section 799 as section 799B; and

(F) by inserting after section 794, the following new sections:

''SEC. 796. APPLICATION.

''(a) IN GENERAL.—To be eligible to receive a grant or contract under this title, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

''(b) PLAN.—An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this title. Such plan shall be consistent with relevant Federal, State, or regional program plans.

''(c) PERFORMANCE OUTCOME STANDARDS.—An application submitted under this section shall contain a specification by the applicant entity

of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant health workforce needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

''(d) LINKAGES.—An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish.

"SEC. 797. USE OF FUNDS.

''(a) IN GENERAL.—Amounts provided under a grant or contract awarded under this title may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, and dissemination of information, as appropriate to meet recognized health workforce objectives, in accordance with this title.

''(b) MAINTENANCE OF EFFORT.—With respect to activities for which a grant awarded under this title is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.

"SEC. 798. MATCHING REQUIREMENT.

''The Secretary may require that an entity that applies for a grant or contract under this title provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. As determined by the Secretary, such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

"SEC. 799. GENERALLY APPLICABLE PROVISIONS.

''(a) AWARDING OF GRANTS AND CONTRACTS.—The Secretary shall ensure that grants and contracts under this title are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet health workforce goals and in accordance with this title. Contracts may be entered into under this title with public or private entities as may be necessary.

''(b) INFORMATION REQUIREMENTS.—Recipients of grants and contracts under this title shall meet information requirements as specified by the Secretary.

''(c) TRAINING PROGRAMS.—Training programs conducted with amounts received under this title shall meet applicable accreditation and quality standards.

''(d) DURATION OF ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this title, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

''(2) LIMITATION.—In the case of an award to an entity of a grant, cooperative agreement, or contract under this title, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this title that relates to the period during which payments may be made under the award.

''(e) PEER REVIEW REGARDING CERTAIN PROGRAMS.—Each application for a grant under this title, except any scholarship or loan program, including those under sections 701, 721, or 723, shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval. Each peer review group under this subsection shall be composed principally of individuals who are not officers or employees of the Federal Government. This subsection shall be carried out by the Secretary acting through the Administrator of the Health Resources and Services Administration.

''(f) PREFERENCE OR PRIORITY CONSIDERATIONS.—In considering a preference or priority for funding which is based on outcome measures for an eligible entity under this title, the Secretary may also consider the future ability of the eligible entity to meet the outcome preference or priority through improvements in the eligible entity's program design.

"SEC. 799A. TECHNICAL ASSISTANCE.

''Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.''.

SEC. 106. PREFERENCE IN CERTAIN PROGRAMS.

(a) IN GENERAL.—Section 791 of the Public Health Service Act (42 U.S.C. 295j), as amended by section 105(a)(2)(B), is further amended by adding at the end thereof the following subsection:

''(c) EXCEPTIONS FOR NEW PROGRAMS.—

''(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

''(2) DEFINITION.—As used in this subsection, the term 'new program' means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

''(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

''(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

''(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

''(C) Substantial clinical training experience is required under the program in medically underserved communities.

''(D) A minimum of 20 percent of the clinical faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

''(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

''(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

''(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.''.

(b) CONFORMING AMENDMENTS.—Section 791(a) of the Public Health Service Act (42 U.S.C. 295j(a)) is amended—

(1) in paragraph (1), by striking ''sections 747'' and all that follows through ''767'' and inserting ''section 747''; and

(2) in paragraph (2), by striking ''under section 798(a)''.

SEC. 107. DEFINITIONS.

(a) PROFESSIONAL PSYCHOLOGY.—Section 799B(1)(B) of the Public Health Service Act (42 U.S.C. 295p(1)(B)) (as so redesignated by section 105(a)(2)(E)) is amended by striking ''program in clinical psychology'' and inserting ''graduate programs in professional psychology''.

(b) MEDICALLY UNDERSERVED COMMUNITY.—Section 799B(6) of the Public Health Service Act (42 U.S.C. 295p(6)) (as so redesignated by section 105(a)(2)(E)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end thereof;

(2) in subparagraph (C), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

''(D) is a State or local health department that has a severe shortage of public health personnel as determined under criteria established by the Secretary;

''(E) has ambulatory practice sites designated by State Governors as shortage areas or medically underserved communities for purposes of State scholarships or loan repayment or related programs; or

''(F) has practices or facilities in which not less than 50 percent of the patients are recipients of aid under title XIX of the Social Security Act or eligible and uninsured.''.

(c) PROGRAMS FOR THE TRAINING OF PHYSICIAN ASSISTANTS.—Paragraph (3) of section 799B of the Public Health Service Act (42 U.S.C. 295p) (as so redesignated by section 105(a)(2)(E)) is amended to read as follows:

''(3) The term 'program for the training of physician assistants' means an educational program that—

''(A) has as its objective the education of individuals who will, upon completion of their studies in the program, be qualified to provide primary care under the supervision of a physician;

''(B) extends for at least one academic year and consists of—

''(i) supervised clinical practice; and

''(ii) at least four months (in the aggregate) of classroom instruction, directed toward preparing students to deliver health care;

''(C) has an enrollment of not less than eight students; and

''(D) trains students in primary care, disease prevention, health promotion, geriatric medicine, and home health care.''.

SEC. 108. SAVINGS PROVISION.

In the case of any authority for making awards of grants or contracts that is terminated by the amendments made by this subtitle, the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act, subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

Subtitle B—Nursing Education

SEC. 121. SHORT TITLE.

This title may be cited as the ''Nursing Education Consolidation and Reauthorization Act of 1995''.

SEC. 122. PURPOSE.

It is the purpose of this title to restructure the nurse education authorities of title VIII of the Public Health Service Act to permit a comprehensive, flexible, and effective approach to Federal support for nursing workforce development.

SEC. 123. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.

Title VIII of the Public Health Service Act (42 U.S.C. 296k et seq.) is amended—

(1) by striking the title heading and all that follows except for subparts II and III of part B and section 855; and inserting the following:

"TITLE VIII—NURSING WORKFORCE DEVELOPMENT";

(2) by redesignating subpart III of part B as subpart II;

(3) in subpart II of part B, by striking the subpart heading and inserting the following:

"PART E—STUDENT LOANS

"Subpart I—General Program";

(4) by striking section 837;

(5) by inserting after the title heading the following new parts:

"PART A—GENERAL PROVISIONS

"SEC. 801. DEFINITIONS.

''As used in this title:

''(1) ELIGIBLE ENTITIES.—The term 'eligible entities' means schools of nursing, nursing centers, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application in accordance with section 802.

''(2) SCHOOL OF NURSING.—The term 'school of nursing' means a collegiate, associate degree, or diploma school of nursing in a State.

''(3) COLLEGIATE SCHOOL OF NURSING.—The term 'collegiate school of nursing' means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.

''(4) ASSOCIATE DEGREE SCHOOL OF NURSING.—The term 'associate degree school of nursing' means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

''(5) DIPLOMA SCHOOL OF NURSING.—The term 'diploma school of nursing' means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

''(6) ACCREDITED.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.

''(B) NEW PROGRAMS.—A new school of nursing that, by reason of an insufficient period of operation, is not, at the time of the submission of an application for a grant or contract under this title, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of this title if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students of the first entering class in such school.

''(7) NONPROFIT.—The term 'nonprofit' as applied to any school, agency, organization, or institution means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

''(8) STATE.—The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

"SEC. 802. APPLICATION.

''(a) IN GENERAL.—To be eligible to receive a grant or contract under this title, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

''(b) PLAN.—An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this title. Such plan shall be consistent with relevant Federal, State, or regional program plans.

''(c) PERFORMANCE OUTCOME STANDARDS.—An application submitted under this section shall contain a specification by the applicant entity of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant national nursing needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

''(d) LINKAGES.—An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish.

"SEC. 803. USE OF FUNDS.

''(a) IN GENERAL.—Amounts provided under a grant or contract awarded under this title may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, and dissemination of information, as appropriate to meet recognized nursing objectives, in accordance with this title.

''(b) MAINTENANCE OF EFFORT.—With respect to activities for which a grant awarded under this title is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.

"SEC. 804. MATCHING REQUIREMENT.

''The Secretary may require that an entity that applies for a grant or contract under this title provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

"SEC. 805. PREFERENCE.

''In awarding grants or contracts under this title, the Secretary shall give preference to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

"SEC. 806. GENERALLY APPLICABLE PROVISIONS.

''(a) AWARDING OF GRANTS AND CONTRACTS.—The Secretary shall ensure that grants and contracts under this title are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet national nursing service goals and in accordance with this title. Contracts may be entered into under this title with public or private entities as determined necessary by the Secretary.

''(b) INFORMATION REQUIREMENTS.—Recipients of grants and contracts under this title shall meet information requirements as specified by the Secretary.

''(c) TRAINING PROGRAMS.—Training programs conducted with amounts received under this title shall meet applicable accreditation and quality standards.

''(d) DURATION OF ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this title, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

''(2) LIMITATION.—In the case of an award to an entity of a grant, cooperative agreement, or contract under this title, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this title that relates to the period during which payments may be made under the award.

''(e) PEER REVIEW REGARDING CERTAIN PROGRAMS.—Each application for a grant under this title, except advanced nurse traineeship grants under section 811(a)(2), shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval. Each peer review group under this subsection shall be composed principally of individuals who are not officers or employees of the Federal Government. This subsection shall be carried out by the Secretary acting through the Administrator of the Health Resources and Services Administration.

"SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDUCATION AND PRACTICE.

''(a) ESTABLISHMENT.—There is hereby established a National Advisory Council on Nurse Education and Practice (in this section referred to as the 'Council'), consisting of the Secretary or the delegate of the Secretary (who shall be an ex officio member and shall serve as the Chairperson), and 15 members appointed by the Secretary without regard to the Federal civil service laws, of which—

''(1) 2 shall be selected from full-time students enrolled in schools of nursing;

''(2) 3 shall be selected from the general public;

''(3) 2 shall be selected from practicing professional nurses; and

''(4) 8 shall be selected from among the leading authorities in the various fields of nursing, higher, and secondary education, and from representatives of hospitals and other institutions and organizations which provide nursing services.

A majority of the members shall be nurses. The student-members of the Council shall be appointed for terms of one year and shall be eligible for reappointment to the Council.

''(b) DUTIES.—The Council shall advise the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including the

range of issues relating to nurse supply, education and practice improvement.

''(c) FUNDING.—Amounts appropriated under this title may be utilized by the Secretary to support the nurse education and practice activities of the Council.

"SEC. 808. TECHNICAL ASSISTANCE.

''Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.

"SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.

''(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under subpart I of part A (as such subpart was in effect on September 30, 1985)—

''(1) the owner of the facility ceases to be a public or nonprofit school;

''(2) the facility ceases to be used for the training purposes for which it was constructed; or

''(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

''(b) NOTICE OF CHANGE IN STATUS.—The owner of a facility which ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or the owner of a facility the use of which changes as described in paragraph (2) or (3) of such subsection shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of the Health Professions Training Assistance Act of 1985, whichever is later.

''(c) AMOUNT OF RECOVERY.—

''(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction.

''(2) INTEREST.—

''(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of 91-day Treasury bills auctioned during such period.

''(B) TIME PERIOD.—The period referred to in subparagraph (A) is the period beginning—

''(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of such subsection; or

''(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

''(d) WAIVER OF RIGHTS.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

''(e) LIMITATION ON LIENS.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.

"PART B—NURSE PRACTITIONERS, NURSE MIDWIVES, AND OTHER ADVANCED PRACTICE NURSES

"SEC. 811. ADVANCED PRACTICE NURSING GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities to meet the costs of—

''(1) projects that support the enhancement of advanced practice nursing education and practice; and

''(2) traineeships for individuals in advanced practice nursing programs.

''(b) DEFINITION OF ADVANCED PRACTICE NURSES.—For purposes of this section, the term 'advanced practice nurses' means nurses trained in advanced degree programs including individuals in combined R.N./Master's degree programs, post-nursing master's certificate programs, or, in the case of nurse midwives or nurse anesthetists, in certificate programs in existence on the date that is one day prior to the date of enactment of this section, to serve as nurse practitioners, nurse midwives, nurse anesthetists, nurse educators, or public health nurses, or in other nurse specialties determined by the Secretary to require advanced education.

''(c) AUTHORIZED NURSE PRACTITIONER AND NURSE-MIDWIFERY PROGRAMS.—Nurse practitioner and nurse midwifery programs eligible for support under this section are educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) that—

''(1) meet guidelines prescribed by the Secretary; and

''(2) have as their objective the education of nurses who will upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities and other health care institutions.

''(d) OTHER AUTHORIZED EDUCATIONAL PROGRAMS.—The Secretary shall prescribe guidelines as appropriate for other advanced practice nurse education programs eligible for support under this section.

''(e) TRAINEESHIPS.—

''(1) IN GENERAL.—The Secretary may not award a grant to an applicant under subsection (a) unless the applicant involved agrees that traineeships provided with the grant will only pay all or part of the costs of—

''(A) the tuition, books, and fees of the program of advanced nursing practice with respect to which the traineeship is provided; and

''(B) the reasonable living expenses of the individual during the period for which the traineeship is provided.

''(2) DOCTORAL PROGRAMS.—The Secretary may not obligate more than 10 percent of the traineeships under subsection (a) for individuals in doctorate degree programs.

''(3) SPECIAL CONSIDERATION.—In making awards of grants and contracts under subsection (a)(2), the Secretary shall give special consideration to an eligible entity that agrees to expend the award to train advanced practice nurses who will practice in health professional shortage areas designated under section 332.

"PART C—INCREASING NURSING WORKFORCE DIVERSITY

"SEC. 821. WORKFORCE DIVERSITY GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities to meet the costs of special projects to increase nursing education opportunities for individuals who are from disadvantaged backgrounds (including racial and ethnic minorities underrepresented among registered nurses) by providing student scholarships or stipends, pre-entry preparation, and retention activities.

''(b) GUIDANCE.—In carrying out subsection (a), the Secretary shall take into consideration the recommendations of the First and Second Invitational Congresses for Minority Nurse Leaders on 'Caring for the Emerging Majority,' in 1992 and 1993, and consult with nursing associations including the American Nurses Association, the National League for Nursing, the American Association of Colleges of Nursing, the Black Nurses Association, the Association of Hispanic Nurses, the Association of Asian American and Pacific Islander Nurses, the National Nurses Association, and the Native American Indian and Alaskan Nurses Association.

''(c) REQUIRED INFORMATION AND CONDITIONS FOR AWARD RECIPIENTS.—

''(1) IN GENERAL.—Recipients of awards under this section may be required, where requested, to report to the Secretary concerning the annual admission, retention, and graduation rates for ethnic and racial minorities in the school or schools involved in the projects.

''(2) FALLING RATES.—If any of the rates reported under paragraph (1) fall below the average of the two previous years, the grant or contract recipient shall provide the Secretary with plans for immediately improving such rates.

''(3) INELIGIBILITY.—A recipient described in paragraph (2) shall be ineligible for continued funding under this section if the plan of the recipient fails to improve the rates within the 1-year period beginning on the date such plan is implemented.

"PART D—STRENGTHENING CAPACITY FOR BASIC NURSE EDUCATION AND PRACTICE

"SEC. 831. BASIC NURSE EDUCATION AND PRACTICE GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects to strengthen capacity for basic nurse education and practice.

''(b) PRIORITY AREAS.—In awarding grants or contracts under this section the Secretary shall give priority to entities that will use amounts provided under such a grant or contract to enhance the education mix and utilization of the basic nursing workforce by strengthening programs that provide basic nurse education for purposes of—

''(1) improving nursing services in schools and other community settings;

''(2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV–AIDS, substance abusers, homeless, and battered women;

''(3) providing managed care, quality improvement, and other skills needed under new systems of organized health care systems;

''(4) developing cultural competencies among nurses;

''(5) providing emergency health services;

''(6) promoting career mobility for nursing personnel in a variety of training settings and cross training or specialty training among diverse population groups; or

''(7) other priority areas as determined by the Secretary.

"PART F—AUTHORIZATION OF APPROPRIATIONS

"SEC. 841. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out sections 811, 821, and 831, $62,000,000 for fiscal year 1996, such sums as may be necessary in each of the fiscal years 1997 and 1998, and $59,000,000 for fiscal year 1999.''; and

(6) by redesignating section 855 as section 810, and transferring such section so as to appear after section 809 (as added by the amendment made by paragraph (5)).

SEC. 124. SAVINGS PROVISION.

In the case of any authority for making awards of grants or contracts that is terminated by the amendment made by section 123, the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act, subject to the duration of any such grant or

contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE PROGRAMS

SEC. 131. GENERAL AMENDMENTS WITH RESPECT TO FEDERALLY SUPPORTED LOANS.

(a) LOAN REPAYMENT PROGRAM.—Section 338B of the Public Health Service Act (42 U.S.C. 254l-1) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''and public health disease prevention and health promotion activities'' before the dash; and

(B) in paragraph (1), by striking ''and physician assistants'' and inserting ''physician assistants, and public health professionals'';

(2) in subsection (b)(1)—

(A) in subparagraph (A), by inserting ''public health,'' after ''dentistry,'';

(B) in subparagraph (B), by inserting ''public health,'' after ''dentistry,''; and

(C) in subparagraph (C), by inserting ''public health,'' after ''dentistry,'';

(3) in subsection (c)(4)—

(A) in subparagraph (A), by inserting ''and schools of public health'' after ''professions schools'';

(B) in subparagraph (B)(i)—

(i) by inserting ''or public health professional'' after ''any health professional''; and

(ii) by inserting ''or public health disease prevention and health promotion activities'' before the period;

(C) in subparagraph (C)—

(i) by inserting ''or public health disease prevention and health promotion activities,'' after ''primary health services,'';

(ii) by inserting ''or public health professions'' after ''health professions''; and

(iii) by inserting ''or public health professionals'' after ''health professionals'' each place that such occurs;

(4) in subsection (f)(1)(B)(iv), by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services'';

(5) in subsection (g)(2)(A)(iii)—

(A) by inserting ''or public health professional'' after ''the health professional''; and

(B) by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services''; and

(6) in subsection (i)(8),—

(A) by inserting ''or public health professionals'' after ''health professionals''; and

(B) by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services''.

(b) OBLIGATED SERVICE.—Section 338C(b)(5) of the Public Health Service Act (42 U.S.C. 254m(b)(5)) is amended—

(1) in subparagraph (A), by inserting ''public health,'' after ''dentistry,''; and

(2) in subparagraph (E)—

(A) in clause (ii), by inserting ''public health,'' after ''dentistry,''; and

(B) in clause (iii), by inserting ''public health,'' after ''dentistry,''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 338H of the Public Health Service Act (42 U.S.C. 254q) is amended to read as follows:

''SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.

''(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated $90,000,000 for fiscal year 1996 and such sums as may be necessary for each of the fiscal years 1997 through 2000.

''(b) DISTRIBUTION OF AMOUNTS.—The Secretary shall determine the most appropriate manner in which to allocate amounts appropriated under subsection (a) between the programs authorized in chapter 1, chapter 2, and chapter 3. In determining the manner in which to allocate such amounts, the Secretary shall give priority to funding State-based programs as appropriate under chapter 3. The Secretary shall distribute such amounts among the various programs in such chapters in a manner which furthers both Federal and State needs for health professionals in underserved areas.''.

(d) GRANTS FOR LOAN REPAYMENT PROGRAM.—Section 338I of the Public Health Service Act (42 U.S.C. 254q–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''in health professional shortage areas'' and inserting ''or public health disease prevention and health promotion activities in Federal health professional shortage areas or approved State designated health professional shortage areas''; and

(B) in paragraph (2)—

(i) by inserting ''or public health professionals'' after ''health professionals''; and

(ii) by striking ''in health professional shortage areas'' and inserting ''or public health disease prevention and health promotion activities in Federal health professional shortage areas or approved State designated health professional shortage areas'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the paragraph heading, by striking ''FEDERAL'' and inserting ''FEDERAL OR APPROVED STATE''; and

(ii) by inserting before the period the following: ''or approved State designated health professional shortage areas'';

(B) in paragraph (2), by inserting ''or public health professionals'' after ''health professionals'';

(C) in paragraph (3)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by inserting ''or public health professionals'' after ''health professionals''; and

(II) in clause (ii), by striking health'';

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting ''or public health professional'' after ''health professional''; and

(II) in clause (ii)—

(aa) by inserting ''or public health professional'' after ''the health professional''; and

(bb) by striking ''services in a'' and inserting ''services or public health disease prevention and health promotion activities in a Federal''; and

(D) by adding at the end thereof the following new paragraph:

''(4) PRIVATE PRACTICE.—

''(A) In carrying out the program operated with a grant under subsection (a), a State may waive the requirement of paragraph (1) regarding the assignment of a health professional if, subject to subparagraph (B), the health professional enters into an agreement with the State to provide primary health services in a full-time private clinical practice in a health professional shortage area.

''(B) The Secretary may not make a grant under subsection (a) unless the State involved agrees that, if the State provides a waiver under subparagraph (A) for a health professional, section 338D(b)(1) will apply to the agreement under such subparagraph between the State and the health professional to the same extent and in the same manner as such section applies to an agreement between the Secretary and a health professional regarding a full-time private clinical practice.''; and

(3) in subsection (h), to read as follows:

''(h) DEFINITIONS.—Unless specifically provided otherwise, as used in this subpart and section 338F:

''(1) APPROVED STATE DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'approved State designated health professional shortage area' means an area designated by the State as underserved using specific methodology and criteria to identify such areas. Such criteria and methodology shall be approved by the Secretary.

''(2) COMMUNITY ORGANIZATION.—The term 'community organization' means a public or nonprofit private entity.

''(3) PRIMARY HEALTH CARE.—The term 'primary health care' means health services regarding family medicine, general internal medicine, general pediatrics, or may include obstetrics and gynecology, that are provided by physicians, certified nurse practitioners, certified nurse midwives, or physician assistants.

''(4) STATE.—The term 'State' means each of the several States and the District of Columbia.''.

(e) COMMUNITY SCHOLARSHIP PROGRAMS.—Section 338L of the Public Health Service Act (42 U.S.C. 254t) is amended—

*(1) in the section heading, by striking ''**demonstration grants to states for**'';*

(2) in subsection (a), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas''; and

(B) in paragraph (2), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(4) in subsection (e)(1), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(5) in subsection (f)(1)(A), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(6) in subsection (g), by striking ''health manpower shortage areas'' each place that such appears and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas''; and

(7) by striking subsections (j) through (l).

SEC. 132. RESTRUCTURING AND TECHNICAL AMENDMENTS.

(a) REDESIGNATIONS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) is amended—

(1) by redesignating sections 338J and 338K (42 U.S.C. 254s and 254t) as sections 338M and 338N, respectively;

(2) by redesignating sections 338C through 338H (42 U.S.C. 254m through 254q) as sections 338G through 338L, respectively;

(3) by redesignating section 338I (as such section exists one day prior to the date of enactment of this Act) (42 U.S.C. 254r) as section 338E;

(4) by redesignating section 338L (as such section exists one day prior to the date of enactment of this Act) (42 U.S.C. 254u) as section 338F;

(b) CONSOLIDATION OF CERTAIN PROGRAMS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) (as amended by subsection (a)) is further amended—

(1) by striking the subpart heading and inserting the following:

''Subpart III—Federally Supported Scholarships and Loans

''CHAPTER 1—NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS PROGRAMS'';

(2) by redesignating section 338B as section 338C;

(3) by inserting before section 338C (as so redesignated) the following:

"CHAPTER 2—NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAMS

"Subchapter A—Loan Repayment Program";

and

(4) by inserting after section 338C (as so redesignated) the following:

"Subchapter B—Nursing Loan Repayment Program".

(c) TRANSFERS AND REDESIGNATIONS OF NURSING LOAN REPAYMENT PROGRAM.—Subpart II of part E of title VIII (42 U.S.C. 297n et seq.) (as so redesignated by section 123(3)) is amended—

(1) by striking the subpart heading;

(2) by transferring section 846 (42 U.S.C. 297n) to subchapter B of chapter 2 of subpart III of part D of title III (as added by subsection (b)(4)); and

(3) in section 846—

(A) by striking the section heading and inserting the following:

"SEC. 338D. NURSING LOAN REPAYMENT PROGRAM.";

(B) by striking subsection (d); and

(C) by striking subsection (g).

(d) TRANSFERS AND REDESIGNATIONS OF STATE LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PROGRAMS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) (as amended by subsections (a) through (c)) is further amended—

(1) by inserting after section 338D (as so transferred and redesignated by subsection (c)(3)) the following:

"CHAPTER 3—STATE LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PROGRAMS

"Subchapter A—State Loan Repayment Programs";

(2) by transferring section 338E (as so redesignated by subsection (a)(3)) to subchapter A of chapter 3 of such subpart (as added by paragraph (1));

(3) by inserting after section 338E (as transferred by paragraph (2)) the following:

"Subchapter B—Community Scholarship Programs";

(4) by transferring section 338F (as so redesignated by subsection (a)(4)) to subchapter B of chapter 3 of such subpart (as added by paragraph (3)); and

(5) by inserting after section 338F (as transferred by paragraph (4)) the following:

"CHAPTER 4—GENERAL PROVISIONS".

(e) CLINICAL RESEARCHERS.—Paragraph (3) of section 487E(a) of the Public Health Service Act (42 U.S.C. 288–5(a)(3)) is amended to read as follows:

''(3) APPLICABILITY OF CERTAIN PROVISIONS REGARDING OBLIGATED SERVICE.—With respect to the National Health Service Corps loan repayment program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with this section, apply to the program established in subsection (a) in the same manner and to the same extent as such provisions apply to the National Health Service Corps loan repayment programs.''.

SEC. 133. DEFINITION OF UNDERSERVED AREAS.

Section 332(a)(1) of the Public Health Service Act (42 U.S.C. 254e(a)(1)) is amended in the first sentence—

(1) by striking '', or (C)'' and inserting '', (C)''; and

(2) by inserting before the period the following: '', or (D) a State or local health department that has a severe shortage of public health personnel as determined under criteria established by the Secretary''.

SEC. 134. CONFORMING AMENDMENTS.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended—

(1) in subparagraphs (A) and (B) of section 303(d)(4) (42 U.S.C. 242a(d)(4)(A) and (B)), by striking ''338C or 338D'' each place that such occurs and inserting ''338G or 338H'';

(2) in section 331(c) (42 U.S.C. 254d(c)), by striking ''338D'' and inserting ''338H'';

(3) in section 337(a) (42 U.S.C. 254j(a)), by striking ''338G'' and inserting ''338K'';

(4) in 338A (42 U.S.C. 254l)—

(A) in subsection (c)(1)—

(i) in subparagraph (A), by striking ''338D'' and inserting ''338I''; and

(ii) in subparagraph (B), by striking ''338C'' and inserting ''338H'';

(B) in subsection (f)(3), by striking ''338D'' and inserting ''338I''; and

(C) in subsection (i)(5)—

(i) in subparagraph (A), by striking ''338E'' and inserting ''338I''; and

(ii) in subparagraph (B)(ii), by striking ''338E'' and inserting ''338I'';

(5) in section 338C (as so redesignated) (42 U.S.C. 254l–1)—

(A) in subsection (c)(1)—

(i) in subparagraph (A), by striking ''338E'' and inserting ''338I''; and

(ii) in subparagraph (B), by striking ''338D'' and inserting ''338H'';

(B) in subsection (f)(1)(B)(iv), by striking ''338D'' and inserting ''338H'';

(C) in subsection (f)(4), by striking ''338E'' and inserting ''338I''; and

(D) in subsection (i)(7)—

(i) in subparagraph (A), by striking ''338E'' and inserting ''338I''; and

(ii) in subparagraph (B)(ii), by striking ''338E'' and inserting ''338I'';

(6) in section 338E(d)(1)(C) (as so redesignated by section 132), by striking ''338J'' and inserting ''338M'';

(7) in section 338G (as so redesignated by section 132)—

(A) in subsection (a)—

(i) by striking ''338D'' and inserting ''338H''; and

(ii) by striking ''338B'' and inserting ''338C''; and

(B) in subsection (c)(2), by striking ''338D'' and inserting ''338H'';

(8) in section 338H (as so redesignated by section 132)—

(A) in subsection (a), by striking ''338C'' and inserting ''338G''; and

(B) in subsection (c), by striking ''338B'' and inserting ''338C'';

(9) in section 338I (as so redesignated by section 132)—

(A) in subsection (b)(1)(A)—

(i) by striking ''338F'' and inserting ''338J'';

(ii) by striking ''338C or 338D'' and inserting ''338G or 338H'';

(iii) by striking ''338C'' and inserting ''338G''; and

(iv) by striking ''338D'' and inserting ''338H''; and

(B) in subsection (c)(1)—

(i) by striking ''338F'' and inserting ''338K'';

(ii) by striking ''338B'' and inserting ''338C''; and

(iii) by striking ''338C or 338D'' and inserting ''338G or 338H'';

(10) in section 338J(b) (as so redesignated by section 132)—

(A) in paragraph (1)—

(i) by striking ''338E'' and inserting ''338I''; and

(ii) by striking ''338B'' and inserting ''338C''; and

(B) in paragraph (2), by striking ''338I'' and inserting ''338E'';

(11) in section 338K (as so redesignated by section 132)—

(A) in subsection (a)(2), by striking ''338D'' and inserting ''338H''; and

(B) in subsection (d)(1), by striking ''338E'' and inserting ''338I''; and

(12) in section 338M(e)(1)(B)(ii)(III) (as so redesignated by section 132), by striking ''338I'' and inserting ''338E''.

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

SEC. 135. PRIMARY CARE LOAN PROGRAM.

(a) REQUIREMENT FOR SCHOOLS.—Section 723(b)(1) of the Public Health Service Act (42 U.S.C. 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of Public Law 103–43 (107 Stat. 216), is amended by striking ''3 years before'' and inserting ''4 years before''.

(b) SERVICE REQUIREMENT FOR PRIMARY CARE LOAN BORROWERS.—Section 723(a) of the Public Health Service Act (42 U.S.C. 292s(a)) is amended in subparagraph (B) of paragraph (1), by striking ''through the date on which the loan is repaid in full'' and inserting ''for 5 years after completing the residency program''.

(c) REPORT REQUIREMENT.—Section 723 of the Public Health Service Act (42 U.S.C. 292s) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 136. LOANS FOR DISADVANTAGED STUDENTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 724(f)(1) of the Public Health Service Act (42 U.S.C. 292t(f)(1)) is amended by striking ''$15,000,000 for fiscal year 1993'' and inserting ''$8,000,000 for each of the fiscal years 1996 through 1998''.

(b) REPEAL.—Effective October 1, 1998, paragraph (1) of section 724(f) of the Public Health Service Act (42 U.S.C. 292t(f)(1)) is repealed.

SEC. 137. STUDENT LOANS REGARDING SCHOOLS OF NURSING.

(a) IN GENERAL.—Section 836(b) of the Public Health Service Act (42 U.S.C. 297b(b)) is amended—

(1) in paragraph (1), by striking the period at the end and inserting a semicolon;

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''and'' at the end; and

(B) by inserting before the semicolon at the end the following: '', and (C) such additional periods under the terms of paragraph (8) of this subsection'';

(3) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following paragraph:

''(8) pursuant to uniform criteria established by the Secretary, the repayment period established under paragraph (2) for any student borrower who during the repayment period failed to make consecutive payments and who, during the last 12 months of the repayment period, has made at least 12 consecutive payments may be extended for a period not to exceed 10 years.''.

(b) MINIMUM MONTHLY PAYMENTS.—Section 836(g) of the Public Health Service Act (42 U.S.C. 297b(g)) is amended by striking ''$15'' and inserting ''$40''.

(c) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

(1) IN GENERAL.—Section 836 of the Public Health Service Act (42 U.S.C. 297b) is amended by adding at the end the following new subsection:

''(l) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

''(1) PURPOSE.—It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

''(2) PROHIBITION.—Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school of nursing that has an agreement with the Secretary pursuant to section 835 that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to actions pending on or after the date of enactment of this Act.

(d) BREACH OF AGREEMENTS.—Section 338D of the Public Health Service Act (as so redesignated and amended under section 132(c)) is amended by adding at the end thereof the following new subsection:

''(g) BREACH OF AGREEMENT.—

''(1) IN GENERAL.—In the case of any program under this section under which an individual makes an agreement to provide health services for a period of time in accordance with such program in consideration of receiving an award of Federal funds regarding education as a nurse (including an award for the repayment of loans), the following applies if the agreement provides that this subsection is applicable:

''(A) In the case of a program under this section that makes an award of Federal funds for attending an accredited program of nursing (in this section referred to as a 'nursing program'), the individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual—

''(i) fails to maintain an acceptable level of academic standing in the nursing program (as indicated by the program in accordance with requirements established by the Secretary);

''(ii) is dismissed from the nursing program for disciplinary reasons; or

''(iii) voluntarily terminates the nursing program.

''(B) The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program under this section for the period of time applicable under the program.

''(2) WAIVER OR SUSPENSION OF LIABILITY.—In the case of an individual or health facility making an agreement for purposes of paragraph (1), the Secretary shall provide for the waiver or suspension of liability under such subsection if compliance by the individual or the health facility, as the case may be, with the agreements involved is impossible, or would involve extreme hardship to the individual or facility, and if enforcement of the agreements with respect to the individual or facility would be unconscionable.

''(3) DATE CERTAIN FOR RECOVERY.—Subject to paragraph (2), any amount that the Federal Government is entitled to recover under paragraph (1) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

''(4) AVAILABILITY.—Amounts recovered under paragraph (1) with respect to a program under this section shall be available for the purposes of such program, and shall remain available for such purposes until expended.''.

(e) TECHNICAL AMENDMENTS.—Section 839 of the Public Health Service Act (42 U.S.C. 297e) is amended—

(1) in subsection (a)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

''(a) If a school terminates a loan fund established under an agreement pursuant to section 835(b), or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:''; and

(B) in paragraph (1), by striking ''at the close of September 30, 1999,'' and inserting ''on the date of termination of the fund''; and

(2) in subsection (b), to read as follows:

''(b) If a capital distribution is made under subsection (a), the school involved shall, after such capital distribution, pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school in payment of principal or interest on loans made from the loan fund established under section 835(b) as determined by the Secretary under subsection (a).''.

SEC. 138. GENERAL PROVISIONS.

(a) MAXIMUM STUDENT LOAN PROVISIONS AND MINIMUM PAYMENTS.—

(1) IN GENERAL.—Section 722(a)(1) of the Public Health Service Act (42 U.S.C. 292r(a)(1)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''the sum of'' and all that follows through the end thereof and inserting ''the cost of attendance (including tuition, other reasonable educational expenses, and reasonable living costs) for that year at the educational institution attended by the student (as determined by such educational institution).''.

(2) THIRD AND FOURTH YEARS.—Section 722(a)(2) of the Public Health Service Act (42 U.S.C. 292r(a)(2)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''the amount $2,500'' and all that follows through ''including such $2,500'' and inserting ''the amount of the loan may, in the case of the third or fourth year of a student at a school of medicine or osteopathic medicine, be increased to the extent necessary''.

(3) REPAYMENT PERIOD.—Section 722(c) of the Public Health Service Act (42 U.S.C. 292r(c)), as amended by section 2014(b)(1) of Public Law 103–43, is amended—

(A) in the subsection heading by striking ''TEN-YEAR'' and inserting ''REPAYMENT'';

(B) by striking ''ten-year period which begins'' and inserting ''period of not less than 10 years nor more than 25 years which begins''; and

(C) by striking ''such ten-year period'' and inserting ''such period''.

(4) MINIMUM PAYMENTS.—Section 722(j) of the Public Health Service Act (42 U.S.C. 292r(j)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''$15'' and inserting $40''.

(b) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

(1) IN GENERAL.—Section 722 of the Public Health Service Act (42 U.S.C. 292r), as amended by section 2014(b)(1) of Public Law 103–43, is amended by adding at the end the following new subsection:

''(m) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

''(1) PURPOSE.—It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

''(2) PROHIBITION.—Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school that has an agreement with the Secretary pursuant to section 721 that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to actions pending on or after the date of enactment of this Act.

(c) DATE CERTAIN FOR CONTRIBUTIONS.—Paragraph (2) of section 735(e) of the Public Health Service Act (42 U.S.C. 292y(e)(2)) is amended to read as follows:

''(2) DATE CERTAIN FOR CONTRIBUTIONS.—Amounts described in paragraph (1) that are returned to the Secretary shall be obligated before the end of the succeeding fiscal year.''.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS

SEC. 141. HEALTH EDUCATION ASSISTANCE LOAN PROGRAM.

(a) HEALTH EDUCATION ASSISTANCE LOAN DEFERMENT FOR BORROWERS PROVIDING HEALTH SERVICES TO INDIANS.—

(1) IN GENERAL.—Section 705(a)(2)(C) of the Public Health Service Act (42 U.S.C. 292d(a)(2)(C)) is amended by striking ''and (x)'' and inserting ''(x) not in excess of three years, during which the borrower is providing health care services to Indians through an Indian health program (as defined in section 108(a)(2)(A) of the Indian Health Care Improvement Act (25 U.S.C. 1616a(a)(2)(A)); and (xi)''.

(2) CONFORMING AMENDMENTS.—Section 705(a)(2)(C) of the Public Health Service Act (42 U.S.C. 292d(a)(2)(C)) is further amended—

(A) in clause (xi) (as so redesignated) by striking ''(ix)'' and inserting ''(x)''; and

(B) in the matter following such clause (xi), by striking ''(x)'' and inserting ''(xi)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to services provided on or after the first day of the third month that begins after the date of the enactment of this Act.

(b) REPORT REQUIREMENT.—Section 709(b) of the Public Health Service Act (42 U.S.C. 292h(b)) is amended—

(1) in paragraph (4)(B), by adding ''and'' after the semicolon;

(2) in paragraph (5), by striking ''; and'' and inserting a period; and

(3) by striking paragraph (6).

(c) COLLECTION FROM ESTATES.—Section 714 of the Public Health Service Act (42 U.S.C. 292m) is amended by adding at the end the following new sentence: ''Notwithstanding the first sentence, the Secretary may, in the case of a borrower who dies, collect any remaining unpaid balance owed to the lender, the holder of the loan, or the Federal Government from the borrower's estate.''.

SEC. 142. HEAL LENDER AND HOLDER PERFORMANCE STANDARDS.

(a) GENERAL AMENDMENTS.—Section 707(a) of the Public Health Service Act (42 U.S.C. 292f) is amended—

(1) by striking the last sentence;

(2) by striking ''determined.'' and inserting ''determined, except that, if the insurance beneficiary including any servicer of the loan is not designated for 'exceptional performance', as set forth in paragraph (2), the Secretary shall pay to the beneficiary a sum equal to 98 percent of the amount of the loss sustained by the insured upon that loan.'';

(3) by striking ''Upon'' and inserting:

''(1) IN GENERAL.—Upon''; and

(4) by adding at the end the following new paragraph:

''(2) EXCEPTIONAL PERFORMANCE.—

''(A) AUTHORITY.—Where the Secretary determines that an eligible lender, holder, or servicer has a compliance performance rating that equals or exceeds 97 percent, the Secretary shall designate that eligible lender, holder, or servicer, as the case may be, for exceptional performance.

''(B) COMPLIANCE PERFORMANCE RATING.—For purposes of subparagraph (A), a compliance performance rating is determined with respect to compliance with due diligence in the disbursement, servicing, and collection of loans under this subpart for each year for which the determination is made. Such rating shall be equal to the percentage of all due diligence requirements applicable to each loan, on average, as established by the Secretary, with respect to loans serviced during the period by the eligible lender, holder, or servicer.

''(C) ANNUAL AUDITS FOR LENDERS, HOLDERS, AND SERVICERS.—Each eligible lender, holder, or servicer desiring a designation under subparagraph (A) shall have an annual financial and compliance audit conducted with respect to the loan portfolio of such eligible lender, holder, or servicer, by a qualified independent organization from a list of qualified organizations identified by the Secretary and in accordance with standards established by the Secretary. The standards shall measure the lender's, holder's, or servicer's compliance with due diligence

standards and shall include a defined statistical sampling technique designed to measure the performance rating of the eligible lender, holder, or servicer for the purpose of this section. Each eligible lender, holder, or servicer shall submit the audit required by this section to the Secretary.

''(D) SECRETARY'S DETERMINATIONS.—The Secretary shall make the determination under subparagraph (A) based upon the audits submitted under this paragraph and any information in the possession of the Secretary or submitted by any other agency or office of the Federal Government.

''(E) QUARTERLY COMPLIANCE AUDIT.—To maintain its status as an exceptional performer, the lender, holder, or servicer shall undergo a quarterly compliance audit at the end of each quarter (other than the quarter in which status as an exceptional performer is established through a financial and compliance audit, as described in subparagraph (C)), and submit the results of such audit to the Secretary. The compliance audit shall review compliance with due diligence requirements for the period beginning on the day after the ending date of the previous audit, in accordance with standards determined by the Secretary.

''(F) REVOCATION AUTHORITY.—The Secretary shall revoke the designation of a lender, holder, or servicer under subparagraph (A) if any quarterly audit required under subparagraph (E) is not received by the Secretary by the date established by the Secretary or if the audit indicates the lender, holder, or servicer has failed to meet the standards for designation as an exceptional performer under subparagraph (A). A lender, holder, or servicer receiving a compliance audit not meeting the standard for designation as an exceptional performer may reapply for designation under subparagraph (A) at any time.

''(G) DOCUMENTATION.—Nothing in this section shall restrict or limit the authority of the Secretary to require the submission of claims documentation evidencing servicing performed on loans, except that the Secretary may not require exceptional performers to submit greater documentation than that required for lenders, holders, and servicers not designated under subparagraph (A).

''(H) COST OF AUDITS.—Each eligible lender, holder, or servicer shall pay for all the costs associated with the audits required under this section.

''(I) ADDITIONAL REVOCATION AUTHORITY.—Notwithstanding any other provision of this section, a designation under subparagraph (A) may be revoked at any time by the Secretary if the Secretary determines that the eligible lender, holder, or servicer has failed to maintain an overall level of compliance consistent with the audit submitted by the eligible lender, holder, or servicer under this paragraph or if the Secretary asserts that the lender, holder, or servicer may have engaged in fraud in securing designation under subparagraph (A) or is failing to service loans in accordance with program requirements.

''(J) NONCOMPLIANCE.—A lender, holder, or servicer designated under subparagraph (A) that fails to service loans or otherwise comply with applicable program regulations shall be considered in violation of the Federal False Claims Act.''.

(b) DEFINITION.—Section 707(e) of the Public Health Service Act (42 U.S.C. 292f(e)) is amended by adding at the end the following new paragraph:

''(4) The term 'servicer' means any agency acting on behalf of the insurance beneficiary.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to loans submitted to the Secretary for payment on or after the first day of the sixth month that begins after the date of enactment of this Act.

SEC. 143. REAUTHORIZATION.

(a) LOAN PROGRAM.—Section 702(a) of the Public Health Service Act (42 U.S.C. 292a(a)) is amended—

(1) by striking ''1993'' and inserting ''1996'';

(2) by striking ''1994'' and inserting ''1997'';

(3) by striking ''fiscal year 1995'' and inserting ''each of the fiscal years 1998 and 1999''; and

(4) by striking ''September 30, 1998'' and inserting ''September 20, 2002''.

(b) INSURANCE PROGRAM.—Section 710(a)(2)(B) of the Public Health Service Act (42 U.S.C. 292i(a)(2)(B)) is amended by striking ''any of the fiscal years 1993 through 1996'' and inserting ''fiscal year 1993 and subsequent fiscal years''.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

SEC. 151. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.

Part B of title VII of the Public Health Service Act (as amended by section 101(a)) is further amended by adding at the end thereof the following new section:

''SEC. 740. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.

''(a) IN GENERAL.—The Secretary may make a grant to an eligible entity (as defined in subsection (f)(1)) under this section for the awarding of scholarships by schools to any full-time student who is an eligible individual as defined in subsection (f). Such scholarships may be expended only for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in the attendance of such school, and may not, for any year of such attendance for which the scholarship is provided, provide an amount exceeding the total amount required for the year.

''(b) PREFERENCE IN PROVIDING SCHOLARSHIPS.—The Secretary may not make a grant to an entity under subsection (a) unless the health professions and nursing schools involved agrees that, in providing scholarships pursuant to the grant, the school will give preference to students for whom the costs of attending the school would constitute a severe financial hardship and, notwithstanding other provisions of this section, to former recipients of scholarships under sections 736 and 740(d)(2)(B) (as such sections existed on the day before the date of enactment of this section).

''(c) AMOUNT OF AWARD.—In awarding grants to eligible entities that are health professions and nursing schools, the Secretary shall give priority to eligible entities based on the proportion of graduating students going into primary care, the proportion of minority students, and the proportion of graduates working in medically underserved areas.

''(d) MAXIMUM SCHOLARSHIP AWARD.—The maximum scholarship that an individual may receive in any year from an eligible entity that is a health professions and nursing schools shall be $3000.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $32,000,000 for each of the fiscal years 1996 through 1999. Of the amount appropriated in any fiscal year, the Secretary shall ensure that not less than 16 percent shall be distributed to schools of nursing.

''(f) DEFINITIONS.—As used in this section:

''(1) ELIGIBLE ENTITIES.—The term 'eligible entities' means an entity that—

''(A) is a school of medicine, osteopathic medicine, dentistry, nursing (as defined in section 801), pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health, a school offering a graduate program in mental health practice, or an entity providing programs for the training of physician assistant; and

''(B) is carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups.

''(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means an individual who—

''(A) is from a disadvantaged background;

''(B) has a financial need for a scholarship; and

''(C) is enrolled (or accepted for enrollment) at an eligible health profession or nursing school as a full-time student in a program leading to a degree in a health profession or nursing.''.

TITLE II—OFFICE OF MINORITY HEALTH

SEC. 201. REVISION AND EXTENSION OF PROGRAMS OF OFFICE OF MINORITY HEALTH.

(a) IN GENERAL.—Section 1707 of the Public Health Service Act (42 U.S.C. 300u–6) is amended by striking subsection (b) and all that follows and inserting the following:

''(b) DUTIES.—With respect to improving the health of racial and ethnic minority groups, the Secretary, acting through the Deputy Assistant Secretary for Minority Health (in this section referred to as the 'Deputy Assistant Secretary'), shall carry out the following:

''(1) Establish short-range and long-range goals and objectives and coordinate all other activities within the Public Health Service that relate to disease prevention, health promotion, service delivery, and research concerning such individuals. The heads of each of the agencies of the Service shall consult with the Deputy Assistant Secretary to ensure the coordination of such activities.

''(2) Carry out the following types of activities by entering into interagency agreements with other agencies of the Public Health Service:

''(A) Support research, demonstrations and evaluations to test new and innovative models.

''(B) Increase knowledge and understanding of health risk factors.

''(C) Develop mechanisms that support better information dissemination, education, prevention, and service delivery to individuals from disadvantaged backgrounds, including individuals who are members of racial or ethnic minority groups.

''(D) Ensure that the National Center for Health Statistics collects data on the health status of each minority group.

''(E) With respect to individuals who lack proficiency in speaking the English language, enter into contracts with public and nonprofit private providers of primary health services for the purpose of increasing the access of the individuals to such services by developing and carrying out programs to provide bilingual or interpretive services.

''(3) Support a national minority health resource center to carry out the following:

''(A) Facilitate the exchange of information regarding matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care.

''(B) Facilitate access to such information.

''(C) Assist in the analysis of issues and problems relating to such matters.

''(D) Provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance).

''(4) Carry out programs to improve access to health care services for individuals with limited proficiency in speaking the English language by facilitating the removal of impediments to the receipt of health care that result from such limitation. Activities under the preceding sentence shall include conducting research and developing and evaluating model projects.

''(5) Not later than June 8 of each year, the heads of the Public Health Service agencies shall submit to the Deputy Assistant Secretary a report summarizing the minority health activities of each of the respective agencies.

''(c) ADVISORY COMMITTEE.—

''(1) IN GENERAL.—The Secretary shall establish an advisory committee to be known as the Advisory Committee on Minority Health (in this subsection referred to as the 'Committee'). The Deputy Assistant Secretary shall consult with the Committee in carrying out this section.

''(2) DUTIES.—The Committee shall provide advice to the Deputy Assistant Secretary carrying out this section, including advice on the development of goals and specific program activities under paragraphs (1) and (2) of subsection (b) for each racial and ethnic minority group.

''(3) CHAIR.—The Deputy Assistant Secretary shall serve as the chair of the Committee.

''(4) COMPOSITION.—

''(A) The Committee shall be composed of 12 voting members appointed in accordance with subparagraph (B), and nonvoting, ex officio members designated in subparagraph (C).

''(B) The voting members of the Committee shall be appointed by the Secretary from among individuals who are not officers or employees of the Federal Government and who have expertise regarding issues of minority health. The racial and ethnic minority groups shall be equally represented among such members.

''(C) The nonvoting, ex officio members of the Committee shall be the directors of each of the minority health offices, and such additional officials of the Department of Health and Human Services as the Secretary determines to be appropriate.

''(5) TERMS.—Each member of the Committee shall serve for a term of 4 years, except that the Secretary shall initially appoint a portion of the members to terms of 1 year, 2 years, and 3 years.

''(6) VACANCIES.—If a vacancy occurs on the Committee, a new member shall be appointed by the Secretary within 90 days from the date that the vacancy occurs, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Committee.

''(7) COMPENSATION.—Members of the Committee who are officers or employees of the United States shall serve without compensation. Members of the Committee who are not officers or employees of the United States shall receive compensation, for each day (including travel time) they are engaged in the performance of the functions of the Committee. Such compensation may not be in an amount in excess of the daily equivalent of the annual maximum rate of basic pay payable under the General Schedule (under title 5, United States Code) for positions above GS–15.

''(d) CERTAIN REQUIREMENTS REGARDING DUTIES.—

''(1) RECOMMENDATIONS REGARDING LANGUAGE AS IMPEDIMENT TO HEALTH CARE.—The Deputy Assistant Secretary for Minority Health shall consult with the Director of the Office of Refugee Health, the Director of the Office of Civil Rights, and the Director of the Office of Minority Health of the Health Resources and Services Administration, and other appropriate offices, regarding recommendations for carrying out activities under subsection (b)(4).

''(2) EQUITABLE ALLOCATION REGARDING ACTIVITIES.—

''(A) In making awards of grants, cooperative agreements, or contracts under this section or section 338A, 338B, 340A, 404, or 724, or part B of title VII, the Secretary, acting as appropriate through the Deputy Assistant Secretary or the Administrator of the Health Resources and Services Administration, shall ensure that such awards are equitably allocated with respect to the various racial and minority populations.

''(B) With respect to grants, cooperative agreements, and contracts that are available under the sections specified in subparagraph (A), the Secretary shall—

''(i) carry out activities to inform entities, as appropriate, that the entities may be eligible for awards of such assistance;

''(ii) provide technical assistance to such entities in the process of preparing and submitting applications for the awards in accordance with the policies of the Secretary regarding such application; and

''(iii) inform populations, as appropriate, that members of the populations may be eligible to receive services or otherwise participate in the activities carried out with such awards.

''(3) CULTURAL COMPETENCY OF SERVICES.—The Secretary shall ensure that information and services provided pursuant to subsection (b) are provided in the language, educational, and cultural context that is most appropriate for the individuals for whom the information and services are intended.

''(e) GRANTS AND CONTRACTS REGARDING DUTIES.—

''(1) IN GENERAL.—In carrying out subsection (b), the Deputy Assistant Secretary may make awards of grants, cooperative agreements, and contracts to public and nonprofit private entities.

''(2) PROCESS FOR MAKING AWARDS.—The Deputy Assistant Secretary shall ensure that awards under paragraph (1) are made only on a competitive basis, and that a grant is awarded for a proposal only if the proposal has been recommended for such an award through a process of peer review and has been so recommended by the advisory committee established under subsection (c).

''(3) EVALUATION AND DISSEMINATION.—The Deputy Assistant Secretary, directly or through contracts with public and private entities, shall provide for evaluations of projects carried out with awards made under paragraph (1) during the preceding 2 fiscal years. The report shall be included in the report required under subsection (f) for the fiscal year involved.

''(f) BIENNIAL REPORTS.—Not later than February 1 of fiscal year 1996 and of each second year thereafter, the Deputy Assistant Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the activities carried out under this section during the preceding 2 fiscal years and evaluating the extent to which such activities have been effective in improving the health of racial and ethnic minority groups. Each such report shall include the biennial reports submitted to the Deputy Assistant Secretary under section 201(b)(5) for such years by the heads of the Public Health Service agencies.

''(g) DEFINITION.—For purposes of this section:

''(1) The term 'racial and ethnic minority group' means American Indians (including Alaska Natives, Eskimos, and Aleuts); Asian Americans and Pacific Islanders; Blacks; and Hispanics.

''(2) The term 'Hispanic' means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country.

''(h) FUNDING.—For the purpose of carrying out this section, there are authorized to be appropriated $21,000,000 for fiscal year 1996, such sums as may be necessary for each of the fiscal years 1997 and 1998, and $19,000,000 for fiscal year 1999.''.

(b) MISCELLANEOUS AMENDMENT.—Section 1707 of the Public Health Service Act (42 U.S.C. 300u–6) is amended in the heading for the section by striking ''ESTABLISHMENT OF''.

TITLE III—SELECTED INITIATIVES

SEC. 301. PROGRAMS REGARDING BIRTH DEFECTS.

Section 317C of the Public Health Service Act (42 U.S.C. 247b–4) is amended to read as follows:

''PROGRAMS REGARDING BIRTH DEFECTS

''SEC. 317C. (a) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out programs—

''(1) to collect, analyze, and make available data on birth defects (in a manner that facilitates compliance with subsection (d)(2)), including data on the causes of such defects and on the incidence and prevalence of such defects; and

''(2) to operate regional centers for the conduct of applied epidemiological research on the prevention of such defects.

''(b) ADDITIONAL PROVISIONS REGARDING COLLECTION OF DATA.—

''(1) IN GENERAL.—In carrying out subsection (a)(1), the Secretary—

''(A) shall collect and analyze data by gender and by racial and ethnic group, including Hispanics, non-Hispanic whites, Blacks, Native Americans, Asian Americans, and Pacific Islanders;

''(B) shall collect data under subparagraph (A) from birth certificates, death certificates, hospital records, and such other sources as the Secretary determines to be appropriate; and

''(C) shall encourage States to establish or improve programs for the collection and analysis of epidemiological data on birth defects, and to make the data available.

''(2) NATIONAL CLEARINGHOUSE.—In carrying out subsection (a)(1), the Secretary shall establish and maintain a National Information Clearinghouse on Birth Defects to collect and disseminate to health professionals and the general public information on birth defects, including the prevention of such defects.

''(c) GRANTS AND CONTRACTS.—

''(1) IN GENERAL.—In carrying out subsection (a), the Secretary may make grants to and enter into contracts with public and nonprofit private entities.

''(2) SUPPLIES AND SERVICES IN LIEU OF AWARD FUNDS.—

''(A) Upon the request of a recipient of an award of a grant or contract under paragraph (1), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out the purposes for which the award is made and, for such purposes, may detail to the recipient any officer or employee of the Department of Health and Human Services.

''(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the award involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

''(3) APPLICATION FOR AWARD.—The Secretary may make an award of a grant or contract under paragraph (1) only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purposes for which the award is to be made.

''(d) BIENNIAL REPORT.—Not later than February 1 of fiscal year 1997 and of every second such year thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report that, with respect to the preceding 2 fiscal years—

''(1) contains information regarding the incidence and prevalence of birth defects and the extent to which birth defects have contributed to the incidence and prevalence of infant mortality;

''(2) contains information under paragraph (1) that is specific to various racial and ethnic groups (including Hispanics, non-Hispanic whites, Blacks, Native Americans, and Asian Americans);

''(3) contains an assessment of the extent to which various approaches of preventing birth defects have been effective;

''(4) describes the activities carried out under this section; and

''(5) contains any recommendations of the Secretary regarding this section.''.

SEC. 302. TRAUMATIC BRAIN INJURY.

(a) PROGRAMS OF NATIONAL INSTITUTES OF HEALTH.—Section 1261 of the Public Health Service Act (42 U.S.C. 300d–61) is amended—

(1) in subsection (d)—

(A) in paragraph (2), by striking ''and'' after the semicolon at the end;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following paragraph:

''(4) the authority to make awards of grants or contracts to public or nonprofit private entities for the conduct of basic and applied research regarding traumatic brain injury, which research may include—

''(A) the development of new methods and modalities for the more effective diagnosis, measurement of degree of injury, post-injury monitoring and prognostic assessment of head injury for acute, subacute and later phases of care;

''(B) the development, modification and evaluation of therapies that retard, prevent or reverse brain damage after acute head injury, that arrest further deterioration following injury and that provide the restitution of function for individuals with long-term injuries;

''(C) the development of research on a continuum of care from acute care through rehabilitation, designed, to the extent practicable, to integrate rehabilitation and long-term outcome evaluation with acute care research; and

''(D) the development of programs that increase the participation of academic centers of excellence in head injury treatment and rehabilitation research and training.''; and

(2) in subsection (h), by adding at the end the following paragraph:

''(4) The term 'traumatic brain injury' means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to near drowning.''.

(b) PROGRAMS OF HEALTH RESOURCES AND SERVICES ADMINISTRATION.—Part E of title XII of the Public Health Service Act (42 U.S.C. 300d–51 et seq.) is amended by adding at the end the following new section:

''SEC. 1252. STATE GRANTS FOR DEMONSTRATION PROJECTS REGARDING TRAUMATIC BRAIN INJURY.

''(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of carrying out demonstration projects to improve the availability of health services regarding traumatic brain injury.

''(b) STATE ADVISORY BOARD.—

''(1) IN GENERAL.—The Secretary may make a grant under subsection (a) only if the State involved agrees to establish an advisory board within the appropriate health department of the State or within another department as designated by the chief executive officer of the State.

''(2) FUNCTIONS.—An advisory board established under paragraph (1) shall be cognizant of findings and concerns of Federal, State and local agencies, citizens groups, and private industry (such as insurance, health care, automobile, and other industry entities). Such advisory boards shall encourage citizen participation through the establishment of public hearings and other types of community outreach programs.

''(3) COMPOSITION.—An advisory board established under paragraph (1) shall be composed of—

''(A) representatives of—

''(i) the corresponding State agencies involved;

''(ii) public and nonprofit private health related organizations;

''(iii) other disability advisory or planning groups within the State;

''(iv) members of an organization or foundation representing traumatic brain injury survivors in that State; and

''(v) injury control programs at the State or local level if such programs exist; and

''(B) a substantial number of individuals who are survivors of traumatic brain injury, or the family members of such individuals.

''(c) MATCHING FUNDS.—

''(1) IN GENERAL.—With respect to the costs to be incurred by a State in carrying out the purpose described in subsection (a), the Secretary may make a grant under such subsection only if the State agrees to make available, in cash, non-Federal contributions toward such costs in an amount that is not less than $1 for each $2 of Federal funds provided under the grant.

''(2) DETERMINATION OF AMOUNT CONTRIBUTED.—In determining the amount of non-Federal contributions in cash that a State has provided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.

''(d) APPLICATION FOR GRANT.—The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

''(e) COORDINATION OF ACTIVITIES.—The Secretary shall ensure that activities under this section are coordinated as appropriate with other agencies of the Public Health Service that carry out activities regarding traumatic brain injury.

''(f) REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the findings and results of the programs established under this section, including measures of outcomes and consumer and surrogate satisfaction.

''(g) DEFINITION.—For purposes of this section, the term 'traumatic brain injury' means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to near drowning.

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $5,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 and 1997.''.

(c) STUDY; CONSENSUS CONFERENCE.—

(1) STUDY.—

(A) IN GENERAL.—The Secretary of Health and Human Services (in this subsection referred to as the ''Secretary''), acting through the appropriate agencies of the Public Health Service, shall conduct a study for the purpose of carrying out the following with respect to traumatic brain injury:

(i) In collaboration with appropriate State and local health-related agencies—

(I) determine the incidence and prevalence of traumatic brain injury; and

(II) develop a uniform reporting system under which States report incidence of traumatic brain injury, if the Secretary determines that such a system is appropriate.

(ii) Identify common therapeutic interventions which are used for the rehabilitation of individuals with such injuries, and shall, subject to the availability of information, include an analysis of—

(I) the effectiveness of each such intervention in improving the functioning of individuals with brain injuries;

(II) the comparative effectiveness of interventions employed in the course of rehabilitation of individuals with brain injuries to achieve the same or similar clinical outcome; and

(III) the adequacy of existing measures of outcomes and knowledge of factors influencing differential outcomes.

(iii) Develop practice guidelines for the rehabilitation of traumatic brain injury at such time as appropriate scientific research becomes available.

(B) DATES CERTAIN FOR REPORTS.—

(i) Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the findings made as a result of carrying out subparagraph (A)(i).

(ii) Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the Committees specified in clause (i) a report describing the findings made as a result of carrying out clauses (ii) and (iii) of subparagraph (A).

(2) CONSENSUS CONFERENCE.—The Secretary, acting through the Director of the National Center for Medical Rehabilitation Research within the National Institute for Child Health and Human Development, shall conduct a national consensus conference on managing traumatic brain injury and related rehabilitation concerns.

(3) DEFINITION.—For purposes of this subsection, the term ''traumatic brain injury'' means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to near drowning.

SEC. 303. STATE OFFICES OF RURAL HEALTH.

(a) IN GENERAL.—Section 338M of the Public Health Service Act (as so redesignated by section 132) is amended—

(1) in subsection (b)(1), in the matter preceding subparagraph (A), by striking ''in cash''; and

(2) in subsection (j)(1)—

(A) by striking ''and'' after ''1992,''; and

(B) by inserting before the period the following: '', and such sums as may be necessary for each of the fiscal years 1996 through 1997''; and

(3) in subsection (k), by striking ''$10,000,000'' and inserting ''$20,000,000''.

(b) REPEAL.—Effective on October 1, 1997, section 338M of the Public Health Service Act (as so redesignated by section 132) is repealed.

SEC. 304. HEALTH SERVICES FOR PACIFIC ISLANDERS.

Section 10 of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 254c–1) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by inserting '', substance abuse'' after ''availability of health''; and

(ii) by striking '', including improved health data systems''; and

(B) in paragraph (3)—

(i) by striking ''manpower'' and inserting ''care providers''; and

(ii) by striking ''by—'' and all that follows through the end thereof and inserting a semicolon;

(C) by striking paragraphs (5) and (6);

(D) by redesignating paragraphs (7), and (8) as paragraphs (5) and (6), respectively;

(E) in paragraph (5) (as so redesignated), by striking ''and'' at the end thereof;

(F) in paragraph (6) (as so redesignated), by striking the period and inserting a semicolon; and

(G) by inserting after paragraph (6) (as so redesignated), the following new paragraphs:

''(7) to provide primary health care, preventive health care, and related training to American Samoan health care professionals; and

''(8) to improve access to health promotion and disease prevention services for rural American Samoa.'';

(2) in subsection (f)—

(A) by striking ''there is'' and inserting ''there are''; and

(B) by striking ''$10,000,000'' and all that follows through ''1993'' and inserting ''$3,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and $5,000,000 for fiscal year 1997''; and

(3) by adding at the end thereof the following new subsection:

''(g) STUDY AND REPORT.—

''(1) STUDY.—Not later than 180 days after the date of enactment of this subsection, the Secretary, acting through the Administrator of the Health Resources and Services Administration, shall enter into a contract with a public or nonprofit private entity for the conduct of a study to determine the effectiveness of projects funded under this section.

''(2) REPORT.—Not later than July 1, 1996, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the findings made with respect to the study conducted under paragraph (1).''.

SEC. 305. DEMONSTRATION PROJECTS REGARDING ALZHEIMER'S DISEASE.

(a) IN GENERAL.—Section 398(a) of the Public Health Service Act (42 U.S.C. 280c–3(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''not less than 5, and not more than 15,'';

(2) in paragraph (2)—

(A) by inserting after ''disorders'' the following: ''who are living in single family homes or in congregate settings''; and

(B) by striking ''and'' at the end;

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

''(3) to improve the access of such individuals to home-based or community-based long-term care services (subject to the services being provided by entities that were providing such services in the State involved as of October 1, 1995), particularly such individuals who are members of racial or ethnic minority groups, who have limited proficiency in speaking the English language, or who live in rural areas; and''.

(b) DURATION.—Section 398A of the Public Health Service Act (42 U.S.C. 280c–4) is amended—

(1) in the heading for the section, by striking ''**LIMITATION**'' and all that follows and inserting ''**REQUIREMENT OF MATCHING FUNDS**'';

(2) by striking subsection (a);

(3) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively;

(4) in subsection (a) (as so redesignated), in each of paragraphs (1)(C) and (2)(C), by striking ''third year'' and inserting ''third or subsequent year''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 398B(e) of the Public Health Service Act (42 U.S.C. 280c–5(e)) is amended by striking ''and 1993'' and inserting ''through 1998''.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. TECHNICAL CORRECTIONS REGARDING PUBLIC LAW 103–183.

(a) AMENDATORY INSTRUCTIONS.—Public Law 103–183 is amended—

(1) in section 601—

(A) in subsection (b), in the matter preceding paragraph (1), by striking ''Section 1201 of the Public Health Service Act (42 U.S.C. 300d)'' and inserting ''Title XII of the Public Health Service Act (42 U.S.C. 300d et seq.)''; and

(B) in subsection (f)(1), by striking ''in section 1204(c)'' and inserting ''in section 1203(c) (as redesignated by subsection (b)(2) of this section)'';

(2) in section 602, by striking ''for the purpose'' and inserting ''For the purpose''; and

(3) in section 705(b), by striking ''317D((l)(1)'' and inserting ''317D(l)(1)''.

(b) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act, as amended by Public Law 103–183 and by subsection (a) of this section, is amended—

(1) in section 317E(g)(2), by striking ''making grants under subsection (b)'' and inserting ''carrying out subsection (b)'';

(2) in section 318, in subsection (e) as in effect on the day before the date of the enactment of Public Law 103–183, by redesignating the subsection as subsection (f);

(3) in subpart 6 of part C of title IV—

(A) by transferring the first section 447 (added by section 302 of Public Law 103–183) from the current placement of the section;

(B) by redesignating the section as section 447A; and

(C) by inserting the section after section 447;

(4) in section 1213(a)(8), by striking ''provides for for'' and inserting ''provides for'';

(5) in section 1501, by redesignating the second subsection (c) (added by section 101(f) of Public Law 103–183) as subsection (d); and

(6) in section 1505(3), by striking ''nonprivate'' and inserting ''private''.

(c) MISCELLANEOUS CORRECTION.—Section 401(c)(3) of Public Law 103–183 is amended in the matter preceding subparagraph (A) by striking ''(d)(5)'' and inserting ''(e)(5)''.

(d) EFFECTIVE DATE.—This section is deemed to have taken effect immediately after the enactment of Public Law 103–183.

SEC. 402. CERTAIN AUTHORITIES OF CENTERS FOR DISEASE CONTROL AND PREVENTION.

(a) IN GENERAL.—Part B of title III of the Public Health Service Act is amended by inserting after section 317H the following section:

''MISCELLANEOUS AUTHORITIES REGARDING CENTERS FOR DISEASE CONTROL AND PREVENTION

''SEC. 317I. (a) TECHNICAL AND SCIENTIFIC PEER REVIEW GROUPS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and 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, establish such technical and scientific peer review groups and scientific program advisory committees as are needed to carry out the functions of such Centers and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups. The Federal Advisory Committee Act shall not apply to the duration of such peer review groups. Not more than one-fourth of the members of any such group shall be officers or employees of the United States.

''(b) FELLOWSHIP AND TRAINING PROGRAMS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish fellowship and training programs to be conducted by such Centers to train individuals to develop skills in epidemiology, surveillance, laboratory analysis, and other disease detection and prevention methods. Such programs shall be designed to enable health professionals and health personnel trained under such programs to work, after receiving such training, in local, State, national, and international efforts toward the prevention and control of diseases, injuries, and disabilities. Such fellowships and training may be administered through the use of either appointment or nonappointment procedures.''.

(b) EFFECTIVE DATE.—This section is deemed to have taken effect July 1, 1995.

SEC. 403. ADMINISTRATION OF CERTAIN REQUIREMENTS.

(a) IN GENERAL.—Section 2004 of Public Law 103–43 (107 Stat. 209) is amended by striking subsection (a).

(b) CONFORMING AMENDMENTS.—Section 2004 of Public Law 103–43, as amended by subsection (a) of this section, is amended—

(1) by striking ''(b) SENSE'' and all that follows through ''In the case'' and inserting the following:

''(a) SENSE OF CONGRESS REGARDING PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case'';

(2) by striking ''(2) NOTICE TO RECIPIENTS OF ASSISTANCE'' and inserting the following:

''(b) NOTICE TO RECIPIENTS OF ASSISTANCE''; and

(3) in subsection (b), as redesignated by paragraph (2) of this subsection, by striking ''paragraph (1)'' and inserting ''subsection (a)''.

(c) EFFECTIVE DATE.—This section is deemed to have taken effect immediately after the enactment of Public Law 103–43.

SEC. 404. TECHNICAL CORRECTIONS RELATING TO HEALTH PROFESSIONS PROGRAMS.

Part G of title VII of the Public Health Service Act (42 U.S.C. 295j et seq.) is amended by inserting after section 794 the following section:

''SEC. 794A. RECOVERY.

''(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under section 720(a) (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102–408))—

''(1)(A) in the case of a facility which was an affiliated hospital or outpatient facility with respect to which funds have been paid under such section 720(a)(1), the owner of the facility ceases to be a public or other nonprofit agency that would have been qualified to file an application under section 605;

''(B) in the case of a facility which was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under paragraph (1) or (3) of such section 720(a), the owner of the facility ceases to be a public or nonprofit school; or

''(C) in the case of a facility which was a facility with respect to which funds have been paid under such section 720(a)(2), the owner of the facility ceases to be a public or nonprofit entity;

''(2) the facility ceases to be used for the teaching or training purposes (or other purposes permitted under section 722 (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102–408)) for which it was constructed, or

''(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

''(b) NOTICE.—The owner of a facility which ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or the owner of a facility the use of which changes as described in paragraph (2) or (3) of subsection (a), shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

''(c) AMOUNT.—

''(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

''(2) INTEREST.—

''(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

''(B) PERIOD.—The period referred to in subparagraph (A) is the period beginning—

''(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a); or

''(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

''(d) WAIVER.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

''(e) LIEN.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.''.

SEC. 405. CLINICAL TRAINEESHIPS.

Section 303(d)(1) of the Public Health Service Act (42 U.S.C. 242a(d)(1)) is amended by inserting ''counseling,'' after ''family therapy,''.

SEC. 406. CONSTRUCTION OF REGIONAL CENTERS FOR RESEARCH ON PRIMATES.

Section 481B(a) of the Public Health Service Act (42 U.S.C. 287a–3(a)) is amended by striking ''$5,000,000'' and inserting ''$2,500,000''.

SEC. 407. REQUIRED CONSULTATION BY SECRETARY.

The Secretary of Health and Human Services, regarding the programs under parts B, C, D, and E of title VII, and parts B, C, and D of title VIII, of the Public Health Service Act, as amended by this Act, shall—

(1) publish in the Federal Register a general program description for the funding of awards under such parts;

(2) solicit and receive written and oral comments concerning such description, including the holding of a public forum at which interested individuals and groups may provide comment; and

(3) take into consideration information received under paragraph (2).

AMENDMENT NO. 5416

(Purpose: To make various modifications in the bill)

Mr. LOTT. Senator KASSEBAUM has an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] for Mrs. KASSEBAUM, proposes an amendment numbered 5416.

The amendment is as follows:

On page 116, lines 18, and 19, strike ''With'' and all that follows through ''the'' and insert ''The''.

On page 116, line 21, strike ''such''.

On page 122, line 22, strike '', and'' and all that follows through ''dentists'' on line 24.

On page 126, strike lines 16 through 23.

On page 126, line 24, strike ''(c)'' and insert ''(b)''.

On page 128, line 9, strike ''(d)'' and insert ''(c)''.

On page 128, line 18, strike ''(e)'' and insert ''(d)''.

On page 140, line 3, strike ''tion'' and insert ''tions 747 and 750''.

On page 170, line 1, insert ''dentistry,'' after the comma.

On page 170, line 2, insert ''dentists,'' after the comma.

On page 196, strike lines 4 through 11, and insert the following:

(a) LOAN PROGRAM.—Section 702(a) of the Public Health Service Act (42 U.S.C. 292a(a)) is amended—

(1) by striking ''$350,000,000'' and all that follows through ''1995'' and inserting ''$260,000,000 for fiscal year 1996, ''$160,000,000 for fiscal year 1997, and $80,000,000 for fiscal year 1998'';

(2) by striking ''obtained prior loans insured under this subpart'' and inserting ''obtained loans insured under this subpart in fiscal year 1996 or in prior fiscal years''; and

(3) by adding at the end thereof the following new sentence: ''The Secretary may establish guidelines and procedures that lenders must follow in distributing funds under this subpart.''.

Beginning on page 212, strike line 10 and all that follows through line 14 on page 220.

On page 220, line 15, strike ''303'' and insert ''302''.

On page 221, line 6, strike ''304'' and insert ''303''.

On page 222, line 12, strike ''305'' and insert ''304''.

Mr. LOTT. I ask unanimous consent the amendment be agreed to, the committee amendment be agreed to, the bill be deemed read the third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The committee amendment in the nature of a substitute, as amended, was agreed to.

The amendment (No. 5416) was agreed to.

The bill (S. 555), as amended, was deemed read for a third time and passed, as follows:

S. 555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Health Professions Education Consolidation and Reauthorization Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

Sec. 101. Minority and disadvantaged health professions grant program.
Sec. 102. Training in family medicine, general internal medicine, general pediatrics, preventive medicine, physician assistants, and general dentistry.
Sec. 103. Enhanced health education and training.
Sec. 104. Health professions workforce development.
Sec. 105. General provisions.
Sec. 106. Preference in certain programs.
Sec. 107. Definitions.
Sec. 108. Savings provision.

Subtitle B—Nursing Education

Sec. 121. Short title.
Sec. 122. Purpose.
Sec. 123. Amendments to Public Health Service Act.
Sec. 124. Savings provision.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE PROGRAMS

Sec. 131. General amendments with respect to federally supported loans.
Sec. 132. Restructuring and technical amendments.
Sec. 133. Definition of underserved areas.
Sec. 134. Conforming amendments.

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

Sec. 135. Primary care loan program.
Sec. 136. Loans for disadvantaged students.
Sec. 137. Student loans regarding schools of nursing.
Sec. 138. General provisions.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS

Sec. 141. Health education assistance loan program.
Sec. 142. HEAL lender and holder performance standards.
Sec. 143. Reauthorization.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

Sec. 151. Scholarships for disadvantaged students.

TITLE II—OFFICE OF MINORITY HEALTH

Sec. 201. Revision and extension of programs of Office of Minority Health.

TITLE III—SELECTED INITIATIVES

Sec. 301. Programs regarding birth defects.
Sec. 302. State offices of rural health.
Sec. 303. Health services for Pacific Islanders.
Sec. 304. Demonstration projects regarding Alzheimer's Disease.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Technical corrections regarding Public Law 103–183.
Sec. 402. Certain authorities of Centers for Disease Control and Prevention.
Sec. 403. Administration of certain requirements.
Sec. 404. Technical corrections relating to health professions programs.
Sec. 405. Clinical traineeships.
Sec. 406. Construction of regional centers for research on primates.
Sec. 407. Required consultation by Secretary.

TITLE I—HEALTH PROFESSIONS EDUCATION AND FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Health Professions Education Programs

SEC. 101. MINORITY AND DISADVANTAGED HEALTH PROFESSIONS GRANT PROGRAM.

(a) IN GENERAL.—Part B of title VII of the Public Health Service Act (42 U.S.C. 293 et seq.) is amended to read as follows:

''PART B—DISADVANTAGED HEALTH PROFESSIONS TRAINING

''SEC. 736. STATEMENT OF PURPOSE.

''(a) IN GENERAL.—The Secretary shall make grants to or enter into contracts with eligible entities for the purpose of establishing, enhancing, and expanding programs to increase the number and the quality of disadvantaged health professionals, particularly those who provide health services to disadvantaged populations or in medically underserved areas or rural areas.

''(b) USE OF FUNDS.—Amounts provided under a grant or contract awarded under this part may be used for costs of planning, developing, or operating centers of excellence in minority health professions education, programs for assisting individuals from disadvantaged backgrounds to enter a health profession, minority faculty development, minority faculty loan repayment or fellowships, trainee support, technical assistance, workforce analysis, and dissemination of information.

''(c) CONSORTIUM.—Schools within a consortium that applies for a grant or contract

under this part shall enter into an agreement to allocate the funds received under the grant or contract among such schools and expend such funds in accordance with the application for such grant or contract.

"SEC. 737. PREFERENCES.

''In awarding grants or contracts to eligible entities under this part, the Secretary shall give preference to—

''(1) projects that involve more than one health professions discipline or training institution and have an above average record of retention and graduation of individuals from disadvantaged backgrounds; and

''(2) centers of excellence at Historically Black Colleges and Universities (as defined in section 739) beginning in fiscal year 1999 and for each fiscal year thereafter.

"SEC. 738. AUTHORIZATION OF APPROPRIATION.

''(a) IN GENERAL.—There are authorized to be appropriated to carry out this part, $51,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.

''(b) SET-ASIDE.—The Secretary shall set-aside $12,000,000 of the amount appropriated under subsection (a) in each fiscal year for the purpose of making grants under section 736 to centers of excellence at certain Historically Black Colleges and Universities.

''(c) NO LIMITATION.—Nothing in this section shall be construed as limiting the centers of excellence referred to in subsection (b) to the set-aside amount, or to preclude such entities from competing for other grants under section 736.

"SEC. 739. DEFINITIONS.

''As used in this part:

''(1) CENTERS OF EXCELLENCE.—The term 'centers of excellence' means a health professions school that—

''(A)(i) has a significant number of minority individuals enrolled in the school, including individuals accepted for enrollment in the school;

''(ii) has been effective in assisting minority students of the school to complete the program of education and receive the degree involved;

''(iii) has been effective in recruiting minority individuals to attend the school and encouraging minority students of secondary educational institutions to attend the health professions school; and

''(iv) has made significant recruitment efforts to increase the number of minority individuals serving in faculty or administrative positions at the school; or

''(B) is a center of excellence at certain Historically Black Colleges and Universities.

''(2) CONSORTIUM.—The term 'consortium' means the designated eligible entity seeking a grant under this part and one or more schools of medicine, osteopathic medicine, dentistry, pharmacy, nursing, allied health, public health, or graduate programs in mental health practice.

''(3) ELIGIBLE ENTITIES.—The term 'eligible entities' means schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health or schools offering graduate programs in mental health practice, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application.

''(4) HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—The term 'Historically Black Colleges and Universities' means a school described in section 799B(1) that has received a contract under section 788B for fiscal year 1987, as such section was in effect for such fiscal year.''.

(b) REPEAL.—

(1) IN GENERAL.—Section 795 of the Public Health Service Act (42 U.S.C. 295n) is repealed.

(2) NONTERMINATION OF AUTHORITY.—The amendments made by this section shall not be construed to terminate agreements that, on the day before the date of enactment of this Act, are in effect pursuant to section 795 of the Public Health Service Act (42 U.S.C. 795) as such section existed on such date. Such agreements shall continue in effect in accordance with the terms of the agreements. With respect to compliance with such agreements, any period of practice as a provider of primary health services shall be counted towards the satisfaction of the requirement of practice pursuant to such section 795.

(c) CONFORMING AMENDMENTS.—Section 481A(c)(3)(D)(i) of the Public Health Service Act (42 U.S.C. 287a-2(c)(3)(D)(i)) is amended by striking ''section 739'' and inserting ''part B of title VII''.

SEC. 102. TRAINING IN FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, PHYSICIAN ASSISTANTS, AND GENERAL DENTISTRY.

Part C of title VII of the Public Health Service Act (42 U.S.C. 293 et seq.) is amended—

(1) in the part heading by striking ''PRIMARY HEALTH CARE'' and inserting ''FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, PHYSICIAN ASSISTANTS, AND GENERAL DENTISTRY'';

(2) by repealing section 746 and sections 748 through 752 (42 U.S.C. 293j and 293l through 293p); and

(3) in section 747 (42 U.S.C. 293k)—

(A) by striking the section heading and inserting the following:

"SEC. 747. FAMILY MEDICINE, GENERAL INTERNAL MEDICINE, GENERAL PEDIATRICS, PREVENTIVE MEDICINE, GENERAL DENTISTRY, AND PHYSICIAN ASSISTANTS.";

(B) in subsection (a)—

(i) in paragraph (1)—

(I) by inserting '', internal medicine, or pediatrics'' after ''family medicine''; and

(II) by inserting before the semicolon the following: ''that emphasizes training for the practice of family medicine, general internal medicine, or general pediatrics (as defined by the Secretary)'';

(ii) in paragraph (2), by inserting '', general internal medicine, or general pediatrics'' before the semicolon;

(iii) in paragraphs (3) and (4), by inserting '', general internal medicine (including geriatrics), or general pediatrics'' after ''family medicine'';

(iv) in paragraphs (3) and (4), by inserting ''(including geriatrics) after ''family medicine'';

(v) in paragraph (3), by striking ''and'' at the end thereof;

(vi) in paragraph (4), by striking the period and inserting a semicolon; and

(vii) by adding at the end thereof the following new paragraphs:

''(5) to meet the costs of projects to plan, develop, and operate or maintain programs for the training of physician assistants (as defined in section 799B), and for the training of individuals who will teach in programs to provide such training;

''(6) to meet the costs of projects—

''(A) to plan and develop new residency training programs and to maintain or improve existing residency training programs in preventive medicine, that have available full-time faculty members with training and experience in the fields of preventive medicine; and

''(B) to provide financial assistance to residency trainees enrolled in such programs; and

''(7) to meet the costs of planning, developing, or operating programs, and to provide financial assistance to residents in such programs, that would lead to a significantly greater ratio of participating individuals in such programs eventually entering practice in general dentistry in rural and medically underserved communities compared to the current ratio of all dentists nationally practicing general dentistry in rural and medically underserved communities.

For purposes of paragraph (7), entities eligible for such grants or contracts shall include entities that have programs in dental schools, approved residency programs in the general practice of dentistry, or approved advanced education programs in the general practice of dentistry. The Secretary may only fund programs under such paragraph if such programs provide a significant amount of care for underserved populations and other high-risk groups.'';

(C) in paragraphs (1) and (2)(A) of subsection (b), by inserting '', general internal medicine, or general pediatrics'' after ''family medicine'';

(D) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(E) by inserting after subsection (b), the following new subsection:

''(c) PRIORITY AND LIMITATION.—

''(1) PRIORITY.—With respect to programs for the training of interns or residents, the Secretary shall give priority in awarding grants under this section to qualified applicants that have a record of training the greatest percentage of providers, or that have demonstrated significant improvements in the percentage of providers, which enter and remain in primary care practice or general dentistry upon completion of their first period of training required to obtain initial board certification. Each program shall designate the primary care training or general dentistry positions that such program shall provide with grant funding to support and for which such program shall be held accountable regarding the primary care or general dentistry requirement set forth in this section.

''(2) LIMITATION.—With respect to programs for the training and education of medical students, the Secretary may only provide grants or contracts under this section to administrative units in general pediatrics or general internal medicine if a qualified administrative unit applicant demonstrates that its medical school has—

''(A) a mission statement that has a primary care medical education objective;

''(B) faculty role models and administrative units in primary care; and

''(C) required undergraduate ambulatory medical student clerkships in family medicine, internal medicine, and pediatrics.

Where a medical school does not have an administrative unit in family medicine, clerkships in family medicine shall not be required.''; and

(F) in subsection (e) (as so redesignated by subparagraph (D))—

(i) in paragraph (1), by striking ''$54,000,000'' and all that follows and inserting ''$76,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.''; and

(ii) in paragraph (2)—

(I) by striking ''20'' and inserting ''12''; and

(II) by inserting ''for family medicine academic administrative units'' after ''under subsection (b)''.

SEC. 103. ENHANCED HEALTH EDUCATION AND TRAINING.

Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended to read as follows:

"PART D—AREA HEALTH EDUCATION CENTERS

"SEC. 750. AREA HEALTH EDUCATION CENTERS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects which —

''(1) improve the recruitment, distribution, supply, quality, utilization, and efficiency of personnel providing health services in urban and rural areas and to populations that have demonstrated serious unmet health care need;

''(2) encourage the regionalization of educational responsibilities of the health professions schools;

''(3) are designed to prepare, through field placements, preceptorships, the conduct of or affiliation with community-based primary care residency programs, agreements with community-based organizations for the delivery of education and training in the health professions, and other programs, individuals to effectively provide health services in health professional shortage areas;

''(4) conduct health professions education and training activities consistent with national and State priorities, including geriatrics;

''(5) encourage health promotion and disease prevention activities;

''(6) conduct interdisciplinary training and practice involving other health professionals;

''(7) conduct continuing education programs for health professionals or coordinate with such programs; and

''(8) address other areas as determined appropriate by the Secretary.

''(b) OTHER ELIGIBLE PROGRAMS.—

''(1) GERIATRIC EDUCATION CENTERS.—The Secretary shall award grants or contracts under this section for the establishment or operation of geriatric education centers.

''(2) PUBLIC HEALTH TRAINING CENTERS.—

''(A) IN GENERAL.—The Secretary shall award grants or contracts under this section for the operation of public health training centers.

''(B) ELIGIBLE ENTITIES.—A public health training center shall be an accredited school of public health, or another public or nonprofit private institution accredited for the provision of graduate or specialized training in public health, that plans, develops, operates, and evaluates projects that are in furtherance of the goals established by the Secretary for the year 2000 in the areas of preventive medicine, health promotion and disease prevention, or improving access to and quality of health services in medically underserved communities.

''(C) CERTAIN REQUIREMENTS.—With respect to a public health training center, an award may not be made under subparagraph (A) unless the program agrees that it—

''(i) will establish or strengthen field placements for students in public or nonprofit private health agencies or organizations; and

''(ii) will involve faculty members and students in collaborative projects to enhance public health services to medically underserved communities.

''(c) ELIGIBLE ENTITIES.—As used in this part, the term 'eligible entities' means schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health or schools offering graduate programs in mental health practice or physician assistant training programs, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application.

''(d) GERIATRIC EDUCATION CENTERS.—A geriatric education center shall be an accredited health professions school or program that—

''(1) improves the training of health professionals in geriatrics, including geriatric residencies, traineeships, or fellowships;

''(2) develops and disseminates curricula relating to the treatment of the health problems of elderly individuals;

''(3) supports the training and retraining of faculty to provide instruction in geriatrics;

''(4) supports continuing education of health professionals who provide geriatric care; and

''(5) provides students with clinical training in geriatrics in nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers.

"SEC. 751. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this part, $43,000,000 for fiscal year 1996, such sums as may be necessary for each of the fiscal years 1997 and 1998, and $29,000,000 for fiscal year 1999.''.

SEC. 104. HEALTH PROFESSIONS WORKFORCE DEVELOPMENT.

(a) IN GENERAL.—Part E of title VII of the Public Health Service Act (42 U.S.C. 294n et seq.) is amended—

(1) in the part heading to read as follows:

"PART E—HEALTH PROFESSIONS WORKFORCE DEVELOPMENT";

(2) by redesignating section 776 (42 U.S.C. 294n) as section 761; and

(3) by striking sections 777 and 778 (42 U.S.C. 294o and 294p) and inserting the following new section:

"SEC. 762. HEALTH PROFESSIONS WORKFORCE DEVELOPMENT.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects to strengthen capacity for health professions education and practice.

''(b) ELIGIBLE APPLICANTS.—Applicants eligible to obtain funds under subsection (a) shall include schools of medicine, osteopathic medicine, dentistry, veterinary medicine, pharmacy, podiatric medicine, chiropractic medicine, optometry, public health, or allied health, graduate programs in mental health practice, physician assistant training programs, and other public and nonprofit private entities.

''(c) PRIORITY AREAS.—In awarding grants or contracts under subsection (a), the Secretary shall give priority to entities that will use amounts provided under such grants or contracts to enhance the education of health professionals for purposes of—

''(1) providing care for underserved populations and other high-risk groups;

''(2) increasing the number of individuals who are pursuing a course of study in a health professions field in which there is a severe shortage of health professionals;

''(3) conducting health professions research and data collection; and

''(4) carrying out other activities in areas determined appropriate by the Secretary.

''(d) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $16,000,000 for fiscal year 1996, and such sums as may be necessary for each of the fiscal years 1997 through 1999.

''(2) RESERVATION.—Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall reserve not less than $2,000,000 for conducting health professions research and for carrying out data collection and analysis in accordance with section 792.''.

(b) HEALTH PROFESSIONS DATA.—The second sentence of section 792(a) of the Public Health Service Act (42 U.S.C. 295k(a)) is amended—

(1) by striking ''is authorized to'' and inserting ''shall''; and

(2) by inserting ''clinical social workers,'' after ''clinical psychologists,''.

(c) COUNCIL ON GRADUATE MEDICAL EDUCATION.—Section 301 of the Health Professions Education Extension Amendments of 1992 (Public Law 102-408) is amended—

(1) in subsection (j), by striking ''1995'' and inserting ''1999'';

(2) in subsection (k), by striking ''1995'' and inserting ''1999'';

(3) by adding at the end thereof the following new subsection:

''(l) FUNDING.—Amounts otherwise appropriated under this title may be utilized by the Secretary to support the activities of the Council.'';

(4) by transferring such section to part E of title VII of the Public Health Service Act (as amended by subsection (a));

(5) by redesignating such section as section 763; and

(6) by inserting such section after section 762.

SEC. 105. GENERAL PROVISIONS.

(a) IN GENERAL.—

(1) Part F of title VII of the Public Health Service Act (42 U.S.C. 295 et seq.) is repealed.

(2) Part G of title VII of the Public Health Service Act (42 U.S.C. 295j et seq.) is amended—

(A) by redesignating such part as part F;

(B) in section 791 (42 U.S.C. 295j)—

(i) by striking subsection (b); and

(ii) redesignating subsection (c) as subsection (b);

(C) by repealing section 793 (42 U.S.C. 295l);

(D) by repealing section 798;

(E) by redesignating section 799 as section 799B; and

(F) by inserting after section 794, the following new sections:

"SEC. 796. APPLICATION.

''(a) IN GENERAL.—To be eligible to receive a grant or contract under this title, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

''(b) PLAN.—An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this title. Such plan shall be consistent with relevant Federal, State, or regional program plans.

''(c) PERFORMANCE OUTCOME STANDARDS.—An application submitted under this section shall contain a specification by the applicant entity of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant health workforce needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

''(d) LINKAGES.—An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish.

"SEC. 797. USE OF FUNDS.

''(a) IN GENERAL.—Amounts provided under a grant or contract awarded under this title may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, and dissemination of information,

as appropriate to meet recognized health workforce objectives, in accordance with this title.

''(b) MAINTENANCE OF EFFORT.—With respect to activities for which a grant awarded under this title is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.

''SEC. 798. MATCHING REQUIREMENT.

''The Secretary may require that an entity that applies for a grant or contract under this title provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. As determined by the Secretary, such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

''SEC. 799. GENERALLY APPLICABLE PROVISIONS.

''(a) AWARDING OF GRANTS AND CONTRACTS.—The Secretary shall ensure that grants and contracts under this title are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet health workforce goals and in accordance with this title. Contracts may be entered into under this title with public or private entities as may be necessary.

''(b) INFORMATION REQUIREMENTS.—Recipients of grants and contracts under this title shall meet information requirements as specified by the Secretary.

''(c) TRAINING PROGRAMS.—Training programs conducted with amounts received under this title shall meet applicable accreditation and quality standards.

''(d) DURATION OF ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this title, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

''(2) LIMITATION.—In the case of an award to an entity of a grant, cooperative agreement, or contract under this title, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this title that relates to the period during which payments may be made under the award.

''(e) PEER REVIEW REGARDING CERTAIN PROGRAMS.—Each application for a grant under this title, except any scholarship or loan program, including those under sections 701, 721, or 723, shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval. Each peer review group under this subsection shall be composed principally of individuals who are not officers or employees of the Federal Government. This subsection shall be carried out by the Secretary acting through the Administrator of the Health Resources and Services Administration.

''(f) PREFERENCE OR PRIORITY CONSIDERATIONS.—In considering a preference or priority for funding which is based on outcome measures for an eligible entity under this title, the Secretary may also consider the future ability of the eligible entity to meet the outcome preference or priority through improvements in the eligible entity's program design.

''SEC. 799A. TECHNICAL ASSISTANCE.

''Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.''.

SEC. 106. PREFERENCE IN CERTAIN PROGRAMS.

(a) IN GENERAL.—Section 791 of the Public Health Service Act (42 U.S.C. 295j), as amended by section 105(a)(2)(B), is further amended by adding at the end thereof the following subsection:

''(c) EXCEPTIONS FOR NEW PROGRAMS.—

''(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

''(2) DEFINITION.—As used in this subsection, the term 'new program' means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

''(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

''(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

''(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

''(C) Substantial clinical training experience is required under the program in medically underserved communities.

''(D) A minimum of 20 percent of the clinical faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

''(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

''(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

''(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.''.

(b) CONFORMING AMENDMENTS.—Section 791(a) of the Public Health Service Act (42 U.S.C. 295j(a)) is amended—

(1) in paragraph (1), by striking ''sections 747'' and all that follows through ''767'' and inserting ''sections 747 and 750''; and

(2) in paragraph (2), by striking ''under section 798(a)''.

SEC. 107. DEFINITIONS.

(a) PROFESSIONAL PSYCHOLOGY.—Section 799B(1)(B) of the Public Health Service Act (42 U.S.C. 295p(1)(B)) (as so redesignated by section 105(a)(2)(E)) is amended by striking ''program in clinical psychology'' and inserting ''graduate programs in professional psychology''.

(b) MEDICALLY UNDERSERVED COMMUNITY.—Section 799B(6) of the Public Health Service Act (42 U.S.C. 295p(6)) (as so redesignated by section 105(a)(2)(E)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end thereof;

(2) in subparagraph (C), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

''(D) is a State or local health department that has a severe shortage of public health personnel as determined under criteria established by the Secretary;

''(E) has ambulatory practice sites designated by State Governors as shortage areas or medically underserved communities for purposes of State scholarships or loan repayment or related programs; or

''(F) has practices or facilities in which not less than 50 percent of the patients are recipients of aid under title XIX of the Social Security Act or eligible and uninsured.''.

(c) PROGRAMS FOR THE TRAINING OF PHYSICIAN ASSISTANTS.—Paragraph (3) of section 799B of the Public Health Service Act (42 U.S.C. 295p) (as so redesignated by section 105(a)(2)(E)) is amended to read as follows:

''(3) The term 'program for the training of physician assistants' means an educational program that—

''(A) has as its objective the education of individuals who will, upon completion of their studies in the program, be qualified to provide primary care under the supervision of a physician;

''(B) extends for at least one academic year and consists of—

''(i) supervised clinical practice; and

''(ii) at least four months (in the aggregate) of classroom instruction, directed toward preparing students to deliver health care;

''(C) has an enrollment of not less than eight students; and

''(D) trains students in primary care, disease prevention, health promotion, geriatric medicine, and home health care.''.

SEC. 108. SAVINGS PROVISION.

In the case of any authority for making awards of grants or contracts that is terminated by the amendments made by this subtitle, the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act, subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

Subtitle B—Nursing Education

SEC. 121. SHORT TITLE.

This title may be cited as the ''Nursing Education Consolidation and Reauthorization Act of 1996''.

SEC. 122. PURPOSE.

It is the purpose of this title to restructure the nurse education authorities of title VIII of the Public Health Service Act to permit a comprehensive, flexible, and effective approach to Federal support for nursing workforce development.

SEC. 123. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.

Title VIII of the Public Health Service Act (42 U.S.C. 296k et seq.) is amended—

(1) by striking the title heading and all that follows except for subparts II and III of part B and section 855; and inserting the following:

''TITLE VIII—NURSING WORKFORCE DEVELOPMENT'';

(2) by redesignating subpart III of part B as subpart II;

(3) in subpart II of part B, by striking the subpart heading and inserting the following:

''PART E—STUDENT LOANS

''Subpart I—General Program'';

(4) by striking section 837;

(5) by inserting after the title heading the following new parts:

"PART A—GENERAL PROVISIONS

"SEC. 801. DEFINITIONS.

''As used in this title:

''(1) ELIGIBLE ENTITIES.—The term 'eligible entities' means schools of nursing, nursing centers, State or local governments, and other public or nonprofit private entities determined appropriate by the Secretary that submit to the Secretary an application in accordance with section 802.

''(2) SCHOOL OF NURSING.—The term 'school of nursing' means a collegiate, associate degree, or diploma school of nursing in a State.

''(3) COLLEGIATE SCHOOL OF NURSING.—The term 'collegiate school of nursing' means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.

''(4) ASSOCIATE DEGREE SCHOOL OF NURSING.—The term 'associate degree school of nursing' means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

''(5) DIPLOMA SCHOOL OF NURSING.—The term 'diploma school of nursing' means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

''(6) ACCREDITED.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.

''(B) NEW PROGRAMS.—A new school of nursing that, by reason of an insufficient period of operation, is not, at the time of the submission of an application for a grant or contract under this title, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of this title if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students of the first entering class in such school.

''(7) NONPROFIT.—The term 'nonprofit' as applied to any school, agency, organization, or institution means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

''(8) STATE.—The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

"SEC. 802. APPLICATION.

''(a) IN GENERAL.—To be eligible to receive a grant or contract under this title, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

''(b) PLAN.—An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this title. Such plan shall be consistent with relevant Federal, State, or regional program plans.

''(c) PERFORMANCE OUTCOME STANDARDS.—An application submitted under this section shall contain a specification by the applicant entity of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant national nursing needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

''(d) LINKAGES.—An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish.

"SEC. 803. USE OF FUNDS.

''(a) IN GENERAL.—Amounts provided under a grant or contract awarded under this title may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, and dissemination of information, as appropriate to meet recognized nursing objectives, in accordance with this title.

''(b) MAINTENANCE OF EFFORT.—With respect to activities for which a grant awarded under this title is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.

"SEC. 804. MATCHING REQUIREMENT.

''The Secretary may require that an entity that applies for a grant or contract under this title provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

"SEC. 805. PREFERENCE.

''In awarding grants or contracts under this title, the Secretary shall give preference to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

"SEC. 806. GENERALLY APPLICABLE PROVISIONS.

''(a) AWARDING OF GRANTS AND CONTRACTS.—The Secretary shall ensure that grants and contracts under this title are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet national nursing service goals and in accordance with this title. Contracts may be entered into under this title with public or private entities as determined necessary by the Secretary.

''(b) INFORMATION REQUIREMENTS.—Recipients of grants and contracts under this title shall meet information requirements as specified by the Secretary.

''(c) TRAINING PROGRAMS.—Training programs conducted with amounts received under this title shall meet applicable accreditation and quality standards.

''(d) DURATION OF ASSISTANCE.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this title, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

''(2) LIMITATION.—In the case of an award to an entity of a grant, cooperative agreement, or contract under this title, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this title that relates to the period during which payments may be made under the award.

''(e) PEER REVIEW REGARDING CERTAIN PROGRAMS.—Each application for a grant under this title, except advanced nurse traineeship grants under section 811(a)(2), shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval. Each peer review group under this subsection shall be composed principally of individuals who are not officers or employees of the Federal Government. This subsection shall be carried out by the Secretary acting through the Administrator of the Health Resources and Services Administration.

"SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDUCATION AND PRACTICE.

''(a) ESTABLISHMENT.—There is hereby established a National Advisory Council on Nurse Education and Practice (in this section referred to as the 'Council'), consisting of the Secretary or the delegate of the Secretary (who shall be an ex officio member and shall serve as the Chairperson), and 15 members appointed by the Secretary without regard to the Federal civil service laws, of which—

''(1) 2 shall be selected from full-time students enrolled in schools of nursing;

''(2) 3 shall be selected from the general public;

''(3) 2 shall be selected from practicing professional nurses; and

''(4) 8 shall be selected from among the leading authorities in the various fields of nursing, higher, and secondary education, and from representatives of hospitals and other institutions and organizations which provide nursing services.

A majority of the members shall be nurses. The student-members of the Council shall be appointed for terms of one year and shall be eligible for reappointment to the Council.

''(b) DUTIES.—The Council shall advise the Secretary in the preparation of general regulations and with respect to policy matters

arising in the administration of this title, including the range of issues relating to nurse supply, education and practice improvement.

''(c) FUNDING.—Amounts appropriated under this title may be utilized by the Secretary to support the nurse education and practice activities of the Council.

''SEC. 808. TECHNICAL ASSISTANCE.

''Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.

''SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.

''(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under subpart I of part A (as such subpart was in effect on September 30, 1985)—

''(1) the owner of the facility ceases to be a public or nonprofit school;

''(2) the facility ceases to be used for the training purposes for which it was constructed; or

''(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

''(b) NOTICE OF CHANGE IN STATUS.—The owner of a facility which ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or the owner of a facility the use of which changes as described in paragraph (2) or (3) of such subsection shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of the Health Professions Training Assistance Act of 1985, whichever is later.

''(c) AMOUNT OF RECOVERY.—

''(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction.

''(2) INTEREST.—

''(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of 91-day Treasury bills auctioned during such period.

''(B) TIME PERIOD.—The period referred to in subparagraph (A) is the period beginning—

''(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit school as described in paragraph (1) of subsection (a), or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of such subsection; or

''(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

''(d) WAIVER OF RIGHTS.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

''(e) LIMITATION ON LIENS.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.

''PART B—NURSE PRACTITIONERS, NURSE MIDWIVES, AND OTHER ADVANCED PRACTICE NURSES

''SEC. 811. ADVANCED PRACTICE NURSING GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities to meet the costs of—

''(1) projects that support the enhancement of advanced practice nursing education and practice; and

''(2) traineeships for individuals in advanced practice nursing programs.

''(b) DEFINITION OF ADVANCED PRACTICE NURSES.—For purposes of this section, the term 'advanced practice nurses' means nurses trained in advanced degree programs including individuals in combined R.N./Master's degree programs, post-nursing master's certificate programs, or, in the case of nurse midwives or nurse anesthetists, in certificate programs in existence on the date that is one day prior to the date of enactment of this section, to serve as nurse practitioners, nurse midwives, nurse anesthetists, nurse educators, or public health nurses, or in other nurse specialties determined by the Secretary to require advanced education.

''(c) AUTHORIZED NURSE PRACTITIONER AND NURSE-MIDWIFERY PROGRAMS.—Nurse practitioner and nurse midwifery programs eligible for support under this section are educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) that—

''(1) meet guidelines prescribed by the Secretary; and

''(2) have as their objective the education of nurses who will upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities and other health care institutions.

''(d) OTHER AUTHORIZED EDUCATIONAL PROGRAMS.—The Secretary shall prescribe guidelines as appropriate for other advanced practice nurse education programs eligible for support under this section.

''(e) TRAINEESHIPS.—

''(1) IN GENERAL.—The Secretary may not award a grant to an applicant under subsection (a) unless the applicant involved agrees that traineeships provided with the grant will only pay all or part of the costs of—

''(A) the tuition, books, and fees of the program of advanced nursing practice with respect to which the traineeship is provided; and

''(B) the reasonable living expenses of the individual during the period for which the traineeship is provided.

''(2) DOCTORAL PROGRAMS.—The Secretary may not obligate more than 10 percent of the traineeships under subsection (a) for individuals in doctorate degree programs.

''(3) SPECIAL CONSIDERATION.—In making awards of grants and contracts under subsection (a)(2), the Secretary shall give special consideration to an eligible entity that agrees to expend the award to train advanced practice nurses who will practice in health professional shortage areas designated under section 332.

''PART C—INCREASING NURSING WORKFORCE DIVERSITY

''SEC. 821. WORKFORCE DIVERSITY GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities to meet the costs of special projects to increase nursing education opportunities for individuals who are from disadvantaged backgrounds (including racial and ethnic minorities underrepresented among registered nurses) by providing student scholarships or stipends, pre-entry preparation, and retention activities.

''(b) GUIDANCE.—In carrying out subsection (a), the Secretary shall take into consideration the recommendations of the First and Second Invitational Congresses for Minority Nurse Leaders on 'Caring for the Emerging Majority,' in 1992 and 1993, and consult with nursing associations including the American Nurses Association, the National League for Nursing, the American Association of Colleges of Nursing, the Black Nurses Association, the Association of Hispanic Nurses, the Association of Asian American and Pacific Islander Nurses, the National Nurses Association, and the Native American Indian and Alaskan Nurses Association.

''(c) REQUIRED INFORMATION AND CONDITIONS FOR AWARD RECIPIENTS.—

''(1) IN GENERAL.—Recipients of awards under this section may be required, where requested, to report to the Secretary concerning the annual admission, retention, and graduation rates for ethnic and racial minorities in the school or schools involved in the projects.

''(2) FALLING RATES.—If any of the rates reported under paragraph (1) fall below the average of the two previous years, the grant or contract recipient shall provide the Secretary with plans for immediately improving such rates.

''(3) INELIGIBILITY.—A recipient described in paragraph (2) shall be ineligible for continued funding under this section if the plan of the recipient fails to improve the rates within the 1-year period beginning on the date such plan is implemented.

''PART D—STRENGTHENING CAPACITY FOR BASIC NURSE EDUCATION AND PRACTICE

''SEC. 831. BASIC NURSE EDUCATION AND PRACTICE GRANTS.

''(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects to strengthen capacity for basic nurse education and practice.

''(b) PRIORITY AREAS.—In awarding grants or contracts under this section the Secretary shall give priority to entities that will use amounts provided under such a grant or contract to enhance the education mix and utilization of the basic nursing workforce by strengthening programs that provide basic nurse education for purposes of—

''(1) improving nursing services in schools and other community settings;

''(2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV–AIDS, substance abusers, homeless, and battered women;

''(3) providing managed care, quality improvement, and other skills needed under new systems of organized health care systems;

''(4) developing cultural competencies among nurses;

''(5) providing emergency health services;

''(6) promoting career mobility for nursing personnel in a variety of training settings and cross training or specialty training among diverse population groups; or

''(7) other priority areas as determined by the Secretary.

''PART F—AUTHORIZATION OF APPROPRIATIONS

''SEC. 841. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out sections 811, 821, and 831,

$62,000,000 for fiscal year 1996, such sums as may be necessary in each of the fiscal years 1997 and 1998, and $59,000,000 for fiscal year 1999.''; and

(6) by redesignating section 855 as section 810, and transferring such section so as to appear after section 809 (as added by the amendment made by paragraph (5)).

SEC. 124. SAVINGS PROVISION.

In the case of any authority for making awards of grants or contracts that is terminated by the amendment made by section 123, the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act, subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

Subtitle C—Financial Assistance

PART 1—NATIONAL HEALTH SERVICE CORPS FINANCIAL ASSISTANCE PROGRAMS

SEC. 131. GENERAL AMENDMENTS WITH RESPECT TO FEDERALLY SUPPORTED LOANS.

(a) LOAN REPAYMENT PROGRAM.—Section 338B of the Public Health Service Act (42 U.S.C. 254l-1) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''and public health disease prevention and health promotion activities'' before the dash; and

(B) in paragraph (1), by striking ''and physician assistants'' and inserting ''physician assistants, and public health professionals'';

(2) in subsection (b)(1)—

(A) in subparagraph (A), by inserting ''public health,'' after ''dentistry,'';

(B) in subparagraph (B), by inserting ''public health,'' after ''dentistry,''; and

(C) in subparagraph (C), by inserting ''public health,'' after ''dentistry,'';

(3) in subsection (c)(4)—

(A) in subparagraph (A), by inserting ''and schools of public health'' after ''professions schools'';

(B) in subparagraph (B)(i)—

(i) by inserting ''or public health professional'' after ''any health professional''; and

(ii) by inserting ''or public health disease prevention and health promotion activities'' before the period;

(C) in subparagraph (C)—

(i) by inserting ''or public health disease prevention and health promotion activities,'' after ''primary health services,'';

(ii) by inserting ''or public health professions'' after ''health professions''; and

(iii) by inserting ''or public health professionals'' after ''health professionals'' each place that such occurs;

(4) in subsection (f)(1)(B)(iv), by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services'';

(5) in subsection (g)(2)(A)(iii)—

(A) by inserting ''or public health professional'' after ''the health professional''; and

(B) by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services''; and

(6) in subsection (i)(8), —

(A) by inserting ''or public health professionals'' after ''health professionals''; and

(B) by inserting ''or public health disease prevention and health promotion activities'' after ''primary health services''.

(b) OBLIGATED SERVICE.—Section 338C(b)(5) of the Public Health Service Act (42 U.S.C. 254m(b)(5)) is amended—

(1) in subparagraph (A), by inserting ''public health,'' after ''dentistry,''; and

(2) in subparagraph (E)—

(A) in clause (ii), by inserting ''public health,'' after ''dentistry,''; and

(B) in clause (iii), by inserting ''public health,'' after ''dentistry,''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 338H of the Public Health Service Act (42 U.S.C. 254q) is amended to read as follows:

''SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.

''(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated $90,000,000 for fiscal year 1996 and such sums as may be necessary for each of the fiscal years 1997 through 2000.

''(b) DISTRIBUTION OF AMOUNTS.—The Secretary shall determine the most appropriate manner in which to allocate amounts appropriated under subsection (a) between the programs authorized in chapter 1, chapter 2, and chapter 3. In determining the manner in which to allocate such amounts, the Secretary shall give priority to funding State-based programs as appropriate under chapter 3. The Secretary shall distribute such amounts among the various programs in such chapters in a manner which furthers both Federal and State needs for health professionals in underserved areas.''.

(d) GRANTS FOR LOAN REPAYMENT PROGRAM.—Section 338I of the Public Health Service Act (42 U.S.C. 254q–1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''in health professional shortage areas'' and inserting ''or public health disease prevention and health promotion activities in Federal health professional shortage areas or approved State designated health professional shortage areas''; and

(B) in paragraph (2)—

(i) by inserting ''or public health professionals'' after ''health professionals''; and

(ii) by striking ''in health professional shortage areas'' and inserting ''or public health disease prevention and health promotion activities in Federal health professional shortage areas or approved State designated health professional shortage areas'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the paragraph heading, by striking ''FEDERAL'' and inserting ''FEDERAL OR APPROVED STATE''; and

(ii) by inserting before the period the following: ''or approved State designated health professional shortage areas'';

(B) in paragraph (2), by inserting ''or public health professionals'' after ''health professionals'';

(C) in paragraph (3)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by inserting ''or public health professionals'' after ''health professionals''; and

(II) in clause (ii), by striking health'';

(ii) in subparagraph (B)—

(I) in the matter preceding clause (i), by inserting ''or public health professional'' after ''health professional''; and

(II) in clause (ii)—

(aa) by inserting ''or public health professional'' after ''the health professional''; and

(bb) by striking ''services in a'' and inserting ''services or public health disease prevention and health promotion activities in a Federal''; and

(D) by adding at the end thereof the following new paragraph:

''(4) PRIVATE PRACTICE.—

''(A) In carrying out the program operated with a grant under subsection (a), a State may waive the requirement of paragraph (1) regarding the assignment of a health professional if, subject to subparagraph (B), the health professional enters into an agreement with the State to provide primary health services in a full-time private clinical practice in a health professional shortage area.

''(B) The Secretary may not make a grant under subsection (a) unless the State involved agrees that, if the State provides a waiver under subparagraph (A) for a health professional, section 338D(b)(1) will apply to the agreement under such subparagraph between the State and the health professional to the same extent and in the same manner as such section applies to an agreement between the Secretary and a health professional regarding a full-time private clinical practice.''; and

(3) in subsection (h), to read as follows:

''(h) DEFINITIONS.—Unless specifically provided otherwise, as used in this subpart and section 338F:

''(1) APPROVED STATE DESIGNATED HEALTH PROFESSIONAL SHORTAGE AREA.—The term 'approved State designated health professional shortage area' means an area designated by the State as underserved using specific methodology and criteria to identify such areas. Such criteria and methodology shall be approved by the Secretary.

''(2) COMMUNITY ORGANIZATION.—The term 'community organization' means a public or nonprofit private entity.

''(3) PRIMARY HEALTH CARE.—The term 'primary health care' means health services regarding family medicine, general internal medicine, general pediatrics, dentistry, or may include obstetrics and gynecology, that are provided by physicians, dentists, certified nurse practitioners, certified nurse midwives, or physician assistants.

''(4) STATE.—The term 'State' means each of the several States and the District of Columbia.''.

(e) COMMUNITY SCHOLARSHIP PROGRAMS.—Section 338L of the Public Health Service Act (42 U.S.C. 254t) is amended—

(1) in the section heading, by striking ''demonstration grants to states for'';

(2) in subsection (a), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(3) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas''; and

(B) in paragraph (2), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(4) in subsection (e)(1), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(5) in subsection (f)(1)(A), by striking ''health manpower shortage areas'' and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas'';

(6) in subsection (g), by striking ''health manpower shortage areas'' each place that such appears and inserting ''Federal health professional shortage areas and in approved State designated health professional shortage areas''; and

(7) by striking subsections (j) through (l).

SEC. 132. RESTRUCTURING AND TECHNICAL AMENDMENTS.

(a) REDESIGNATIONS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) is amended—

(1) by redesignating sections 338J and 338K (42 U.S.C. 254s and 254t) as sections 338M and 338N, respectively;

(2) by redesignating sections 338C through 338H (42 U.S.C. 254m through 254q) as sections 338G through 338L, respectively;

(3) by redesignating section 338I (as such section exists one day prior to the date of enactment of this Act) (42 U.S.C. 254r) as section 338E;

(4) by redesignating section 338L (as such section exists one day prior to the date of enactment of this Act) (42 U.S.C. 254u) as section 338F;

(b) CONSOLIDATION OF CERTAIN PROGRAMS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) (as amended by subsection (a)) is further amended—

(1) by striking the subpart heading and inserting the following:

"Subpart III—Federally Supported Scholarships and Loans

"CHAPTER 1—NATIONAL HEALTH SERVICE CORPS SCHOLARSHIPS PROGRAMS"

(2) by redesignating section 338B as section 338C;

(3) by inserting before section 338C (as so redesignated) the following:

"CHAPTER 2—NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAMS

"Subchapter A—Loan Repayment Program";

and

(4) by inserting after section 338C (as so redesignated) the following:

"Subchapter B—Nursing Loan Repayment Program".

(c) TRANSFERS AND REDESIGNATIONS OF NURSING LOAN REPAYMENT PROGRAM.—Subpart II of part E of title VIII (42 U.S.C. 297n et seq.) (as so redesignated by section 123(3)) is amended—

(1) by striking the subpart heading;

(2) by transferring section 846 (42 U.S.C. 297n) to subchapter B of chapter 2 of subpart III of part D of title III (as added by subsection (b)(4)); and

(3) in section 846—

(A) by striking the section heading and inserting the following:

"SEC. 338D. NURSING LOAN REPAYMENT PROGRAM.";

(B) by striking subsection (d); and

(C) by striking subsection (g).

(d) TRANSFERS AND REDESIGNATIONS OF STATE LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PROGRAMS.—Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) (as amended by subsections (a) through (c)) is further amended—

(1) by inserting after section 338D (as so transferred and redesignated by subsection (c)(3)) the following:

"CHAPTER 3—STATE LOAN REPAYMENT AND COMMUNITY SCHOLARSHIP PROGRAMS

"Subchapter A—State Loan Repayment Programs";

(2) by transferring section 338E (as so redesignated by subsection (a)(3)) to subchapter A of chapter 3 of such subpart (as added by paragraph (1));

(3) by inserting after section 338E (as transferred by paragraph (2)) the following:

"Subchapter B—Community Scholarship Programs";

(4) by transferring section 338F (as so redesignated by subsection (a)(4)) to subchapter B of chapter 3 of such subpart (as added by paragraph (3)); and

(5) by inserting after section 338F (as transferred by paragraph (4)) the following:

"CHAPTER 4—GENERAL PROVISIONS".

(e) CLINICAL RESEARCHERS.—Paragraph (3) of section 487E(a) of the Public Health Service Act (42 U.S.C. 288–5(a)(3)) is amended to read as follows:

"(3) APPLICABILITY OF CERTAIN PROVISIONS REGARDING OBLIGATED SERVICE.—With respect to the National Health Service Corps loan repayment program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with this section, apply to the program established in subsection (a) in the same manner and to the same extent as such provisions apply to the National Health Service Corps loan repayment programs.".

SEC. 133. DEFINITION OF UNDERSERVED AREAS.

Section 332(a)(1) of the Public Health Service Act (42 U.S.C. 254e(a)(1)) is amended in the first sentence—

(1) by striking ", or (C)" and inserting ", (C)"; and

(2) by inserting before the period the following: ", or (D) a State or local health department that has a severe shortage of public health personnel as determined under criteria established by the Secretary".

SEC. 134. CONFORMING AMENDMENTS.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended—

(1) in subparagraphs (A) and (B) of section 303(d)(4) (42 U.S.C. 242a(d)(4)(A) and (B)), by striking "338C or 338D" each place that such occurs and inserting "338G or 338H";

(2) in section 331(c) (42 U.S.C. 254d(c)), by striking "338D" and inserting "338H";

(3) in section 337(a) (42 U.S.C. 254j(a)), by striking "338G" and inserting "338K";

(4) in 338A (42 U.S.C. 254l)—

(A) in subsection (c)(1)—

(i) in subparagraph (A), by striking "338D" and inserting "338I"; and

(ii) in subparagraph (B), by striking "338C" and inserting "338H";

(B) in subsection (f)(3), by striking "338D" and inserting "338I"; and

(C) in subsection (i)(5)—

(i) in subparagraph (A), by striking "338E" and inserting "338I"; and

(ii) in subparagraph (B)(ii), by striking "338E" and inserting "338I";

(5) in section 338C (as so redesignated) (42 U.S.C. 254l-1)—

(A) in subsection (c)(1)—

(i) in subparagraph (A), by striking "338E" and inserting "338I"; and

(ii) in subparagraph (B), by striking "338D" and inserting "338H";

(B) in subsection (f)(1)(B)(iv), by striking "338D" and inserting "338H";

(C) in subsection (f)(4), by striking "338E" and inserting "338I"; and

(D) in subsection (i)(7)—

(i) in subparagraph (A), by striking "338E" and inserting "338I"; and

(ii) in subparagraph (B)(ii), by striking "338E" and inserting "338I";

(6) in section 338E(d)(1)(C) (as so redesignated by section 132), by striking "338J" and inserting "338M";

(7) in section 338G (as so redesignated by section 132)—

(A) in subsection (a)—

(i) by striking "338D" and inserting "338H"; and

(ii) by striking "338B" and inserting "338C"; and

(B) in subsection (c)(2), by striking "338D" and inserting "338H";

(8) in section 338H (as so redesignated by section 132)—

(A) in subsection (a), by striking "338C" and inserting "338G"; and

(B) in subsection (c), by striking "338B" and inserting "338C";

(9) in section 338I (as so redesignated by section 132)—

(A) in subsection (b)(1)(A)—

(i) by striking "338F" and inserting "338J";

(ii) by striking "338C or 338D" and inserting "338G or 338H";

(iii) by striking "338C" and inserting "338G"; and

(iv) by striking "338D" and inserting "338H"; and

(B) in subsection (c)(1)—

(i) by striking "338F" and inserting "338K";

(ii) by striking "338B" and inserting "338C"; and

(iii) by striking "338C or 338D" and inserting "338G or 338H";

(10) in section 338J(b) (as so redesignated by section 132)—

(A) in paragraph (1)—

(i) by striking "338E" and inserting "338I"; and

(ii) by striking "338B" and inserting "338C"; and

(B) in paragraph (2), by striking "338I" and inserting "338E";

(11) in section 338K (as so redesignated by section 132)—

(A) in subsection (a)(2), by striking "338D" and inserting "338H"; and

(B) in subsection (d)(1), by striking "338E" and inserting "338I"; and

(12) in section 338M(e)(1)(B)(ii)(III) (as so redesignated by section 132), by striking "338I" and inserting "338E".

PART 2—SCHOOL-BASED REVOLVING LOAN FUNDS

SEC. 135. PRIMARY CARE LOAN PROGRAM.

(a) REQUIREMENT FOR SCHOOLS.—Section 723(b)(1) of the Public Health Service Act (42 U.S.C. 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of Public Law 103–43 (107 Stat. 216), is amended by striking "3 years before" and inserting "4 years before".

(b) SERVICE REQUIREMENT FOR PRIMARY CARE LOAN BORROWERS.—Section 723(a) of the Public Health Service Act (42 U.S.C. 292s(a)) is amended in subparagraph (B) of paragraph (1), by striking "through the date on which the loan is repaid in full" and inserting "for 5 years after completing the residency program".

(c) REPORT REQUIREMENT.—Section 723 of the Public Health Service Act (42 U.S.C. 292s) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

SEC. 136. LOANS FOR DISADVANTAGED STUDENTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 724(f)(1) of the Public Health Service Act (42 U.S.C. 292t(f)(1)) is amended by striking "$15,000,000 for fiscal year 1993" and inserting "$8,000,000 for each of the fiscal years 1996 through 1998".

(b) REPEAL.—Effective October 1, 1998, paragraph (1) of section 724(f) of the Public Health Service Act (42 U.S.C. 292t(f)(1)) is repealed.

SEC. 137. STUDENT LOANS REGARDING SCHOOLS OF NURSING.

(a) IN GENERAL.—Section 836(b) of the Public Health Service Act (42 U.S.C. 297b(b)) is amended—

(1) in paragraph (1), by striking the period at the end and inserting a semicolon;

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "and" at the end; and

(B) by inserting before the semicolon at the end the following: ", and (C) such additional periods under the terms of paragraph (8) of this subsection";

(3) in paragraph (7), by striking the period at the end and inserting "; and"; and

(4) by adding at the end the following paragraph:

''(8) pursuant to uniform criteria established by the Secretary, the repayment period established under paragraph (2) for any student borrower who during the repayment period failed to make consecutive payments and who, during the last 12 months of the repayment period, has made at least 12 consecutive payments may be extended for a period not to exceed 10 years.''.

(b) MINIMUM MONTHLY PAYMENTS.—Section 836(g) of the Public Health Service Act (42 U.S.C. 297b(g)) is amended by striking ''$15'' and inserting ''$40''.

(c) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

(1) IN GENERAL.—Section 836 of the Public Health Service Act (42 U.S.C. 297b) is amended by adding at the end the following new subsection:

''(l) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

''(1) PURPOSE.—It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

''(2) PROHIBITION.—Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school of nursing that has an agreement with the Secretary pursuant to section 835 that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to actions pending on or after the date of enactment of this Act.

(d) BREACH OF AGREEMENTS.—Section 338D of the Public Health Service Act (as so redesignated and amended under section 132(c)) is amended by adding at the end thereof the following new subsection:

''(g) BREACH OF AGREEMENT.—

''(1) IN GENERAL.—In the case of any program under this section under which an individual makes an agreement to provide health services for a period of time in accordance with such program in consideration of receiving an award of Federal funds regarding education as a nurse (including an award for the repayment of loans), the following applies if the agreement provides that this subsection is applicable:

''(A) In the case of a program under this section that makes an award of Federal funds for attending an accredited program of nursing (in this section referred to as a 'nursing program'), the individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual—

''(i) fails to maintain an acceptable level of academic standing in the nursing program (as indicated by the program in accordance with requirements established by the Secretary);

''(ii) is dismissed from the nursing program for disciplinary reasons; or

''(iii) voluntarily terminates the nursing program.

''(B) The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program under this section for the period of time applicable under the program.

''(2) WAIVER OR SUSPENSION OF LIABILITY.—In the case of an individual or health facility making an agreement for purposes of paragraph (1), the Secretary shall provide for the waiver or suspension of liability under such subsection if compliance by the individual or the health facility, as the case may be, with the agreements involved is impossible, or would involve extreme hardship to the individual or facility, and if enforcement of the agreements with respect to the individual or facility would be unconscionable.

''(3) DATE CERTAIN FOR RECOVERY.—Subject to paragraph (2), any amount that the Federal Government is entitled to recover under paragraph (1) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

''(4) AVAILABILITY.—Amounts recovered under paragraph (1) with respect to a program under this section shall be available for the purposes of such program, and shall remain available for such purposes until expended.''.

(e) TECHNICAL AMENDMENTS.—Section 839 of the Public Health Service Act (42 U.S.C. 297e) is amended—

(1) in subsection (a)—

(A) by striking the matter preceding paragraph (1) and inserting the following:

''(a) If a school terminates a loan fund established under an agreement pursuant to section 835(b), or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:''; and

(B) in paragraph (1), by striking ''at the close of September 30, 1999,'' and inserting ''on the date of termination of the fund''; and

(2) in subsection (b), to read as follows:

''(b) If a capital distribution is made under subsection (a), the school involved shall, after such capital distribution, pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school in payment of principal or interest on loans made from the loan fund established under section 835(b) as determined by the Secretary under subsection (a).''.

SEC. 138. GENERAL PROVISIONS.

(a) MAXIMUM STUDENT LOAN PROVISIONS AND MINIMUM PAYMENTS.—

(1) IN GENERAL.—Section 722(a)(1) of the Public Health Service Act (42 U.S.C. 292r(a)(1)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''the sum of'' and all that follows through the end thereof and inserting ''the cost of attendance (including tuition, other reasonable educational expenses, and reasonable living costs) for that year at the educational institution attended by the student (as determined by such educational institution).''.

(2) THIRD AND FOURTH YEARS.—Section 722(a)(2) of the Public Health Service Act (42 U.S.C. 292r(a)(2)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''the amount $2,500'' and all that follows through ''including such $2,500'' and inserting ''the amount of the loan may, in the case of the third or fourth year of a student at a school of medicine or osteopathic medicine, be increased to the extent necessary''.

(3) REPAYMENT PERIOD.—Section 722(c) of the Public Health Service Act (42 U.S.C. 292r(c)), as amended by section 2014(b)(1) of Public Law 103–43, is amended—

(A) in the subsection heading by striking ''TEN-YEAR'' and inserting ''REPAYMENT'';

(B) by striking ''ten-year period which begins'' and inserting ''period of not less than 10 years nor more than 25 years which begins''; and

(C) by striking ''such ten-year period'' and inserting ''such period''.

(4) MINIMUM PAYMENTS.—Section 722(j) of the Public Health Service Act (42 U.S.C. 292r(j)), as amended by section 2014(b)(1) of Public Law 103–43, is amended by striking ''$15'' and inserting $40''.

(b) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

(1) IN GENERAL.—Section 722 of the Public Health Service Act (42 U.S.C. 292r), as amended by section 2014(b)(1) of Public Law 103–43, is amended by adding at the end the following new subsection:

''(m) ELIMINATION OF STATUTE OF LIMITATION FOR LOAN COLLECTIONS.—

''(1) PURPOSE.—It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

''(2) PROHIBITION.—Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school that has an agreement with the Secretary pursuant to section 721 that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall be effective with respect to actions pending on or after the date of enactment of this Act.

(c) DATE CERTAIN FOR CONTRIBUTIONS.—Paragraph (2) of section 735(e) of the Public Health Service Act (42 U.S.C. 292y(e)(2)) is amended to read as follows:

''(2) DATE CERTAIN FOR CONTRIBUTIONS.—Amounts described in paragraph (1) that are returned to the Secretary shall be obligated before the end of the succeeding fiscal year.''.

PART 3—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS

SEC. 141. HEALTH EDUCATION ASSISTANCE LOAN PROGRAM.

(a) HEALTH EDUCATION ASSISTANCE LOAN DEFERMENT FOR BORROWERS PROVIDING HEALTH SERVICES TO INDIANS.—

(1) IN GENERAL.—Section 705(a)(2)(C) of the Public Health Service Act (42 U.S.C. 292d(a)(2)(C)) is amended by striking ''and (x)'' and inserting ''(x) not in excess of three years, during which the borrower is providing health care services to Indians through an Indian health program (as defined in section 108(a)(2)(A) of the Indian Health Care Improvement Act (25 U.S.C. 1616a(a)(2)(A)); and (xi)''.

(2) CONFORMING AMENDMENTS.—Section 705(a)(2)(C) of the Public Health Service Act (42 U.S.C. 292d(a)(2)(C)) is further amended—

(A) in clause (xi) (as so redesignated) by striking ''(ix)'' and inserting ''(x)''; and

(B) in the matter following such clause (xi), by striking ''(x)'' and inserting ''(xi)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to services provided on or after the first day of the third month that begins after the date of the enactment of this Act.

(b) REPORT REQUIREMENT.—Section 709(b) of the Public Health Service Act (42 U.S.C. 292h(b)) is amended—

(1) in paragraph (4)(B), by adding ''and'' after the semicolon;

(2) in paragraph (5), by striking ''; and'' and inserting a period; and

(3) by striking paragraph (6).

(c) COLLECTION FROM ESTATES.—Section 714 of the Public Health Service Act (42 U.S.C. 292m) is amended by adding at the end the

following new sentence: ''Notwithstanding the first sentence, the Secretary may, in the case of a borrower who dies, collect any remaining unpaid balance owed to the lender, the holder of the loan, or the Federal Government from the borrower's estate.''.

SEC. 142. HEAL LENDER AND HOLDER PERFORMANCE STANDARDS.

(a) GENERAL AMENDMENTS.—Section 707(a) of the Public Health Service Act (42 U.S.C. 292f) is amended—

(1) by striking the last sentence;

(2) by striking ''determined.'' and inserting ''determined, except that, if the insurance beneficiary including any servicer of the loan is not designated for 'exceptional performance', as set forth in paragraph (2), the Secretary shall pay to the beneficiary a sum equal to 98 percent of the amount of the loss sustained by the insured upon that loan.'';

(3) by striking ''Upon'' and inserting:

''(1) IN GENERAL.—Upon''; and

(4) by adding at the end the following new paragraph:

''(2) EXCEPTIONAL PERFORMANCE.—

''(A) AUTHORITY.—Where the Secretary determines that an eligible lender, holder, or servicer has a compliance performance rating that equals or exceeds 97 percent, the Secretary shall designate that eligible lender, holder, or servicer, as the case may be, for exceptional performance.

''(B) COMPLIANCE PERFORMANCE RATING.—For purposes of subparagraph (A), a compliance performance rating is determined with respect to compliance with due diligence in the disbursement, servicing, and collection of loans under this subpart for each year for which the determination is made. Such rating shall be equal to the percentage of all due diligence requirements applicable to each loan, on average, as established by the Secretary, with respect to loans serviced during the period by the eligible lender, holder, or servicer.

''(C) ANNUAL AUDITS FOR LENDERS, HOLDERS, AND SERVICERS.—Each eligible lender, holder, or servicer desiring a designation under subparagraph (A) shall have an annual financial and compliance audit conducted with respect to the loan portfolio of such eligible lender, holder, or servicer, by a qualified independent organization from a list of qualified organizations identified by the Secretary and in accordance with standards established by the Secretary. The standards shall measure the lender's, holder's, or servicer's compliance with due diligence standards and shall include a defined statistical sampling technique designed to measure the performance rating of the eligible lender, holder, or servicer for the purpose of this section. Each eligible lender, holder, or servicer shall submit the audit required by this section to the Secretary.

''(D) SECRETARY'S DETERMINATIONS.—The Secretary shall make the determination under subparagraph (A) based upon the audits submitted under this paragraph and any information in the possession of the Secretary or submitted by any other agency or office of the Federal Government.

''(E) QUARTERLY COMPLIANCE AUDIT.—To maintain its status as an exceptional performer, the lender, holder, or servicer shall undergo a quarterly compliance audit at the end of each quarter (other than the quarter in which status as an exceptional performer is established through a financial and compliance audit, as described in subparagraph (C)), and submit the results of such audit to the Secretary. The compliance audit shall review compliance with due diligence requirements for the period beginning on the day after the ending date of the previous audit, in accordance with standards determined by the Secretary.

''(F) REVOCATION AUTHORITY.—The Secretary shall revoke the designation of a lender, holder, or servicer under subparagraph (A) if any quarterly audit required under subparagraph (E) is not received by the Secretary by the date established by the Secretary or if the audit indicates the lender, holder, or servicer has failed to meet the standards for designation as an exceptional performer under subparagraph (A). A lender, holder, or servicer receiving a compliance audit not meeting the standard for designation as an exceptional performer may reapply for designation under subparagraph (A) at any time.

''(G) DOCUMENTATION.—Nothing in this section shall restrict or limit the authority of the Secretary to require the submission of claims documentation evidencing servicing performed on loans, except that the Secretary may not require exceptional performers to submit greater documentation than that required for lenders, holders, and servicers not designated under subparagraph (A).

''(H) COST OF AUDITS.—Each eligible lender, holder, or servicer shall pay for all the costs associated with the audits required under this section.

''(I) ADDITIONAL REVOCATION AUTHORITY.—Notwithstanding any other provision of this section, a designation under subparagraph (A) may be revoked at any time by the Secretary if the Secretary determines that the eligible lender, holder, or servicer has failed to maintain an overall level of compliance consistent with the audit submitted by the eligible lender, holder, or servicer under this paragraph or if the Secretary asserts that the lender, holder, or servicer may have engaged in fraud in securing designation under subparagraph (A) or is failing to service loans in accordance with program requirements.

''(J) NONCOMPLIANCE.—A lender, holder, or servicer designated under subparagraph (A) that fails to service loans or otherwise comply with applicable program regulations shall be considered in violation of the Federal False Claims Act.''.

(b) DEFINITION.—Section 707(e) of the Public Health Service Act (42 U.S.C. 292f(e)) is amended by adding at the end the following new paragraph:

''(4) The term 'servicer' means any agency acting on behalf of the insurance beneficiary.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to loans submitted to the Secretary for payment on or after the first day of the sixth month that begins after the date of enactment of this Act.

SEC. 143. REAUTHORIZATION.

(a) LOAN PROGRAM.—Section 702(a) of the Public Health Service Act (42 U.S.C. 292a(a)) is amended—

(1) by striking ''$350,000,000'' and all that follows through ''1995'' and inserting ''$260,000,000 for fiscal year 1996, $160,000,000 for fiscal year 1997, and $80,000,000 for fiscal year 1998'';

(2) by striking ''obtained prior loans insured under this subpart'' and inserting ''obtained loans insured under this subpart in fiscal year 1996 or in prior fiscal years''; and

(3) by adding at the end thereof the following new sentence: ''The Secretary may establish guidelines and procedures that lenders must follow in distributing funds under this subpart.''.

(b) INSURANCE PROGRAM.—Section 710(a)(2)(B) of the Public Health Service Act (42 U.S.C. 292i(a)(2)(B)) is amended by striking ''any of the fiscal years 1993 through 1996'' and inserting ''fiscal year 1993 and subsequent fiscal years''.

PART 4—SCHOLARSHIPS FOR DISADVANTAGED STUDENTS

SEC. 151. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.

Part B of title VII of the Public Health Service Act (as amended by section 101(a)) is further amended by adding at the end thereof the following new section:

''SEC. 740. SCHOLARSHIPS FOR DISADVANTAGED STUDENTS.

''(a) IN GENERAL.—The Secretary may make a grant to an eligible entity (as defined in subsection (f)(1)) under this section for the awarding of scholarships by schools to any full-time student who is an eligible individual as defined in subsection (f). Such scholarships may be expended only for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in the attendance of such school, and may not, for any year of such attendance for which the scholarship is provided, provide an amount exceeding the total amount required for the year.

''(b) PREFERENCE IN PROVIDING SCHOLARSHIPS.—The Secretary may not make a grant to an entity under subsection (a) unless the health professions and nursing schools involved agrees that, in providing scholarships pursuant to the grant, the school will give preference to students for whom the costs of attending the school would constitute a severe financial hardship and, notwithstanding other provisions of this section, to former recipients of scholarships under sections 736 and 740(d)(2)(B) (as such sections existed on the day before the date of enactment of this section).

''(c) AMOUNT OF AWARD.—In awarding grants to eligible entities that are health professions and nursing schools, the Secretary shall give priority to eligible entities based on the proportion of graduating students going into primary care, the proportion of minority students, and the proportion of graduates working in medically underserved areas.

''(d) MAXIMUM SCHOLARSHIP AWARD.—The maximum scholarship that an individual may receive in any year from an eligible entity that is a health professions and nursing schools shall be $3,000.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $32,000,000 for each of the fiscal years 1996 through 1999. Of the amount appropriated in any fiscal year, the Secretary shall ensure that not less than 16 percent shall be distributed to schools of nursing.

''(f) DEFINITIONS.—As used in this section:

''(1) ELIGIBLE ENTITIES.—The term 'eligible entities' means an entity that—

''(A) is a school of medicine, osteopathic medicine, dentistry, nursing (as defined in section 801), pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health, a school offering a graduate program in mental health practice, or an entity providing programs for the training of physician assistant; and

''(B) is carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups.

''(2) ELIGIBLE INDIVIDUAL.—The term 'eligible individual' means an individual who—

''(A) is from a disadvantaged background;

''(B) has a financial need for a scholarship; and

''(C) is enrolled (or accepted for enrollment) at an eligible health profession or nursing school as a full-time student in a program leading to a degree in a health profession or nursing.''.

TITLE II—OFFICE OF MINORITY HEALTH

SEC. 201. REVISION AND EXTENSION OF PROGRAMS OF OFFICE OF MINORITY HEALTH.

(a) IN GENERAL.—Section 1707 of the Public Health Service Act (42 U.S.C. 300u–6) is amended by striking subsection (b) and all that follows and inserting the following:

''(b) DUTIES.—With respect to improving the health of racial and ethnic minority groups, the Secretary, acting through the Deputy Assistant Secretary for Minority Health (in this section referred to as the 'Deputy Assistant Secretary'), shall carry out the following:

''(1) Establish short-range and long-range goals and objectives and coordinate all other activities within the Public Health Service that relate to disease prevention, health promotion, service delivery, and research concerning such individuals. The heads of each of the agencies of the Service shall consult with the Deputy Assistant Secretary to ensure the coordination of such activities.

''(2) Carry out the following types of activities by entering into interagency agreements with other agencies of the Public Health Service:

''(A) Support research, demonstrations and evaluations to test new and innovative models.

''(B) Increase knowledge and understanding of health risk factors.

''(C) Develop mechanisms that support better information dissemination, education, prevention, and service delivery to individuals from disadvantaged backgrounds, including individuals who are members of racial or ethnic minority groups.

''(D) Ensure that the National Center for Health Statistics collects data on the health status of each minority group.

''(E) With respect to individuals who lack proficiency in speaking the English language, enter into contracts with public and nonprofit private providers of primary health services for the purpose of increasing the access of the individuals to such services by developing and carrying out programs to provide bilingual or interpretive services.

''(3) Support a national minority health resource center to carry out the following:

''(A) Facilitate the exchange of information regarding matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care.

''(B) Facilitate access to such information.

''(C) Assist in the analysis of issues and problems relating to such matters.

''(D) Provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance).

''(4) Carry out programs to improve access to health care services for individuals with limited proficiency in speaking the English language by facilitating the removal of impediments to the receipt of health care that result from such limitation. Activities under the preceding sentence shall include conducting research and developing and evaluating model projects.

''(5) Not later than June 8 of each year, the heads of the Public Health Service agencies shall submit to the Deputy Assistant Secretary a report summarizing the minority health activities of each of the respective agencies.

''(c) ADVISORY COMMITTEE.—

''(1) IN GENERAL.—The Secretary shall establish an advisory committee to be known as the Advisory Committee on Minority Health (in this subsection referred to as the 'Committee'). The Deputy Assistant Secretary shall consult with the Committee in carrying out this section.

''(2) DUTIES.—The Committee shall provide advice to the Deputy Assistant Secretary carrying out this section, including advice on the development of goals and specific program activities under paragraphs (1) and (2) of subsection (b) for each racial and ethnic minority group.

''(3) CHAIR.—The Deputy Assistant Secretary shall serve as the chair of the Committee.

''(4) COMPOSITION.—

''(A) The Committee shall be composed of 12 voting members appointed in accordance with subparagraph (B), and nonvoting, ex officio members designated in subparagraph (C).

''(B) The voting members of the Committee shall be appointed by the Secretary from among individuals who are not officers or employees of the Federal Government and who have expertise regarding issues of minority health. The racial and ethnic minority groups shall be equally represented among such members.

''(C) The nonvoting, ex officio members of the Committee shall be the directors of each of the minority health offices, and such additional officials of the Department of Health and Human Services as the Secretary determines to be appropriate.

''(5) TERMS.—Each member of the Committee shall serve for a term of 4 years, except that the Secretary shall initially appoint a portion of the members to terms of 1 year, 2 years, and 3 years.

''(6) VACANCIES.—If a vacancy occurs on the Committee, a new member shall be appointed by the Secretary within 90 days from the date that the vacancy occurs, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Committee.

''(7) COMPENSATION.—Members of the Committee who are officers or employees of the United States shall serve without compensation. Members of the Committee who are not officers or employees of the United States shall receive compensation, for each day (including travel time) they are engaged in the performance of the functions of the Committee. Such compensation may not be in an amount in excess of the daily equivalent of the annual maximum rate of basic pay payable under the General Schedule (under title 5, United States Code) for positions above GS–15.

''(d) CERTAIN REQUIREMENTS REGARDING DUTIES.—

''(1) RECOMMENDATIONS REGARDING LANGUAGE AS IMPEDIMENT TO HEALTH CARE.—The Deputy Assistant Secretary for Minority Health shall consult with the Director of the Office of Refugee Health, the Director of the Office of Civil Rights, and the Director of the Office of Minority Health of the Health Resources and Services Administration, and other appropriate offices, regarding recommendations for carrying out activities under subsection (b)(4).

''(2) EQUITABLE ALLOCATION REGARDING ACTIVITIES.—

''(A) In making awards of grants, cooperative agreements, or contracts under this section or section 338A, 338B, 340A, 404, or 724, or part B of title VII, the Secretary, acting as appropriate through the Deputy Assistant Secretary or the Administrator of the Health Resources and Services Administration, shall ensure that such awards are equitably allocated with respect to the various racial and minority populations.

''(B) With respect to grants, cooperative agreements, and contracts that are available under the sections specified in subparagraph (A), the Secretary shall—

''(i) carry out activities to inform entities, as appropriate, that the entities may be eligible for awards of such assistance;

''(ii) provide technical assistance to such entities in the process of preparing and submitting applications for the awards in accordance with the policies of the Secretary regarding such application; and

''(iii) inform populations, as appropriate, that members of the populations may be eligible to receive services or otherwise participate in the activities carried out with such awards.

''(3) CULTURAL COMPETENCY OF SERVICES.—The Secretary shall ensure that information and services provided pursuant to subsection (b) are provided in the language, educational, and cultural context that is most appropriate for the individuals for whom the information and services are intended.

''(e) GRANTS AND CONTRACTS REGARDING DUTIES.—

''(1) IN GENERAL.—In carrying out subsection (b), the Deputy Assistant Secretary may make awards of grants, cooperative agreements, and contracts to public and nonprofit private entities.

''(2) PROCESS FOR MAKING AWARDS.—The Deputy Assistant Secretary shall ensure that awards under paragraph (1) are made only on a competitive basis, and that a grant is awarded for a proposal only if the proposal has been recommended for such an award through a process of peer review and has been so recommended by the advisory committee established under subsection (c).

''(3) EVALUATION AND DISSEMINATION.—The Deputy Assistant Secretary, directly or through contracts with public and private entities, shall provide for evaluations of projects carried out with awards made under paragraph (1) during the preceding 2 fiscal years. The report shall be included in the report required under subsection (f) for the fiscal year involved.

''(f) BIENNIAL REPORTS.—Not later than February 1 of fiscal year 1996 and of each second year thereafter, the Deputy Assistant Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the activities carried out under this section during the preceding 2 fiscal years and evaluating the extent to which such activities have been effective in improving the health of racial and ethnic minority groups. Each such report shall include the biennial reports submitted to the Deputy Assistant Secretary under section 201(b)(5) for such years by the heads of the Public Health Service agencies.

''(g) DEFINITION.—For purposes of this section:

''(1) The term 'racial and ethnic minority group' means American Indians (including Alaska Natives, Eskimos, and Aleuts); Asian Americans and Pacific Islanders; Blacks; and Hispanics.

''(2) The term 'Hispanic' means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country.

''(h) FUNDING.—For the purpose of carrying out this section, there are authorized to be appropriated $21,000,000 for fiscal year 1996, such sums as may be necessary for each of the fiscal years 1997 and 1998, and $19,000,000 for fiscal year 1999.''.

(b) MISCELLANEOUS AMENDMENT.—Section 1707 of the Public Health Service Act (42 U.S.C. 300u–6) is amended in the heading for the section by striking ''ESTABLISHMENT OF''.

TITLE III—SELECTED INITIATIVES

SEC. 301. PROGRAMS REGARDING BIRTH DEFECTS.

Section 317C of the Public Health Service Act (42 U.S.C. 247b–4) is amended to read as follows:

''PROGRAMS REGARDING BIRTH DEFECTS

''SEC. 317C. (a) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out programs—

''(1) to collect, analyze, and make available data on birth defects (in a manner that facilitates compliance with subsection (d)(2)), including data on the causes of such defects and on the incidence and prevalence of such defects; and

''(2) to operate regional centers for the conduct of applied epidemiological research on the prevention of such defects.

''(b) ADDITIONAL PROVISIONS REGARDING COLLECTION OF DATA.—

''(1) IN GENERAL.—In carrying out subsection (a)(1), the Secretary—

''(A) shall collect and analyze data by gender and by racial and ethnic group, including Hispanics, non-Hispanic whites, Blacks, Native Americans, Asian Americans, and Pacific Islanders;

''(B) shall collect data under subparagraph (A) from birth certificates, death certificates, hospital records, and such other sources as the Secretary determines to be appropriate; and

''(C) shall encourage States to establish or improve programs for the collection and analysis of epidemiological data on birth defects, and to make the data available.

''(2) NATIONAL CLEARINGHOUSE.—In carrying out subsection (a)(1), the Secretary shall establish and maintain a National Information Clearinghouse on Birth Defects to collect and disseminate to health professionals and the general public information on birth defects, including the prevention of such defects.

''(c) GRANTS AND CONTRACTS.—

''(1) IN GENERAL.—In carrying out subsection (a), the Secretary may make grants to and enter into contracts with public and nonprofit private entities.

''(2) SUPPLIES AND SERVICES IN LIEU OF AWARD FUNDS.—

''(A) Upon the request of a recipient of an award of a grant or contract under paragraph (1), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out the purposes for which the award is made and, for such purposes, may detail to the recipient any officer or employee of the Department of Health and Human Services.

''(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the award involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

''(3) APPLICATION FOR AWARD.—The Secretary may make an award of a grant or contract under paragraph (1) only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purposes for which the award is to be made.

''(d) BIENNIAL REPORT.—Not later than February 1 of fiscal year 1997 and of every second such year thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report that, with respect to the preceding 2 fiscal years—

''(1) contains information regarding the incidence and prevalence of birth defects and the extent to which birth defects have contributed to the incidence and prevalence of infant mortality;

''(2) contains information under paragraph (1) that is specific to various racial and ethnic groups (including Hispanics, non-Hispanic whites, Blacks, Native Americans, and Asian Americans);

''(3) contains an assessment of the extent to which various approaches of preventing birth defects have been effective;

''(4) describes the activities carried out under this section; and

''(5) contains any recommendations of the Secretary regarding this section.''.

SEC. 302. STATE OFFICES OF RURAL HEALTH.

(a) IN GENERAL.—Section 338M of the Public Health Service Act (as so redesignated by section 132) is amended—

(1) in subsection (b)(1), in the matter preceding subparagraph (A), by striking ''in cash''; and

(2) in subsection (j)(1)—

(A) by striking ''and'' after ''1992,''; and

(B) by inserting before the period the following: '', and such sums as may be necessary for each of the fiscal years 1996 through 1997''; and

(3) in subsection (k), by striking ''$10,000,000'' and inserting ''$20,000,000''.

(b) REPEAL.—Effective on October 1, 1997, section 338M of the Public Health Service Act (as so redesignated by section 132) is repealed.

SEC. 303. HEALTH SERVICES FOR PACIFIC ISLANDERS.

Section 10 of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 254c–1) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by inserting '', substance abuse'' after ''availability of health''; and

(ii) by striking '', including improved health data systems'';

(B) in paragraph (3)—

(i) by striking ''manpower'' and inserting ''care providers''; and

(ii) by striking ''by—'' and all that follows through the end thereof and inserting a semicolon;

(C) by striking paragraphs (5) and (6);

(D) by redesignating paragraphs (7), and (8) as paragraphs (5) and (6), respectively;

(E) in paragraph (5) (as so redesignated), by striking ''and'' at the end thereof;

(F) in paragraph (6) (as so redesignated), by striking the period and inserting a semicolon; and

(G) by inserting after paragraph (6) (as so redesignated), the following new paragraphs:

''(7) to provide primary health care, preventive health care, and related training to American Samoan health care professionals; and

''(8) to improve access to health promotion and disease prevention services for rural American Samoa.'';

(2) in subsection (f)—

(A) by striking ''there is'' and inserting ''there are''; and

(B) by striking ''$10,000,000'' and all that follows through ''1993'' and inserting ''$3,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and $5,000,000 for fiscal year 1997''; and

(3) by adding at the end thereof the following new subsection:

''(g) STUDY AND REPORT.—

''(1) STUDY.—Not later than 180 days after the date of enactment of this subsection, the Secretary, acting through the Administrator of the Health Resources and Services Administration, shall enter into a contract with a public or nonprofit private entity for the conduct of a study to determine the effectiveness of projects funded under this section.

''(2) REPORT.—Not later than July 1, 1996, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the findings made with respect to the study conducted under paragraph (1).''.

SEC. 304. DEMONSTRATION PROJECTS REGARDING ALZHEIMER'S DISEASE.

(a) IN GENERAL.—Section 398(a) of the Public Health Service Act (42 U.S.C. 280c–3(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''not less than 5, and not more than 15,'';

(2) in paragraph (2)—

(A) by inserting after ''disorders'' the following: ''who are living in single family homes or in congregate settings''; and

(B) by striking ''and'' at the end;

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

''(3) to improve the access of such individuals to home-based or community-based long-term care services (subject to the services being provided by entities that were providing such services in the State involved as of October 1, 1995), particularly such individuals who are members of racial or ethnic minority groups, who have limited proficiency in speaking the English language, or who live in rural areas; and''.

(b) DURATION.—Section 398A of the Public Health Service Act (42 U.S.C. 280c–4) is amended—

(1) in the heading for the section, by striking ''**LIMITATION**'' and all that follows and inserting ''**REQUIREMENT OF MATCHING FUNDS**'';

(2) by striking subsection (a);

(3) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively;

(4) in subsection (a) (as so redesignated), in each of paragraphs (1)(C) and (2)(C), by striking ''third year'' and inserting ''third or subsequent year''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 398B(e) of the Public Health Service Act (42 U.S.C. 280c–5(e)) is amended by striking ''and 1993'' and inserting ''through 1998''.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. TECHNICAL CORRECTIONS REGARDING PUBLIC LAW 103–183.

(a) AMENDATORY INSTRUCTIONS.—Public Law 103–183 is amended—

(1) in section 601—

(A) in subsection (b), in the matter preceding paragraph (1), by striking ''Section 1201 of the Public Health Service Act (42 U.S.C. 300d)'' and inserting ''Title XII of the Public Health Service Act (42 U.S.C. 300d et seq.)''; and

(B) in subsection (f)(1), by striking ''in section 1204(c)'' and inserting ''in section 1203(c) (as redesignated by subsection (b)(2) of this section)'';

(2) in section 602, by striking ''for the purpose'' and inserting ''For the purpose''; and

(3) in section 705(b), by striking ''317D((l)(1)'' and inserting ''317D(l)(1)''.

(b) PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act, as amended by Public Law 103–183 and by subsection (a) of this section, is amended—

(1) in section 317E(g)(2), by striking ''making grants under subsection (b)'' and inserting ''carrying out subsection (b)'';

(2) in section 318, in subsection (e) as in effect on the day before the date of the enactment of Public Law 103–183, by redesignating the subsection as subsection (f);

(3) in subpart 6 of part C of title IV—

(A) by transferring the first section 447 (added by section 302 of Public Law 103–183) from the current placement of the section;

(B) by redesignating the section as section 447A; and

(C) by inserting the section after section 447;

(4) in section 1213(a)(8), by striking ''provides for for'' and inserting ''provides for'';

(5) in section 1501, by redesignating the second subsection (c) (added by section 101(f) of Public Law 103–183) as subsection (d); and

(6) in section 1505(3), by striking ''nonprivate'' and inserting ''private''.

(c) MISCELLANEOUS CORRECTION.—Section 401(c)(3) of Public Law 103–183 is amended in the matter preceding subparagraph (A) by striking ''(d)(5)'' and inserting ''(e)(5)''.

(d) EFFECTIVE DATE.—This section is deemed to have taken effect immediately after the enactment of Public Law 103–183.

SEC. 402. CERTAIN AUTHORITIES OF CENTERS FOR DISEASE CONTROL AND PREVENTION.

(a) IN GENERAL.—Part B of title III of the Public Health Service Act is amended by inserting after section 317H the following section:

''MISCELLANEOUS AUTHORITIES REGARDING CENTERS FOR DISEASE CONTROL AND PREVENTION

''SEC. 317I. (a) TECHNICAL AND SCIENTIFIC PEER REVIEW GROUPS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and 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, establish such technical and scientific peer review groups and scientific program advisory committees as are needed to carry out the functions of such Centers and appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups. The Federal Advisory Committee Act shall not apply to the duration of such peer review groups. Not more than one-fourth of the members of any such group shall be officers or employees of the United States.

''(b) FELLOWSHIP AND TRAINING PROGRAMS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish fellowship and training programs to be conducted by such Centers to train individuals to develop skills in epidemiology, surveillance, laboratory analysis, and other disease detection and prevention methods. Such programs shall be designed to enable health professionals and health personnel trained under such programs to work, after receiving such training, in local, State, national, and international efforts toward the prevention and control of diseases, injuries, and disabilities. Such fellowships and training may be administered through the use of either appointment or nonappointment procedures.''.

(b) EFFECTIVE DATE.—This section is deemed to have taken effect July 1, 1995.

SEC. 403. ADMINISTRATION OF CERTAIN REQUIREMENTS.

(a) IN GENERAL.—Section 2004 of Public Law 103–43 (107 Stat. 209) is amended by striking subsection (a).

(b) CONFORMING AMENDMENTS.—Section 2004 of Public Law 103–43, as amended by subsection (a) of this section, is amended—

(1) by striking ''(b) SENSE'' and all that follows through ''In the case'' and inserting the following:

''(a) SENSE OF CONGRESS REGARDING PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case'';

(2) by striking ''(2) NOTICE TO RECIPIENTS OF ASSISTANCE'' and inserting the following:

''(b) NOTICE TO RECIPIENTS OF ASSISTANCE''; and

(3) in subsection (b), as redesignated by paragraph (2) of this subsection, by striking ''paragraph (1)'' and inserting ''subsection (a)''.

(c) EFFECTIVE DATE.—This section is deemed to have taken effect immediately after the enactment of Public Law 103–43.

SEC. 404. TECHNICAL CORRECTIONS RELATING TO HEALTH PROFESSIONS PROGRAMS.

Part G of title VII of the Public Health Service Act (42 U.S.C. 295j et seq.) is amended by inserting after section 794 the following section:

''SEC. 794A. RECOVERY.

''(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under section 720(a) (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102–408))—

''(1)(A) in the case of a facility which was an affiliated hospital or outpatient facility with respect to which funds have been paid under such section 720(a)(1), the owner of the facility ceases to be a public or other nonprofit agency that would have been qualified to file an application under section 605;

''(B) in the case of a facility which was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under paragraph (1) or (3) of such section 720(a), the owner of the facility ceases to be a public or nonprofit school; or

''(C) in the case of a facility which was a facility with respect to which funds have been paid under such section 720(a)(2), the owner of the facility ceases to be a public or nonprofit entity;

''(2) the facility ceases to be used for the teaching or training purposes (or other purposes permitted under section 722 (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102–408)) for which it was constructed, or

''(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

''(b) NOTICE.—The owner of a facility which ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or the owner of a facility the use of which changes as described in paragraph (2) or (3) of subsection (a), shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

''(c) AMOUNT.—

''(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

''(2) INTEREST.—

''(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

''(B) PERIOD.—The period referred to in subparagraph (A) is the period beginning—

''(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a); or

''(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

''(d) WAIVER.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

''(e) LIEN.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.''.

SEC. 405. CLINICAL TRAINEESHIPS.

Section 303(d)(1) of the Public Health Service Act (42 U.S.C. 242a(d)(1)) is amended by inserting ''counseling,'' after ''family therapy,''.

SEC. 406. CONSTRUCTION OF REGIONAL CENTERS FOR RESEARCH ON PRIMATES.

Section 481B(a) of the Public Health Service Act (42 U.S.C. 287a–3(a)) is amended by striking ''$5,000,000'' and inserting ''$2,500,000''.

SEC. 407. REQUIRED CONSULTATION BY SECRETARY.

The Secretary of Health and Human Services, regarding the programs under parts B, C, D, and E of title VII, and parts B, C, and D of title VIII, of the Public Health Service Act, as amended by this Act, shall—

(1) publish in the Federal Register a general program description for the funding of awards under such parts;

(2) solicit and receive written and oral comments concerning such description, including the holding of a public forum at which interested individuals and groups may provide comment; and

(3) take into consideration information received under paragraph (2).

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, we are continuing to work in an effort to get consideration of the FAA reauthorization bill. This is very important legislation. It does have a number of provisions related to the trust fund and to airport safety. It is vital to this country that we get this legislation completed.

There has been an objection by Senator FEINGOLD, a Senator from Wisconsin, to this very important legislation,

making it necessary for us to find a way to bring it to a conclusion, perhaps filing cloture, and get a cloture vote. I am satisfied we can win a cloture vote. There is overwhelming bipartisan support. This legislation has been developed very carefully from the Commerce Committee, with the aid and assistance of Senator STEVENS of Alaska, Senator FORD from Kentucky, Senator HOLLINGS has been involved, Senator MCCAIN managed the bill on the floor. It has passed the House, and now because of one provision that labor does not like, the Senator is prepared to take down the entire FAA reauthorization bill. I just do not understand that. We are willing to be reasonable and we are going to as far as we can.

Now because of our effort to advise Members that we would not have further recorded votes today, an effort is being made to take advantage of that, to block a cloture vote on Monday. I feel like that is not acting in good faith and we are not going to be able to accept that. We will force this to a vote. When a vote occurs, this legislation will pass because it does have bipartisan support.

I call on Senators that have reservations to give us an opportunity to at least get this to a vote without inconveniencing the entire Senate. We are willing to be reasonable in terms of time for discussion and a vote, but unless we get some cooperation, it appears that the entire Senate would be delayed in completing its work.

We also are continuing to hope we can find a way to move the so-called Presidio parks bill. The Senator from Alaska and the Senator from Washington have been very much involved in that. There have been good-faith efforts on that one, up and down the Hill, the whole package, a very small package of three or four items, maybe half that number, half the full omnibus bill. Surely there is a way we can get this major legislation completed in a fair way. It is not fair to have something agreed to that does include some very important items that the chairman of the Energy and Natural Resources Committee, the Senator from Alaska, Senator MURKOWSKI, has a right to be consulted and involved in selecting the project. I know Senators and Congressmen from all over America have parks heritage trails, scenic areas, areas that need to be preserved, and yet we have continued to have an objection to moving this forward.

I hope the next time we make an effort to get a unanimous-consent request to move the omnibus parks bill, the Presidio bill, that there would not be objection to that, and the technical correction that needs to be made could be dealt with in conference, and we can move this legislation through, legislation that has been in the making for, actually, many years, to my own personal knowledge, at least 4 years. It will be a real sad thing if we leave the Senate on Monday for the year without completing the parks bill.

You have the Presidio that has bipartisan support. It is a Federal burden in terms of costs. This is a plan to make use of the Presidio and not have the Federal Government have to continue to bear these costs. It does have the Sterling Forest project in New Jersey and New York, and projects all over America. In short, we need to get this done. I hope we can get a correction here, when we move next to get unanimous consent to take that bill back to the conference and have the correction made or to pass something before we leave.

I want to read a letter I just received from the President of the United States, apparently he dictated this while in Providence, RI, with regard to the agreement that was worked out on the omnibus appropriations bill. The letter says:

Dear Mr. Leader:

I commend the leadership for their fine work in negotiating a workable Omnibus Appropriations Bill that demonstrates fiscal responsibility and preserves those investment priorities important to the American people.

I urge the Congress to expeditiously pass the Omnibus Appropriations Bill. I intend to sign it if presented to me in its current form.

This is signed by the President of the United States.

This has been a bipartisan effort, bicameral effort, an effort working between the Congress and the White House. I think it is a good product. There are a lot of Senators and House Members that are not totally happy with it, and there are some provisions in it that I am sure the White House is not totally happy with. But that is the art of legislating. It involves some bipartisan, commonsense compromise. I think that is what we have in this legislation.

We asked for the President to indicate his support. He has now done so. I think that is helpful, and I think the American people will appreciate the kind of cooperation we have had.

I ask unanimous consent that it be printed at this point in the RECORD.

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

THE WHITE HOUSE, WASHINGTON
Providence, RI, September 28, 1996.

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

DEAR MR. LEADER: I commend the Leadership for their fine work in negotiating a workable Omnibus Appropriations Bill that demonstrates fiscal responsibility and preserves those investment priorities important to the American people.

I urge the Congress to expeditiously pass the Omnibus Appropriations Bill. I intend to sign it if presented to me in its current form.

Sincerely,

BILL CLINTON.

CONFERENCE REPORT ON ILLEGAL IMMIGRATION REFORM

Mr. LOTT. Mr. President, while I am awaiting the return of the distinguished minority whip, I observe that one of the issues that I am fixing to bring up is the so-called Gallegly immigration bill. This had been a part of the illegal immigration bill that had been passed and was in conference between the House and the Senate. It was the provision that the President objected to strenuously. And the administration and the Democratic leadership indicated that they would never allow us to pass the conference report through the Senate that contained this Gallegly language.

This language would allow States, on a prospective basis, if I understand it, to not be required to have to provide free education for the children of illegal immigrants. There are many States now that have a financial burden of being told by the Federal Government, ''We can't control our borders, we can't control illegal immigration into this country, but in spite of our failure, you have to provide free education.''

In the State of California, I think we are talking about well over 300,000 children, at a cost to that State of $2 billion for the education of the children of illegal immigrants. Should we not allow the States to have options here? As I understand it now, any children now in the schools could stay until they are through. But in the future, illegal aliens would be told they are not going to be able to get free education forever for their children in the school system. It is a magnet. It draws illegal immigrants into this country to get access to this free education system.

Somebody has to worry about the taxpayers in the State of California or Texas or Arizona, or in America. I thought that this was a very important part of the illegal immigration legislation. But it was so strenuously objected to, and a filibuster was threatened in the Senate. The President said he was going to veto it. So it was removed from the illegal immigration bill.

So then we find that the administration found new provisions to object to. They, for instance, said that they would take down the entire illegal immigration bill and maybe not agree to the omnibus appropriations conference report, unless the language in there that was removed, which said that we had to accept illegal immigrants, even though they were HIV positive, which leads to a cost of well over $100,000 and maybe even more, for HIV-positive illegal immigrants. I find that inexplicable. Again, it is a magnet. You get an HIV-positive problem, what is your solution? Come into America illegally and your medical needs will be taken care of by the taxpayers of America. But it was so important to the administration, until it threatened to take down the entire effort of negotiations on illegal immigration and on the continuing resolution.

I think it is a terrible policy. But again, to try to get an agreement, that provision was removed. A lot of effort went into this legislation by Senator SIMPSON, Senator KENNEDY, Congressman BERMAN, Congressman LAMAR SMITH. They felt very strongly about

the importance of getting this work completed, including the so-called title V. The administration indicated they wanted title V taken completely out. But once they started reading it and seeing what was in it, they realized there were several provisions in there that, in fact, they liked or that made good common sense. So in the wee hours this morning—it must have been 3 or 4 o'clock—Senator SIMPSON and others were in a room working on this language. Finally, with great difficulty, they came to an agreement. Many portions of title V are still in there. We still have some very reasonable expectations regarding legal immigrants. But the big illegal immigration bill now is in the continuing resolution that we will be taking up in the next couple of days.

So the House of Representatives, not able to get the Gallegly language included in illegal immigration, have now moved it separately. They passed it through the House overwhelmingly, as I understand it. I don't recall the vote. So we have it here in the Senate. We ought to pass the Gallegly language. I will be asking unanimous consent that we proceed to its consideration momentarily.

I still don't see the Democratic whip back from the Cloakroom. Others may wish to speak. I have to wait for his return, so I will yield the floor and perhaps the Senator from South Dakota can speak and allow me to come back.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

COMMENDING LEADERSHIP FOR ITS HARD WORK

Mr. PRESSLER. Mr. President, I commend the majority leader and others on the difficulty in bringing the Congress to a close and concluding all ongoing negotiations. I am very proud of the efforts that are being made on the Federal Aviation Administration authorization bill to get that vitally important legislation before the Senate for consideration. I am also very proud of the efforts to bring the Coast Guard bill to closure as well as efforts to agree to a continuing resolution.

With so many constituent interests represented by Congress, sometimes it is quite difficult to reach consensus on legislation. I think this point is not well understood across the country. We have a vast country, and I know that Congress is much criticized for acting slowly or sometimes failing to act. On the other hand, what is the alternative to resolving disputes with such a huge country, with so many Members of Congress, so many citizens, so many different interests? All those come to a head, so-to-speak, at the close of a Congress, and it requires great compromise.

It has been my pleasure to chair the House-Senate conference committee working on the critically important Federal Aviation authorization bill. The conference report accompanying that bill is ready for immediate consideration by this body. Unfortunately, several of my colleagues have objected to consideration of the conference report because they oppose a single section of that bill, an bipartisan amendment offered by the distinguished Senator from South Carolina, Senator HOLLINGS, in conference. Every Senate conferee voted in favor of the Hollings amendment which makes a technical correction to the Railway Labor Act. An excellent bill is being held up over a difference of opinion relating to 5 lines in a 189 pages aviation safety and security bill.

Mr. President, we cannot adjourn without passing the conference report to the Federal Aviation authorization bill. The House approved the conference report yesterday. If we do not approve the conference report, the Senate will have failed to meet its responsibility to the traveling public. Airports across the country will not receive much needed Airport Improvement Program [AIP] funds for safety-related repairs and other necessary improvements. Two years of tireless efforts to reach a compromise on FAA reform provisions will be lost. Vitally important aviation safety and security provisions will not be put in place. Family members of future aviation disaster victims would be denied the thoughtful, comprehensive protections this legislation would provide to them. Provisions to revitalize air service to small communities will not go into effect. It short, inaction by the Senate on this conference report would be a very serious mistake for which this body would be roundly criticized.

Let me also comment a little bit on agriculture, because I know that at this time of the year, the payments regarding the Freedom to Farm Act are going out to some farmers. That was a controversial bill that was worked out in this Chamber. Let me say that I am proud to have been a part of the leadership team and proud to have voted for freedom to farm. But we need to expand our agricultural markets abroad. We have done that for our commodities, and under NAFTA and GATT, we have exported more agricultural products than ever in our history. There has been some dispute on transshipment of cattle, in terms of Mexico and Canada, under NAFTA. We hope that those issues are resolved and NAFTA is better enforced.

Mr. President, I might also say that, in terms of our agriculture future, Alan Greenspan has said that one of the greatest agricultural farm bills is a balanced budget. I hope that we can continue to expand our agricultural exports, especially as they regard commodity prices.

I yield the floor. I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. BOXER. 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. BOXER. Mr. President, I ask that I be permitted to speak as if in morning business for 5 minutes.

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

Mrs. BOXER. I thank the Chair.

STATUS OF CALIFORNIA LEGISLATION

Mrs. BOXER. Mr. President, as we come down to the final hours, there are so many pending matters that are important to my home State of California, and it would take far too long to go into all of them in detail. But I thought for purposes of the RECORD I would let my constituents know and my colleagues know where we stand on a number of these issues that are so important. I discuss them not in any order of priority but just as I put them forward.

First of all, I am distressed that we still have not confirmed a judge who is highly qualified to sit on the Federal bench in the Central District Court of California, Margaret Morrow. Republicans in this Congress said, ''Look, when you send us a nominee, make sure that he or she has bipartisan support.'' Senator FEINSTEIN and I and the Senators on this side of the aisle have done that with our nominations, and yet, as my friend from Illinois knows, because he sits on that Judiciary Committee and expressed his great disappointment with the lack of action on these judges, we have not gotten our nominees confirmed. I think it is a great disservice to the people of this country who seek justice, who demand justice, who want swift justice. If you do not have the people on the bench to fulfill the responsibilities that we place upon the courts, we are not going to have justice in this Nation.

This particular nominee, Margaret Morrow, in the last month I asked her could she line up some Republican support, and everyone from the sheriff of Los Angeles to people in the private sector who are registered Republicans wrote magnificent letters about Margaret Morrow, thereby proving that she does have bipartisan, strong support.

It was an honor to recommend such a fine candidate to the President. Her name was submitted to me by my judicial advisory committee for the Central District of California. I did not personally know Ms. Morrow before I recommended her to the administration, but my committee enthusiastically found her to be a superior judicial candidate.

However, despite her strong bipartisan support and strong credentials, her nomination remains indefinitely stalled, with no Member coming forward to explain why she cannot be confirmed.

Margaret Morrow was nominated by the administration on May 10. She received her nominations hearing at the

Senate Judiciary Committee on June 25 and was reported out of committee just 2 days later without any opposition from the committee.

Three months later, Margaret Morrow's nomination sits on the Executive Calendar along with six others, waiting to be moved. These confirmations should not be held hostage for political reasons, Mr. President. Failure of this body to fill these vacancies are felt through backed up caseloads in our Nation's Federal courts. We have a bipartisan interest in ensuring that justice is administered fairly, and in a timely fashion. This means that criminals are brought to justice and civil disputes are resolved within a reasonable period of time.

The vacancy Ms. Morrow would be filling has been vacant since January 24 of this year. If we don't confirm her this session, it will be vacant for at least a full year. I don't think I need to remind this body that the Central District of California in Los Angeles is one of the busiest courts in the Nation.

Before I talk about Ms. Morrow's credentials or historical precedent for judicial confirmations, I wanted to make the point that there is also a personal side to the judicial confirmation process. For nominees who are awaiting confirmation, their personal and professional lives hang in the balance.

Margaret Morrow—a 45-year-old mother and law partner—has had to put her life on hold while she waits for the Senate to approve her nomination. Our delay has affected her ability to take on certain responsibilities at her law practice. Her whole family—particularly her husband and young son—have waited patiently for her confirmation to go through the Senate. Many of us here in the Senate have no idea what kind of strain and stress awaiting confirmation means for these nominees. We owe to her to at least give her a rollcall vote before the end of the session if she cannot be approved through unanimous consent.

Former Majority Leader Bob Dole spoke of this process himself. In June of this year, he suggested giving each nominee a rollcall vote, stating, ''We should not be holding people up. If we need a vote, vote them down or vote them up because [the nominees] probably have plans to make and there are families involved.'' Even then-Majority Leader Dole recognized the necessity to give resolution to nominees out of fairness to these individuals and their families.

In July, it was my understanding that under an agreement between Majority Leader LOTT and the minority leader there would be an attempt to work through the list of 23 Federal court judges on the Executive Calendar at that time. I commend the majority leader for working with his caucus to make this happen for the 17 district court nominees that were confirmed during that period. However, two district court nominees, including Margaret Morrow, were not included in this group. And none of the circuit court nominees were moved—including another Californian, William Fletcher, for the Ninth Circuit Court of Appeals.

Mr. President, I am unaware of any substantive reason why Ms. Morrow's nomination has not gone through. If another Member of this body has a reason for opposing her confirmation, I want the opportunity to discuss their objections, and her nomination brought to a vote before the full Senate.

MARGARET MORROW'S STRONG LEGAL CREDENTIALS

I want to take this time to fully explain why Ms. Morrow will be an excellent addition to the Federal bench. Let me review the highlights of Ms. Morrow's respected professional background.

For over 21 years, Ms. Morrow has distinguished herself as a private practice attorney. She is currently a partner at the Los Angeles firm of Quinn, Kully, and Morrow, where she has been since 1987. Prior to 1987, she was an attorney with Kadison, Pfaelzer, Woodard, Quinn, and Rossi. During her years in private practice, she has gained extensive experience in appellate litigation in both the Federal and State courts involving complex civil and commercial cases.

Ms. Morrow graduated with honors from Bryn Mawr College and Harvard Law School. She is married to Judge Paul Boland of the Los Angeles Superior Court. They have one son, Patrick Morrow Boland who is 9 years old.

In addition to her practice, Ms. Morrow served as the president of the State Bar of California from 1993 to 1994. This is a particularly noteworthy accomplishment because she was the first woman to be elected president in their 67-year history.

From 1988 to 1989, she served as president of the Los Angeles County Bar Association where she created and served on the Pro Bono Council, calling on each association member to devote at least 35 hours a year toward pro bono representation for the poor. This policy was the first of its kind in California and generated more than 150,000 additional hours of pro bono representation.

Ms. Morrow has also been active in the Ninth Circuit Judicial Conference, and on committees of the California Judicial Council. She has served on the Board of Directors of the Association of Business Trial Lawyers and taught numerous seminars on complex business litigation for the association. California Law Business listed her as 1 of the top 20 lawyers in 1994 and Los Angeles Business Journal named her as 1 of the 100 outstanding L.A. business attorneys in February 1995.

From 1989 to 1990, Ms. Morrow served on the highly respected Commission to Draft an Ethics Code for the Los Angeles City Government.

And Ms. Morrow has taught classes and seminars for numerous organizations, including the State Bar of California, the Federal Bar Association, and the California Judges Association.

BIPARTISAN SUPPORT FOR MARGARET MORROW

I further want to stress that there is wide bipartisan support for Ms. Morrow's nomination to the Central District of California. Many of California's prominent and conservative Republican lawmakers and elected officials support her confirmation.

Los Angeles Mayor Richard Riordan writes in strong support of Ms. Morrow's nomination. He adds that Morrow, ''would be an excellent addition to the Federal bench. She is dedicated to following the law, and applying it in a rational and objective fashion.''

James Rogan, Republican Assembly majority leader to the California Legislature, wrote to Senator LOTT urging his support of Ms. Morrow's nomination. He writes that Ms. Morrow is, ''tough, thoughtful, and fair'' adding that he has every confidence that she would be, ''conscientious in applying the law.''

The District Attorney of Orange County, Mike Capizzi, California writes to Senator LOTT, ''I have absolutely no hesitation in commending her nomination to you as being among the very best ever likely to come before you. . . Of particular interest to crime victims, law enforcement and public prosecutors are her initiatives and achievement in the fields of juvenile justice and domestic violence, where her efforts have helped focus and national attention.''

He ends his letter by stating:

> ''The record of scholarship, citizenship, and dedication to improving the legal system that Margaret will bring with her to the federal bench reveals great promise for a truly exceptional jurist of whom we will all be proud. I sincerely, wholeheartedly and enthusiastically entreat you to confirm Margaret's nomination for appointment to the district court, without delay. We need her.''

In a letter to Chairman HATCH, Chief Judge Roger Boren of the California State Court of Appeal, Second Appellate District, says Ms. Morrow enjoys the greatest respect from a broad spectrum of the California bar and judiciary.

Los Angeles County Sheriff Sherman Block also writes favorably of Margaret Morrow's nomination. In his letter, Sheriff Block says Margaret Morrow is an extremely hard working individual of impeccable character and integrity.

Lod Cook, Chairman Emeritus of ARCO, and a prominent Republican in the State of California wrote of Ms. Morrow:

> I am convinced she is the type of person who would serve us well on the federal bench. I believe she will bring no personal or political agenda to her work as a judicial officer. Rather, her commitment will be to ensuring fairness and openness in the judicial process and to deciding cases on the facts and the law as they present themselves.

HISTORY OF JUDICIAL CONFIRMATIONS

Mr. President, the Judiciary Committee has already carefully reviewed Ms. Morrow's

background and qualifications for this position.

They have reviewed stacks of information she provided to the committee, a full FBI background investigation, and her testimony before the committee. No objections were raised by committee members, and she was reported out of Committee only two days after her nominations hearing.

To provide some historical context, in 1992, every one of the 66 nominees approved by the Senate Judiciary Committee were approved by the full Senate. Every single nominee, Mr. President—and that was when we had a Republican administration and a Democratically controlled Senate. Included in those 66 judges were 11 court of appeals nominees. In 1992, the Democratic Senate confirmed the highest number of judges of any year of President Bush's term. And the confirmations did not slow as the election approached. During the four-month period between June and September, the Senate Judiciary Committee favorably reported 32 nominees, including 7 appeals court nominees.

In contrast, the Senate Judiciary Committee held only six hearings between January and September of this year. The Senate has so far confirmed a total of only 17 district court nominees, with little indication or commitment from the Republican leadership that we will move any more.

Mr. President, this Senate has failed to confirm a single appeals court judge this year. Not one, Mr. President. No Congress in at least 40 years has failed to confirm a single court of appeals judge. Is this the kind of precedent this Senate wants to establish?

In fact, even if all of the nominees pending before the Judiciary Committee are confirmed, the total number of judges confirmed this year will be one of the lowest election year total in over 20 years. In 1988, the Senate confirmed 42 judges, including 7 court of appeals nominees. In 1984, the Senate confirmed 43 judges including 10 court of appeals nominees. In 1980, 64 judges were confirmed, including 9 court of appeals nominees. In 1976, 32 judges were confirmed, including 5 court of appeals nominees.

Since every candidate has bipartisan support, the Senate should at the very least, grant a vote on Ms. Morrow's nomination if unanimous consent is not possible.

In sum, Mr. President, I am fully confident that the Members of the Senate will agree with me that Margaret Morrow's qualifications are outstanding and she is deserving of expeditious Senate confirmation. Her exceptional experience as an attorney, her professional service, and her deep commitment to justice qualify her to serve our Nation and the people of California with great distinction. And as evidenced by the letters I have read from, she has strong bipartisan support from some of the most prominent and conservative Republicans in my State.

I urge the distinguished Majority Leader to work with the Minority Leader to move for her immediate confirmation through unanimous consent or to schedule a rollcall vote.

So I just want to make one more plea to the majority leader. This is a nominee who was on the original list of 23 judges. There are only two left, one from California, one from Hawaii, and I do not think it does this Republican Congress any good at all as they go home to campaign when the people realize that they have approved the fewest judgeships in recent memory. We should not be playing politics with the courts.

We also had an excellent candidate in Richard Paez for the circuit court, and again action stalled on a nominee who actually got approved by this Congress for a district court judgeship. Why on Earth would we not move him up, boost him up?

Mr. President, I see that the majority leader is in the Chamber, and I will wrap up my comments in 1 minute. I appreciate him yielding to me.

I am pleased that we see no action on the Ward Valley land transfer, which would put a low-level nuclear dump in my State. We have fought that and we have stopped that from coming up.

I am very excited that it looks as if the Cruise Ship Revitalization Act will become the law of the land, thereby bringing hundreds of millions of dollars and revenues to California.

I am disappointed that we still do not have the Presidio legislation enacted. We are still working on that. I compliment my colleague, Senator FEINSTEIN, for working so hard to put together a negotiated settlement on part of the Headwaters Forest. She worked very long and hard on that.

I will have further to say on an issue very dear to the hearts of the people of my State, and frankly most of the schoolchildren in this country, and that is dolphin protection. Because I think we were able to ward off a real frontal attack on safety of dolphins, and I will speak more about that later.

So, thank you very much, Mr. President. I am pleased the administration got more money for education and the environment. These things are very, very important to this country.

I yield whatever time I have remaining.

Mr. LOTT. I thank the Senator from California for allowing us this opportunity to do some unanimous consent requests. I know the Senator from Kentucky is here for that purpose.

UNANIMOUS CONSENT REQUEST—H.R. 3539

Mr. LOTT. Mr. President, I ask unanimous consent the Senate now turn to the consideration of the conference report to accompany the FAA reauthorization bill and the report be considered as having been read.

The PRESIDING OFFICER. Is there objection?

Mr. SIMON. Mr. President, reserving the right to object, I shall object.

There was what is not a technical correction put on in conference, a provision that affects one corporation, benefits one corporation, and a provision that was defeated in the Appropriations Committee just 2 weeks ago when there was an attempt to put it on. I do not think this is the way we ought to be legislating. If that provision is taken off, I will be happy to support it. But I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, if I could be heard just briefly further with regard to that? I just came from the Democratic leader's office in which we were discussing this matter. We are still very hopeful something can be worked out. I know an effort is underway there.

Had the Senate been able to proceed to this very vital conference report, it was my intention to file a cloture motion, which would call for the cloture vote on Monday. Since our colleagues have chosen to object to the conference report, I cannot file that cloture motion. Consequently, the FAA conference report containing funds for the airport trust fund, essential air service, and addressing safety matters at our Nation's airports, is therefore in dire straits now. We are not sure exactly how we are going to be able to proceed, but I know a good-faith effort is underway, and I am hoping in the next few minutes something can be worked out that is fair.

Otherwise, we are either going to see the FAA reauthorization not be completed, which causes major problems with our airline industry, or we may be forced to ask our Senators to be prepared to vote on Sunday afternoon. That is an option we are reviewing. That also could entail having to have votes on Tuesday, inconveniencing everybody concerned. But maybe we can find a way to get to a conclusion without having to do it that way.

Does the Senator from Kentucky have a comment on that?

Mr. FORD. Mr. President, I agree with the majority leader. I would prefer we not be in this position. It was inadvertently left out of the law, and now they have seized on it and it has become a fight. I understand that very well.

But it was defeated. The Senator from Illinois did not say it was 11 to 11. It was not a huge defeat; it was a tie. So 11 people in the committee voted for it. So there was some support at that time, and I do not think much work had been done. If some work had been done, it probably would have been taken care of there and we would not be fooling with it on this bill.

I am not a lawyer, I am just on the jury. I am trying to listen to all these lawyers running around town trying to tell me what is and what is not. The jury tells me that we need to do something for the country as it relates to

aviation. My record with labor is just as good as the next fellow's, and I will put mine, my percentage, up with that of the Senator from Illinois as to my support for labor.

But this is one time I want the aviation industry of this country to continue to be the best in the world. If they are going to take this stance and say we are going to bring the FAA bill down—that is what the Senator from Illinois is doing—then we will be here next week, in my opinion. We will probably vote on Monday to proceed. We then lay a cloture motion down and they will be around here a lot longer than they had expected.

If that is the procedure, if you want to get the fur up, that is fine. It suits me fine. I understand it, not to say that I like it. I understand the procedure and I understand the rules. I understand the rules pretty well.

So, I hope we can work something out, I say to the majority leader. I am prepared to offer some objections myself here.

Mr. SIMON. If the majority leader will yield for 1 minute?

Mr. LOTT. I will be glad to.

Mr. SIMON. I am all for the FAA bill. What was put on was neither in the House nor in the Senate on this bill. That can be put on—if you drop this provision, it can be put on the continuing resolution. There are a variety of ways of handling this.

I hope we can get it worked out.

Mr. FORD. I say to my friend, you can put this bill into the continuing resolution now.

Mr. SIMON. What we should not do is tack on a major labor-management provision on this thing—without hearings on what is a very controversial provision, I might add.

UNANIMOUS-CONSENT REQUEST—H.R. 1617

Mr. LOTT. Mr. President, I ask unanimous consent the Senate now turn to the consideration of the conference report to accompany H.R. 1617, the work force development bill; the reading be considered waived, all points of order be waived, the conference report be considered as agreed to, with a motion to reconsider laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. SIMON. Mr. President, reserving the right to object, and I shall object on behalf of the ranking member, Senator KENNEDY and myself. I do object. There are a lot of good things in this. There are a lot of things we have been working on a long time. I regret that it is necessary, but I do object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST—S. 1237

Mr. LOTT. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 545, S. 1237, a bill to amend certain provisions of law relating to child pornography; further, that a substitute amendment which is at the desk, offered by Senators HATCH, BIDEN, and others, be considered and agreed to, the bill be deemed read a third time and passed as amended, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. SIMON. Mr. President, I am reserving the right to object. I have always opposed mandatory minimums. They are great politics. They are bad justice.

The Chief Justice of the U.S. Supreme Court, William Rehnquist, has admonished Congress not to put these mandatory minimums on. There are some particularly harsh ones here.

There is much in this bill to be commended. But if we can take the mandatory minimums off, I will remove any objection right away. Clearly we want to do everything we can to stop child pornography. But to say, for example, to an 18-year-old who is guilty of pornography with a 16-year-old, for two offenses you get life in prison, which is what this bill mandates—I am not sure that serves the cause of justice. I think we ought to leave that up to the judges, as Chief Justice Rehnquist has suggested. So I do object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST—H.R. 2823

Mr. LOTT. Mr. President, I ask unanimous consent that H.R. 2823, the International Dolphin Conservation Program Act, which has been laboriously negotiated and supported by, for instance, a call I received from the Ambassador to Mexico, former Congressman Jim Jones, and supported by the administration actively, I believe, by Vice President AL GORE.

I, therefore, ask unanimous consent that it be discharged from the Commerce Committee; that the Senate proceed to its immediate consideration; that the bill be read a third time and passed; and that the motion to reconsider be laid upon the table.

Mrs. BOXER. Mr. President, reserving the right to object, I do plan to object to this, and I would like to take some time to explain it.

Mr. President, today, the Majority Leader asked unanimous consent to take up a bill—the Stevens/Breaux/Gilchrest bill—that would significantly weaken protections for dolphins in the eastern tropical Pacific Ocean by rewriting—gutting—the ''dolphin safe'' tuna labeling law that Senator BIDEN and I wrote and pushed into law in 1990.

Today, the $1 billion U.S. canned tuna market is a ''dolphin safe'' market. Consumers know that the ''dolphin safe'' label means that dolphins were not harassed or killed.

Our definition of dolphin safe became law for all the right reasons. Those reasons are still valid today:

First, for the consumers, who were opposed to the encirclement of dolphins with purse seine nets and wanted guarantees that the tuna they consume did not result in harassment, capture and killing of dolphins;

Second, for the U.S. tuna companies, who wanted a uniform definition that would not undercut their voluntary efforts to remain dolphin safe;

Third, for the dolphins, to avoid harassment, injury and deaths by encirclement; and

Fourth, for truth in labelling.

Our law has been a huge success. Annual dolphin deaths have declined from 60,000 in 1990 to under 3,000 in 1995. Why mess with success?

The Stevens/Breaux/Gilchrest bill would permit more dolphins to be killed than are killed now.

The bill promotes the chasing and encirclement of dolphins, a tuna fishing practice that is very dangerous to dolphins. It does so by gutting the meaning of ''dolphin safe'', the label which must appear on all tuna sold in the United States. The ''dolphin safe'' label has worked: it doesn't need to be ''updated'', as the bill's sponsors claim.

A number of arguments have been made in support of the Stevens/Breaux/Gilchrest bill which I would like to refute at this time.

Bill supporters claim that it is supported by the environmental community. In fact, only a few environmental groups support the Stevens/Breaux/Gilchrest bill, while over 85 environmental, consumer, animal protection, labor and trade groups oppose the Stevens/Breaux/Gilchrest bill. I ask unanimous consent that a list of these groups be printed in the RECORD at this point. The fact is that the vast majority of environmental organizations in this country and around the world oppose the Stevens/Breaux bill.

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

Action for Animals, California
Americans for Democratic Action
American Society for the Prevention of Cruelty to animals
American Oceans Campaign
American Humane Association
Americans for Democratic Action
Animal Protection Institute
Ark Trust
Australians for Animals
Bellerive Foundation, Italy & Switzerland
Born Free Foundation
Brigantine New Jersey Marine Mammal Stranding Center
Cetacea Defence
Chicago Animal Rights Coalition
Clean Water Action
Coalition for No Whales in Captivity
Coalition Against the United States Exporting Dolphins, Fl.
Coalition for Humane Legislation
Colorado Plateau Ecology Alliance
Committee for Humane Legislation
Community Nutrition Institute
Defenders of Wildlife
Dolphin Project Interlock International
Dolphin Connection, California
Dolphin Freedom Foundation
Dolphin Defenders, Florida
Dolphin Data Base

Dolphin Alliance, Inc.
Doris Day Animal League
Earth Island Institute
Earth Trust
Education and Action for Animals
Endangered Species Project, Inc.
European Network for Dolphins
Federation for Industrial Retention and Renewal
Foundation Brigitte Bardot, France
Friends of the Earth
Friends of Animals
Friends for the Protection of Marine Life
Friends of the Dolphins, California
Fund for Animals
Fundacion Fauna Argentina
Hoosier Environmental Council
Humane Society of Canada
Humane Society of the Midlands
Humane Society International
Humane Society of the United States
In Defense of Animals
Institute for Agriculture and Trade Policy
Interhemispheric Resource Center
International Brotherhood of Teamsters
International Dolphin Project
International Wildlife Coalition
International Union of Electronic Workers
Irish Whale and Dolphin Society
Lifeforce Foundation
Marine Green Party
Marine Mammal Laboratory
Marine Mammal Fund
Massachussetts Audubon Society
Midwest Center for Labor Research
National Consumers League
National Family Farm Coalition
Oil Chemical and Atomic Workers International Union
Pacific Orca Society, Canada
People for the Ethical Treatment of Animals
Performing Animal Welfare Society
Progressive Animal Welfare Society
Public Citizen's Global Trade Watch
Pure Food Campaign
Reearth
Reseau-Cetaces, France
San Diego Animal Advocates
Sierra Club
Society for Animal Protective Legislation
South Carolina Association for Marine Mammal Protection
South Carolina Humane Society of Columbia
The Free Corky Project
UNITE!
Vier Pfoten, Austria and Germany
Whale Tales Press
Whale Rescue Team
Whale and Dolphin Welfare Committee of Ireland
Whale and Dolphin Society of Canada
Working Group for the Protection of Marine Mammals, Switzerland
Zoocheck, Canada

U.S. DEPARTMENT OF STATE,
Washington, DC, September 11, 1996.

Hon. BARBARA BOXER,
U.S. Senate.

DEAR SENATOR BOXER: Thank you for your letter of August 8 regarding the Declaration of Panama.

As you are aware, representatives of the United States and 11 other nations signed the Declaration of Panama on October 4, 1995. In our judgment, the Declaration represents a significant step forward in the efforts of nations whose vessels fish for tuna in the Eastern Tropical Pacific Ocean to protect dolphins and the marine environment as a whole.

By signing the Declaration of Panama, these nations have formally announced their intention to conclude a binding legal instrument incorporating the provisions of the 1992 La Jolla Agreement on dolphin protection in this fishery, as supplemented and strengthened by additional measures to protect dolphins as set forth in the Panama Declaration.

Thus, the Panama Declaration itself is not a legally binding international agreement, but rather a commitment to conclude such an agreement. Fulfillment of that commitment is expressly contingent upon—and only upon—certain changes in U.S. law. Those changes would occur with enactment of S. 1420 or its companion bill, H.R. 2823, which recently passed the House of Representatives with strong bipartisan support.

Once such an agreement is concluded, the Department would transmit it to Congress, as required by the Case-Zablocki Act.

I hope this responds to your inquiry. We would be happy to provide you with any additional information, or to discuss with you or your staff the Administration's support for the Panama Declaration and the enactment of H.R. 2823/S. 1420.

Sincerely,

BARBARA LARKIN,
Assistant Secretary, Legislative Affairs.

U.S. SENATE,
Washington, DC, August 8, 1996.

Mr. MICHAEL J. MATHESON,
Acting Legal Adviser, Department of State, Washington, DC.

DEAR MR. MATHESON: We write regarding the ''Declaration of Panama,'' a document signed on October 4, 1995 by several countries, including the United States. This declaration addresses measures regarding the protection of dolphins in the Eastern Pacific Ocean. In this declaration, signed for the United States by Brian Hallman of the Office of Marine Conservation, the United States and 11 other nations announced their intention to formalize another agreement (the ''La Jolla Agreement'') as a ''binding legal instrument.''

So that we may understand the legal significane of this document, as interpreted by your office, we request answers to the following questions:

1. Does the Department regard the Declaration of Panama as a binding international agreement?

2. If so, please provide a legal analysis discussing the factors pertinent to determining whether a document is a binding international agreement. Such analysis should include, at a minimum, an assessment of the factors set forth in 22 C.F.R. §181.2 (State Department regulations regarding the coordination and reporting of international agreements).

3. If the Declaration of Panama is a binding international agreement, when did this agreement enter into force, and by what means?

4. If the Declaration of Panama is a binding international agreement, has the agreement been transmitted to Congress pursuant to the Case-Zablocki Act, 1 U.S.C.§112b? If it has not been so transmitted, why has it not been?

Thank you for your attention to this matter. We would appreciate a reply prior to the reconvening of Congress in early September.

Sincerely,

BARBARA BOXER,
U.S. Senator.
JOSEPH R. BIDEN, Jr.,
U.S. Senator.

Mrs. BOXER. The bill's supporters say that it is unreasonable for the United States to continue to impose a unilateral embargo on other fishing nations that wish to sell tuna in our country. I agree. It is time to lift the embargo. That is why Senator BIDEN and I, and a number of our colleagues, introduced legislation last year that would lift the country by country embargo against tuna that is caught by dolphin safe methods. Our bill would give all tuna fishermen the opportunity to export to the U.S. market as long as they use dolphin safe practices. In other words, we would open the U.S. market and comply with international trade agreements without gutting U.S. dolphin protection laws.

We have offered repeatedly over the past year to sit down and negotiate a compromise with the administration. We have stated repeatedly that we agree it is appropriate to lift the embargo. We want to reach a compromise that is in the best interest of the American consumer, dolphins, and our U.S. tuna processing industry.

The bills supporters believe that we should return to chasing and setting nets on dolphins because bycatch of other marine species is minimized. I believe that in order to sustain our renewable marine resources, we need to take a comprehensive ecosystem approach. I also recognize that management of a single species does not always produce benefits for the entire ecosystem. The bycatch of juvenile tuna and other marine species including endangered turtles, is an issue of concern that must be addressed. However, the bycatch arguments used by supporters of this bill are not based on solid science. We need more research before we can establish that bycatch is a problem.

Under the scheme supported by this bill, only one observer would be required on each tuna fishing boat. Now that may sound reasonable, but what you may not know is that the nets that are used to catch tuna are huge: a mile-and-a-half long. How can we expect one single observer to make sure that no dolphins die?

I was very surprised to hear the Senator from Louisiana earlier today repeatedly say how shameful it was that the Senate could not take up the tuna-dolphin treaty. The Senator suggested that unless the Senate passes the bill the majority leader tried to bring up, the United States will somehow be reneging on binding international agreements. This is simply untrue. It is a completely inaccurate characterization of the issue.

I know the Senator from Louisiana to be an honorable man and I would never accuse him of making a false statement knowingly. In this case, therefore, he must have been seriously misled and misinformed by those who wish to change the law, because, Mr. President, there is no tuna-dolphin treaty.

No treaty was signed by the United States or any other nation on the subject of tuna fishing and the killing of dolphins.

No treaty was submitted to the Senate for ratification, as required by the Case-Zablocki Act.

No treaty was referred to the Senate Foreign Relations Committee.

None of these things happened because there is no treaty.

What in fact the majority leader tried to bring before the Senate today is a bill which was introduced in the Senate by the Senator from Louisiana and the Senator from Alaska, and in the House by Congressman GILCHREST. This bill would amend, I would say gut, the existing law that defines the term ''dolphin safe'' for purposes of the sale of tuna in this country.

The agreement that the bill relates to is neither a treaty nor an international agreement. The so-called Panama Declaration is only a political statement—an agreement to agree in the future on a binding international agreement.

How do we know the Panama Declaration is not a treaty? A treaty is a binding commitment in international law which requires the parties to abide by its provisions. It is a legal instrument imposing legal obligations.

In our system of law, a treaty has the same standing as a statute passed by Congress—they are both the law of the land. This principle is embodied in article VI of the United States Constitution, which states:

> This Constitution, and the Laws of the United States which shall be made in pursuance thereof; and all Treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land . . .

The principle that treaties are the law of the land was confirmed by the Supreme Court in 1920 in the case of Missouri versus Holland, in which Justice Oliver Wendell Holmes wrote:

> By Article VI, treaties made under the authority of the United States . . . are declared the supreme law of the land.

Another fundamental constitutional doctrine relates to how the law of the land principle operates—the last in time doctrine, which means that if a treaty and a statute are in conflict, then the last one to be put into effect governs. So clearly—if the Panama Declaration were a binding international agreement, there would be no need for the bill the majority leader tried to take up.

In fact, the very wording of the Panama Declaration itself reveals that it is not a binding international agreement. In the second paragraph of the document, it reads:

> The governments . . . announce their intention to formalize . . . The La Jolla Agreement . . . as a binding legal instrument.

In addition, the declation sets forth a series of principles which will ultimately be contained in this yet-to-be-drafted international agreement. But these principles are so vague and largely hortatory that they cannot possible be read as imposing legal obligations.

If there were any doubt that the United States did not intend to be bound by this ''declaration'', we need only turn to the statement issued by the U.S. representative to the meeting in Panama.

> The U.S. Administration supports this initiative which is an important step on the road to a permanent, binding instrument . . . The initiative . . . is contingent upon changes in U.S. legislation . . . The U.S. Administration needs to work with our Congress on this . . . We do not want to mislead anyone here as to what the final outcome of that process might be.

It is clear that the administration was not binding the United States to anything, other than to work with the Congress to enact this legislation.

That is the commitment of the United States that the Senator from Louisiana talked about. It is nothing more. If we don't pass this bill, no binding agreement will have been broken, no international treaty obligation will have been violated.

The other nations present during the discussions in Panama surely understood this. They are fully aware that we have a government with co-equal branches, and that any changes in the tuna labelling laws, as envisioned by the Panama Declaration, require the consent of Congress.

The argument that rejection of this bill amounts to a violation of an international agreement is a red herring. There is no treaty and no international agreement in force for us to break.

Finally, on this point, Mr. President, let me ask unanimous consent to insert in the RECORD two letters: a letter sent by Senator BIDEN and myself to the State Department on the question of whether the Panama Declaration is a binding international agreement, and the State Department's response to us on that question. The State Department letter reads, in part:

> Thus, the Panama Declaration itself is not a legally binding international agreement, but rather a commitment to conclude such an agreement. . . . Fulfillment of that commitment is expressly contingent upon—and only upon—certain changes in U.S. law.

So, Mr. President—This declaration may be a political commitment, but it is most definitely NOT a legal obligation.

In summary, the arguments made by the supporters of the Stevens-Breaux-Gilchrest legislation—arguments of fact as well as arguments of law—are unsupportable. The bill is not needed for any convincing scientific or environmental purpose, and is not needed to meet any binding obligation of the United States.

In summary, Mr. President, in 1990, Senator BIDEN and I wrote a law called the Dolphin Protection Act. What happens is that when the tuna fishermen go out, they follow the dolphin because the dolphin follow the tuna. They cast a purse seine net, and they kill the dolphin along with the tuna.

We have taken the dolphin kill since 1990 down from 60,000 a year to 3,000 a year. We do not think there is any need at all to now allow this purse seining on dolphin. What this negotiation with Mexico would do is allow the Mexican fishermen to bring in their tuna. It is not dolphin-safe and the dolphin-safe label on the tuna can would lose all its meaning.

I very, very strongly object, not only in my behalf, but on behalf of Senator BIDEN, and I will also say, 85 environmental organizations, including the Humane Society, the Sierra Club and a host of others.

I appreciate the majority leader giving me this opportunity to explain why I object strongly, and I will do everything I can to make sure this bill never does become the law of the land.

I do object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST—H.R. 1296

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the conference report to accompany the Presidio parks bill; that the conference report be considered as having been read; and that immediately following the reporting by the clerk, the conference report be immediately recommitted to the conference committee.

Mr. FORD. Mr. President, on behalf of this side of the aisle, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, if I can be heard further on this, time has not run out. There is still time for us to get this conference report that affects 41 States and contains 126 parks and public land provisions. The Senate must recommit the conference report back to the conference committee in order to correct a tax matter which has now been cleared, I believe, in the House.

So it would allow us to get this very important piece of legislation through the process. If there is some other way it can be done, we have a couple of days, perhaps, in which we can pursue it.

I, again, repeat my great concern that this major preservation legislation, affecting so many areas, so many States appears to be in a position of being killed for no apparent reason that I can figure out. In fact, when I first talked to my Democratic colleagues about this, I think they were surprised that it was being objected to. I know the Presidio provision, for instance, is supported by the Senators from California.

For some reason, the administration has problems with this bill. They object, for instance, to the project in Utah called Snow Basin, which is an important part of where the Olympics will be held. I asked Chief of Staff Leon Panetta last night, ''Do you want to be involved in stopping a project which has been broadly supported in the area and is going to be critical to the next winter Olympics?'' I think he didn't realize that it had that ramification. But for some reason, it continues to be objected to.

Mr. President, I yield to the Senator from Alaska.

Mr. MURKOWSKI. I wonder if the Senator will yield for just a moment, because clearly the Utah Olympics and the Snow Basin exchange that is in

this are in jeopardy. It simply will not happen, and, of course, the motivating section was the Presidio. That is not included. Sterling Forest, I might add, in New Jersey and New York, is not included. It is my understanding the appropriators chose to put in Mount Hood in honor of Senator HATFIELD, as well as very early this morning adding the San Francisco Bay cleanup, which was part of the Presidio omnibus package and now will be moving evidently on a separate track.

Unless the administration sees fit to lift their hold, the Presidio, Utah Snow Basin, Sterling Forest, and all those 126 will be lost, and we will have to start again in the next Congress. Evidently, the San Francisco Bay cleanup has gone on the appropriations process, as well as Mount Hood. So that is what we are left with.

I thank the majority leader.

Mr. FORD. Mr. President, will the majority leader yield?

Mr. LOTT. I will be glad to yield.

Mr. FORD. I think negotiations are still available. I hope we can use the same procedure we did with the Kassebaum-Kennedy bill: have an agreement before it is referred back to conference. I think that is still doable. I would not say to my friend to throw it over his shoulder and forget it, that is the end of it. I think we ought to continue to try to work it out and have an agreement worked out prior to sending it back. I think it can be worked on.

Mr. MURKOWSKI. Let me say we stand ready. We spoke with the White House last night about the 46 items they found objectionable and potentially subject to veto, and we are still awaiting word back from the White House on those. So I appreciate the response of the majority leader and the response of the Senator from Kentucky. Again, we stand ready to respond.

Mrs. BOXER. Will the majority leader yield to me for a moment?

Mr. LOTT. Yes, I will, Mr. President.

Mrs. BOXER. Mr. President, I thank all the parties. I think we should not let this moment go by, I say to my majority leader, because I do believe there are so many wonderful things in the package that have been assembled by the Senator from Alaska. I know he has invested himself personally in the Presidio. He has been out there and he has shown, by his presence there, the bipartisan support we have out there.

This is one of the few issues where we have President Clinton, we have Senator Dole, we have Vice President GORE and Vice Presidential candidate Kemp all in agreement. We have FRANK MURKOWSKI and BARBARA BOXER agreeing that we have to do something with this Presidio.

I talked with Congressman MILLER this morning. I know he is trying hard to come up with a compromise. I just think, knowing all of you as I do, there has to be some way we can reach agreement. I stand ready to help in any way. Please contact me at any point in the negotiations if I can be of help.

Mr. LOTT. I thank the Senator.

UNANIMOUS-CONSENT REQUEST—H.R. 4137

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4137, a bill to combat drug-facilitated crimes of violence, which is at the desk.

I further ask unanimous consent that the bill be read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Mr. President, reserving the right to object, I think this is another one they are still trying to work out. But on behalf of Senators on my side, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I do hope the effort will continue to be made to work it out, because it would, as I said, combat drug-facilitated crimes of violence, including sexual assaults. I don't know where the hangup is.

Mr. FORD. I say to my friend, I don't know either. I am doing like he does. He has some friends on his side who object. I have them on my side. I understand everyone is feverishly working on a lot of things. The push to get out of here soon may cause us to get out later. So I hope we can all work together.

I thank my friend.

UNANIMOUS-CONSENT REQUEST—H.R. 4134

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 634, a bill to amend the Immigration and Nationality Act to deny public education benefits to illegal aliens; further, that the bill be deemed read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Mr. BURNS). Is there objection?

Mr. FORD. Mr. President, on behalf of Senators on my side, I object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST—S. 1174

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 484, S. 1174, a bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Lamprey River in New Hampshire as components of the National Wild and Scenic Rivers System; further, that the bill be deemed read a third time and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Mr. President, reserving the right to object, this is one of the items in the so-called Presidio parks bill that is being attempted to be jerked out. I think if we are going to agree on one, we ought to agree on all or agree on the bill. So, therefore, I must object.

The PRESIDING OFFICER. Objection is heard.

UNANIMOUS-CONSENT REQUEST—H.R. 2715

Mr. LOTT. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from H.R. 2715 and, further, that the Senate proceed to its immediate consideration, and, further, that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, Mr. President, the distinguished majority whip asked me about this one earlier, how we could get it cleared. And I had given that information. So we are working on this bill. And until we get an answer back from your side, I must object. But I think we are moving in the right direction.

I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. This is the Paperwork Elimination Act. We will continue to work to see what we can do on that. I am aware of the Senator's other interests, and we are checking on that to see how we can work it out.

Mr. FORD. A quid pro quo here.

Mr. LOTT. We have been known to do that on occasion, for the best interests of the country.

Mr. FORD. You got that right.

UNANIMOUS-CONSENT REQUEST—H.R. 3719

Mr. LOTT. Mr. President, I ask unanimous consent to proceed to the immediate consideration of H.R. 3719, which is at the desk, further, that a substitute amendment at the desk offered by Senators BOND and BUMPERS be agreed to, the bill be deemed read a third time, passed, and that the motion to reconsider be laid upon the table, and any statements relating to this Small Business Act and Small Business Investment Act, which are amendments to the existing law of 1958, be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. FORD. Reserving the right to object, Mr. President, this is the Small Business Act, as the majority leader said, and the Small Business Investment Act. Several Senators on both

sides have been trying very hard to work out an amendment that would be agreeable to everyone here. As I understand it, they are very close.

Under those circumstances, Mr. President, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I think we have one that we can clear here. It also is one that maybe the Senator in the chair would have some interest in.

IMPLEMENTATION OF THE METRIC CONVERSION ACT OF 1975

Mr. LOTT. Mr. President, I ask unanimous consent that the Commerce Committee be discharged from further consideration of H.R. 2779, and the Senate proceed to its immediate consideration.

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

The assistant legislative clerk read as follows:

A bill (H.R. 2779) to provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects, and for other purposes.

AMENDMENT NO. 5417

(Purpose: To provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects, and for other purposes)

Mr. LOTT. Senator BURNS has a substitute amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT] for Mr. BURNS, for himself, Mr. STEVENS, Mr. GLENN, Mr. PRESSLER, Mr. HOLLINGS, Mr. KERRY, Mr. WARNER, Mr. ROBB, Mr. SHELBY, and Mr. GRAMS proposes amendment numbered 5417.

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

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

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

Mr. BURNS. Mr. President, I am happy to report today that the Senate is ready to pass legislation, H.R. 2779, designed to protect American businesses, American jobs, and the American taxpayers by providing for the appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects. I was pleased both to introduce the Senate version of this measure, S. 1386, last fall along with my colleague Senator SHELBY, and to lead the effort in the Senate to obtain bipartisan approval here. This legislation restores a degree of sensibility and sanity to the manner in which this country gradually converts to the metric system. It is good for small business.

Bright and forward-thinking people have told me they believe the metric system is the future of this country. I will take them at their word. But there is absolutely no doubt whatsoever that there is a right way and a wrong way to bring about metric conversion. The right way is to work cooperatively with everyone who will be affected by metric conversion. The right way is to convert without unduly burdening businesses, without losing markets for U.S. firms, without forcing the taxpayers to pay a metric premium when Federal agencies procure metric products that are specialty items, not off-the shelf commercial items. The wrong way is to do precisely the opposite, which, unfortunately, has been happening.

The 1988 Trade bill contained language which established the metric system as the preferred system of measurement for the United States. Why was the language on the trade bill? The rationale was that it would improve the ability of American companies to export goods to metric-based countries if American firms could be moved to produce those goods in metric versions.

The principal tool for urging American companies to switch to the metric system is to use Government procurement policy. The trade bill includes language, ''to require that each Federal agency, by a date certain and to the extent economically feasible by the end of the fiscal year 1992, use the metric system of measurement in its procurement, grants, and other business-related activities . . .''

This legislation is being passed today because some Federal agencies responsible for implementing the metric policy either forgot to read or are completely ignoring the remainder of the above sentence: ''. . . except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms, such as when foreign competitors are producing competing products in non-metric units . . .''

Congress never intended for the switch to metrication to be forced at any cost or without regard to its impact on people, small business, or industry. This legislation insures that the Federal construction procurement policy will no longer ignore this important language which, in turn, can cause staggering problems for some industries.

We also need to keep in mind at the outset that metrication policy is rapidly running into conflict with other Government policies calling for the use of commercial products widely available in the private sector. Federal contracting personnel need to closely review procurement law developments such as the Federal Acquisition Streamlining Act [FASA] to ensure that, in their fervor to bring about metrication through Federal procurement, they are not inadvertently violating key elements of procurement laws and policies designed to promote the use of widely available commercial products and maximum access to the commercial market place.

Let me briefly describe some of the finer points of the legislation, and send a very clear signal to the agencies as to how the law is to be interpreted and applied.

Agencies have begun to hide behind metric law to maintain Government unique specifications and the internal support staff needed to maintain the Government unique specifications. At the same time, Government procurement laws and procedures have been streamlined to require agencies to buy commercial items. In addition, some advocates were pushing the use of metrics without consideration of costs and industry impact, as required by the 1988 amendments. This substitution amendment to H.R. 2779 clearly states that procurement laws favoring commercial off-the-shelf items will be applied and certainly will not be overridden or avoided by the application of the metric law and policy. Where there is conflict between the two, procurement laws favoring commercial off-the-shelf items customarily used by the private sector will take precedence. This allows an orderly transition to items built in hard-metric configuration, when those items meet the economic and quality specifications of the commercial marketplace.

FASA requires agencies to conduct preliminary market research to make sure they can obtain commercial items. This amendment to H.R. 2779 says the results of that market research must be used to determine which design method is suitable to ensure that the design will accommodate commercial items. It would make no sense whatsoever for an agency to design a building requiring hard-metric components after it has learned that hard-metric construction items that meet the definitional requirements in this amendment for commercial items are not available. Consistent with FASA, my legislation requires that agencies determine early in the process whether hard-metric or soft-metric building materials are available. Even in a metric building, the design must accommodate non-hard-metric items if hard-metric versions of those products are not available as commercial, off-the-shelf, items.

Hard-metrication for two classes of construction products has been particularly controversial: concrete masonry units [CMU] and lighting fixtures. The problems these industries are facing are well documented so I will not recount them here. The treatment for both classes is virtually identical, except that there is an extra criterion relating to voluntary industry consensus standards that would be inappropriate to apply with CMU. This legislation allows agencies to use the metric system of measurement but they may not incorporate specifications that can only be satisfied by hard-metric versions of these products

in solicitations for design and construction of Federal facilities unless certain criteria are met.

One of the chief problems we are remedying in this amendment is that agencies have been using hard-metric specifications for CMU and recessed lighting fixtures to greatly hinder or eliminate offerors of soft-metric versions of these products from the opportunity to win contracts by rendering them nonresponsive because solely hard-metric versions have been specified. To address the problem of these two industries, the amendment specifically requires a determination by an agency head if the agency requires a contractor to design or build to hard metric specifications for CMU and lighting fixtures. In the provisions directly addressing CMU and recessed lighting fixtures, an agency solicitation ''may not incorporate specifications that can only be satisfied by hard-metric versions''. Congress' intent is that an agency can solicit offers in hard-metric, soft-metric or English standards but if it limits offers to hard-metric, the agency head must make a determination using the procedures laid out in sections (b) and (c) of this amendment to H.R. 2779.

This language does not allow agencies to incorporate hard-metric specifications in a piecemeal manner to justify and specify hard-metric CMU and lighting fixtures in an entire project. In other words, a partial hard-metric specification may not be used to justify a hard-metric requirement for an entire project.

Even in those cases where agencies might be allowed to use a hard-metric design and hard-metric products after the full and appropriate application of this act, we would encourage the agencies to use value-engineering principles, which have the full support of Congress, to use soft-metric products where possible to reduce the costs to the taxpayers and incur all the benefits of the value-engineering concept.

Regarding the criterion that the application requires hard-metric CMU or lighting fixtures to coordinate dimensionally into 100-millimeter building modules, I would reiterate that the preliminary market research should decide the design method, and the design method would have a very large impact on whether a 100-millimeter module is necessary or even allowable to comport with soft-metric versions of either of these products. It is quite possible that it might be a rare event that such a module would be required. The term ''required'' in this criterion means that an agency must use the 100-millimeter module to avoid otherwise not resolvable technical problems, and that other reasonable, low-cost or low-effort minor adjustments or solutions are unavailable. In other words, a bona fide requirement for a 100-millimeter module based on technical necessity is implied as a requirement for this criterion to be satisfied.

I would call attention to the criterion that states the total installed price of hard-metric CMU and lighting fixtures must cost less than the non-hard-metric versions. Estimates shall be prepared using pricing data or price analyses with data from similar projects as defined in the Truth in Negotiations Act. Estimates should be prepared very carefully with a strong emphasis on using pricing data and price analysis on actual projects in being where actual costs to the taxpayers can be obtained and compared. The most recent data available to provide the most accurate estimate possible should be sought; the emphasis is on the actual pricing that the Government pays. Because the method and information used are the basis for determining what the Government will buy, Congress expects ombudsmen, the GAO, and others to scrutinize these factors carefully if complaints are received relating to price estimates. Agency personnel who conduct estimates for this subsection should retain a detailed record of factors affecting their decisions and be prepared to provide such documentation.

The designation of agency ombudsman is a reflection that either no appeals method to review actions of agency metrication decision exists, or if it does exist, it doesn't work. The CMU and lighting fixture industries have been working for years to persuade a change in Federal policy on metrication, to no avail. The key points to make about the ombudsman is that this person should be sufficiently highly placed in an agency so as to have agencywide authority, and sufficient resources to be able to quickly communicate the resolutions of complaints throughout the agency. A suitable ombudsman will be sufficiently insulated from the contracting process to remain objective. In order to effectively analyze complaints, the ombudsmen must maintain knowledge of both metrication and procurement laws, as the top-level business-related activities of the agency.

The ombudsmen should act aggressively, quickly and affirmatively to deal with complaints. They should thoroughly examine the documentary record, especially with regard to cost estimates. The CMU and lighting fixtures industries may avail themselves of the ombudsman if necessary at any time prior to the expiration of this act. It is expected that ombudsmen will genuinely review the actions of the contracting personnel which are the subject of complaints. Ombudsmen should endeavor to recommend agency-wide solutions in cases where it is readily apparent that the conditions giving rise to complaints are not localized or could be repeated.

Mr. President, that concludes my remarks as to specific provisions in this legislation. I urge agency contracting personnel to understand the spirit as well as the letter of legislation and I hope that they will adhere to both equally. Mr. President, without objection, I would like to submit newspaper articles that further chronicle the details of the problem that brings us to the Senate floor today to be printed in the RECORD.

Mr. President, let me take this opportunity to thank my very good friends for their help and very responsive assistance in developing improvements to the bill and moving it quickly for the benefit of many American businesses, workers and taxpayers. Senator RICHARD SHELBY was an original cosponsor of S.1386. Senator LARRY PRESSLER has always shown tireless leadership in standing up for the concerns of everyday people on this issue, and I thank him for his support. Many thanks go to my Senate colleagues on both the Governmental Affairs and the Commerce Committees, especially Senators TED STEVENS and JOHN GLENN for their indispensable expertise on procurement issues, and Senator ERNEST HOLLINGS for his contributions to the bill in time for final passage. Not only have my colleagues contributed their support, but their very fine staffs including Timothy Kyger, Patrick Windham, Mark Forman, John Pettit, Debbie Cohen Lehrich and Sebastian O'Kelley have worked hard in support of this effort and should be acknowledged. Mark Forman with the Governmental Affairs Committee staff proved to be an invaluable source of procurement law and technical knowledge of FASA.

Mr. President, I ask unanimous consent that relevant material be printed in the RECORD.

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

[From Investor's Business Daily, Jan. 4, 1996]

MOVING TO METRIC MAY HARM CONSTRUCTION CONTRACTORS

(By Carl Horowitz)

Conversion to the metric system may not fit the mold—literally. That could be costing contractors, and ultimately taxpayers, extra.

That's the view of Sens. Conard Burns. R-Mont., and Richard Shelby. R-Ala., in the Senate, and Rep. Chris Cox, R-Calif., in the House.

The lawmakers have sponsored similar bills that would clarify the intent of the National Metric Conversion Act of 1975. That law in part, requires bids on federal construction contracts to be in metric form.

The intent of the bills is to reduce the compliance burden on firms. Supporters say in the absence of such action, federal agencies will continue making the 1975 law into an unfunded mandate, despite lacking statutory authority. They add that these agencies are ignoring some basic economics of construction.

The issue comes down to definition.

Federal contractors until recently submitted bids by converting English-derived ''inch-pound'' measures into fractional metric equivalents. This process, known as ''soft metric conversion,'' requires only minor design and marketing changes.

But agencies in the past couple of years have made contractors express metric figures as whole numbers. This is ''hard metric conversion.''

The Senate and House bills would ban federal procurement of hard-metric modular

building materials, including flooring, ceilings, and wallboard. As long as English-measure product is available, and as long as hard-metric use would cost more than $25,000, a firm could not be forced to use hard-metric standards.

In 1991 President Bush issued an executive order requiring federal agencies to develop goals and timetables to complete a conversion to the whole metric system.

Agencies agreed to begin instituting hard-metric measures by January 1994, and did so ahead of schedule.

The ''soft vs. hard'' distinction seems minor. For one thing, federal contracts make up only about 5% of U.S. building construction. For another, it appears to be just a question of plugging in numbers.

But appearances are misleading, says Randall Pence, director of government relations for the National Concrete Masonry Association, a Herndon, VA.-based trade group.

Pence argues full conversion would inflate bids and inventory costs, making concrete masonry producers less competitive. Putting metric figures in round numbers would require redesigning concrete masonry products from scratch.

''Using whole metric numbers would force us to make a standard 8″ by 8″ by 16″ block an eighth of an inch smaller,'' he said.

That change would necessitate making new block molds at $10,000 to $300,000 per mold, hitting small firms the hardest.

''Producers tell me it would cost on average between $250,000 and $300,000 to buy a complete compliment of hard metric molds. If our entire industry had to shift to hard-metric conversion, it would cost $250 million to $500 million. And we'd get a product no more durable, fire-resistant or energy-efficient,'' remarked Pence.

He noted a few cases of how hard-metric use can inflate bids—or how soft-metric use can lower them.

At a House Science subcommittee hearing, Rep. Connie Morella, R-Md., revealed a General Accounting Office cost estimate of a new lab building for the National Institute of Standards and Technology. Hard-metric standards would add 20% to 25% to project costs, the GAO said.

A deletion of the hard-metric requirement lowered average bids on a courthouse project in Kansas City, Mo., by some $17 million, a more than 15% decrease.

Pence worries contractors might not find suppliers.

Among 32 potential suppliers for a Centers for Disease Control building, none made hard-metric block, he said. A recent NCMA member survey revealed only one respondent among nearly 400 made hard-metric block.

But the NCMA exaggerates, says architect Bill Brenner, executive director of the Construction Metrication Council.

''Only a handful of projects will ever have to use hard-metric measures. And the new bills before Congress, if anything, will raise contractor cots,'' he said.

Brenner added if the legislation became law, it would favor one industry type over others, block new technologies, and undermine America' position in a metric-oriented global economy.

Brenner admits hard-metric mandates might harm smaller firms. Thus, he urges federal agencies to continue their ''go-slow'' approach.

Pence says that the council's end goal is universal hard-metric use. A December draft report by the council lends support to his view.

''It is only a matter of time before the U.S. construction industry, which accounts for 6 million jobs and 8% of the gross national product, joins the nation's automobile, health care, and electronics industries (among others) in completely converting to the metric system,'' the report read.

THE REGULATORS: BUILDING A CASE FOR EXEMPTION

BLOCKMAKERS FIND NO CONCRETE REASON TO GO METRIC

(By Cindy Skrzycki)

The concrete block industry hates to be hard-headed about it, but it absolutely refuses to make its blocks fit the government's specifications for using metric measurements in federal construction projects.

Led by the National Concrete Masonry Association, a collection of smaller-sized companies that make concrete blocks, the industry is pushing legislation to exempt concrete block and recessed-lighting fixture makers from retooling to make the slight size modifications that go along with becoming ''hard metric.''

''We don't like to be the skunk at the picnic . . . but the idea of forcing the concrete block industry to go hard metric is just ludicrous,'' said Randall Pence, director of government relations for the National Concrete Masonry Association. ''There's no private market interest in this.''

Hard metric?

Most people I know couldn't convert a mile to a kilometer if you offered them a million dollars. And they sure wouldn't know there is a metric pecking order. But here it is:

The United States primarily uses the English standard of inches and pounds. The nation has been trying to convert to the metric system gradually since 1975. This conversion means specific things to people who carry around tape measures and calculators: ''Soft'' metric means simply relabeling measurements in metric units. ''Hard'' metric means physically changing the size of the product to rounded metric measurements.

Because concrete blocks and recessed light fixtures are coordinated with other products, they won't fit in the new metric world unless the molds used to make the blocks and the machines used to make the fixtures are changed. Concrete blocks now being produced are one-eighth of an inch higher than a hard-metric concrete block. What is now 7.58 inches (194 millimeters) would have to be refigured to 7.48 inches (or 190 millimeters) to become hard metric.

The industry said that if all its producers bought new molds, it could cost as much as $500 million. That's big money to the thousands of block producers. The profit margin on each block now is about 2 cents.

The industry group claims that producers would be forced to keep two inventories—one for government jobs and one for private builders. It predicted mix-ups in which the wrong-sized block would get shipped to a job because, to the untrained eye, the size difference is indistinguishable. But to the engineer on the job, mixing English with hard metric is like trying to build something with both Legos and their larger-sized Duplo cousins. It comes out looking like an East Bloc apartment building.

The association said it has been pleading its case for several years with the Construction Metrication Council, a collection of government construction experts who are the high priests metric conversion.

William Brenner, director of the council, said he and others are sympathetic to the block executives, but an outright exemption is not the way to go. ''Federal agencies should be able to use whatever is rational,'' Brenner said. He noted that in most cases, going metric has been smooth and relatively inexpensive.

Pence said changes that the General Services Administration and the council tried to make to accommodate the industry have been ignored by federal project managers. So the association went to Rep. Christopher Cox (R–Calif.), who sponsored a bill to get concrete and lighting off the metric hook.

The House Science Committee agreed on the bill June 26 and the association hopes to get similar support in the Senate.

The industry and Cox relied on a provision in the 1988 Omnibus Trade and Competitiveness Act, which said the United States should go metric ''except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms. . . .''

In the end, the association predicts that if the government continues to take a hard line, it will have to pay a metric premium. Of course, the United States could buy from Mexico and Canada. They already use hard-metric molds for concrete blocks.

Mr. STEVENS. Mr. President, I want to congratulate Senator BURNS for his leadership on the Savings in Construction Act of 1996. Senator BURNS' original version of the bill, S. 1386, was referred to the Governmental Affairs Committee, which I chair. Senator BURNS substitute amendment to H.R. 2779, the version passed by the House, conforms the bill with important recent improvements in Federal purchasing laws.

Mr. President, recent procurement reforms have directed agencies to use commercial specifications and standards for all agency purchases, including construction of Federal facilities. However, GSA's new construction design guide contains Government-unique metric specifications for concrete blocks, ceiling tiles, lighting fixtures, and so forth. We received information last fall, indicating that the new GSA metric building design requirements would cost 20 percent or more than commercially available items. Also, the electric fixtures manufacturing and concrete masonry industries have registered concern with us about significant harm from the GSA guide reliance on noncommercial items. This is inconsistent with the recent laws streamlining Federal procurement and the 1988 amendments to the Metric Conversion Act of 1975.

The Burns substitute amendment makes three important improvements in acquisition of Federal buildings. First, it ensures agencies conduct market research and design buildings to use commercially available components, allowing use of hard metric specifications as industry converts. Second, it allows Government to require hard metric specifications for concrete masonry and electrical fixtures when an agency head determines it is required and cost-effective. In making this determination, the agencies can take advantage of price analyses prepared to comply with recent modifications in the Truth in Negotiations Act. Third, it establishes a check-and-balance within each agency, an ombudsman, to review complaints. The ombudsman will review metrics-related complaints from prospective bidders on construction contracts. The bill makes clear that the ombudsman authority

does not undercut the bid protest authority of the General Accounting Office.

Mr. President, Senator BURNS' legislation should result in savings to the taxpayers, while still allowing the Government to convert to metrics in building construction in a cost-effective manner. I am cosponsoring this amendment and encourage its adoption. I want to thank Senators PRESSLER and HOLLINGS, the chairman and ranking member of the Commerce Committee and Senator GLENN, for working with us in drafting the substitute amendment. I would also like to commend their staff and, especially Senator BURNS' staff, for their work on this legislation.

● Mr. KERRY. I am pleased to cosponsor with my colleague from Montana, Senator CONRAD BURNS, the Senate substitute to H.R. 2779, the Savings in Construction Act of 1996. This important legislation will amend the Metric Conversion Act of 1975 to enable lighting and masonry companies in Massachusetts and around the country to compete for Federal contracts.

Under present law, each Federal agency is required to use the metric system in its procurements, grants, and other business related activities. In certain instances, the act requires that specific products be produced in round metric dimensions. This requirement effectively mandates that such products, known as ''hard-metric'' products, be slightly altered from their current dimensions, thus forcing companies to undergo costly retooling and other production changes if they intend to compete for Federal contracts. Though the act contains an exception where metric conversion is likely to cause significant cost or market loss to U.S. firms, this exception has been implemented too narrowly, and, therefore, the act has caused substantial hardship to segments of the electrical and concrete masonry industries in Massachusetts and elsewhere. Indeed, several companies in my State, such as Lightolier, Inc., in Wilmington, MA, have had to turn down opportunities to compete for Federal contracts because they could not feasibly manufacture the necessary materials according to hard metric dimensions.

The implementation of the Metric Act in this manner has ultimately resulted in the U.S. Government paying a substantially inflated price for basic products such as bricks and lighting fixtures because companies that do undergo the cost of producing hard-metric products for Federal contracts often offer the products at a premium.

This bill will make commonsense changes to the procurement process. It will allow Federal agency officials to require that concrete masonry and lighting products subject to Federal procurement be expressed in metric terms. However, agency officials will not be permitted to demand that such products be produced according to hard-metric specifications without first making specific findings that such requirements will save Federal dollars. In addition, to ensure that this bill is implemented in a commonsense manner, it requires each agency that awards construction contracts to designate a senior official as a ''construction metrication ombudsman.'' Among other things, the ombudsman would be responsible for reviewing and responding to complaints from prospective bidders, subcontractors, and suppliers relating to agency actions on the use of the metric system in construction contracts. The ombudsman also would be responsible for ensuring that the agency is not implementing the metric system in a manner that causes significant inefficiencies or market loss to U.S. firms.

I would like to thank the Commerce Committee ranking Democrat, Senator HOLLINGS, and his fine staff, Pat Windham, for their efforts in bringing this bill forward during this especially busy time as this 104th Congress is concluded. I wish to recognize the fine work of Senator PELL, whose continued dedication to metric conversion we all have come to admire. I also wish to thank Senator JOHN GLENN and Senator TED STEVENS and their staffs on the Governmental Affairs Committee. Finally, I wish to thank Senator BURNS for sponsoring the legislation in the Senate and for his continued persistence on this matter.●

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be deemed read a third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

Mr. FORD. Reserving the right to object, and I will not object, I am just very pleased we can pass one that I will not have to object to. So, therefore, I have no objection.

The PRESIDING OFFICER. I hear no objection. Without objection, it is so ordered.

The amendment (No. 5417) was agreed to.

The bill (H.R. 2779), as amended, was deemed read a third time and passed.

Mr. LOTT. Mr. President, I have no further requests at this time. Seeing no Senator seeking recognition at this moment, 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. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

RETIRING MEMBERS

Mr. KYL. Mr. President, I just wanted to take a moment to speak a few words about three of my colleagues in the House and Senate who are going to be retiring at the end of this year. I know many of us have spoken about our colleagues and there have been many fine words describing the attributes of those who have served here with such great distinction. It is very difficult to decide who you are going to talk about because there are so many fine people who have served here. I have chosen to talk about three people very briefly because, first of all, I know them quite well. I have worked with them. Second, because I think they exemplify the characteristics that American citizens would like to see in their public servants. Third, because in a way they are so different and yet they are all three so much alike in that the one word that describes each of the three of them is ''integrity.''

The reason I select these three people, one is from the House, one is a Democrat in the Senate, and one is a Republican in the Senate. My purpose for selecting these three people is, therefore, to illustrate that it does not matter which body you are in or which party you are in, you can serve the American people well if you have that characteristic of integrity and you can be respected by your peers as well.

The three people I want to say a word about are Senator HANK BROWN from Colorado, Senator PAUL SIMON from Illinois, and Representative BOB WALKER from Pennsylvania, all three of whom will be leaving at the end of this session. As I said, one could talk about many others. I heard some great statements about our colleague AL SIMPSON. I think we all get a smile on our face when we think of the many stories he has told us—and Judge HEFLIN and so many others. Again, let me focus on these three.

First, Senator HANK BROWN from Colorado is leaving after one term in the Senate. I find it interesting that he says he is leaving because the decisions that he is making now, he says, are just not as objective as they were when he first came. He feels that his decisions are now more influenced by having been in this body. Mr. President, I think all of us here would say that if HANK BROWN is concerned that he is not deciding things on an objective basis, it might say a great deal about the rest of us, because I am sure, Mr. President, you would agree there is not anybody in this body who tackles issues on a more objective basis than HANK BROWN.

He does not come with a great deal of bias. He certainly is not very partisan. He says what is right, what is wrong, what do I know about this and what should we do, and if he is the only one who takes that position, he takes the position because he thinks it is the right thing to do. When he thinks he has been, in effect, slightly corrupted by the institution in a political way, what does it say about all of the rest of us? I know we all hold ourselves up to his standard as being the standard for judging issues.

I just want to compliment Senator BROWN for being independent, for being

smart, for being honest, for being wise, for having integrity, and finally, Mr. President, for his unfailing courtesy. I have never known Senator BROWN not to be courteous to those around him regardless of party, regardless of circumstance. We will miss him in the U.S. Senate.

Another person with the same unfailing courtesy and integrity is Senator Paul SIMON from Illinois. Now, PAUL SIMON and I are of different political parties and certainly our philosophies differ a great deal, yet I think working with Senator SIMON is a good example of how significant philosophical differences do not mean that you cannot work with each other and respect each other. He has been as courteous to me as any Member of this body, notwithstanding the fact we are of different political parties.

In the tension-filled atmosphere we sometimes find ourselves in, I find that to be a comfortable refuge. I do not think anyone here is given more respect in either body than Senator SIMON because of his integrity and his unfailing courtesy. I hope I have reciprocated in my dealings with him.

He has also, I think, influenced us because when he speaks, we listen. He always has something important to say. That is especially so because we know that he approaches issues honestly. As I said, Mr. President, I will miss his company in this body.

Finally, my colleague in the House, BOB WALKER. I served with Representative WALKER when I was a Member of the House. I worked with him on mutual matters of interest since I have been in this body. Like HANK BROWN and PAUL SIMON, BOB WALKER is a man of unquestionable integrity. He knows what he believes. He knows why he believes it. He acts upon those beliefs without undue influence by the forces around him. His actions have always been characterized by courage and by adherence to principle, which is somewhat in short supply in Washington on occasion.

He, too, has had enormous influence on the legislation in this Congress, much of it behind the scenes, because people know him to be well-versed in the issues and to be very honest in his approach to them. I also want to say one last thing about Representative WALKER. As much as anyone I have known, he represents an attitude about the future that I think we can all emulate. He has great confidence in the future of this country because he has great confidence in our ability to advance based upon the technology that is there for us to discover, and he has supported a great many projects as chairman of the Space, Science, Technology Committee in the House, because of his confidence and optimism in our future.

Mostly, BOB WALKER has been my personal friend, and I will miss him a great deal, as well. So, Mr. President, much has been said about a lot of the people who will be leaving this body and the House. I mention these three because I have worked closely with all of them. I respect them very much. In some respects, they epitomize the qualities that we respect as colleagues, and I know the American people respect. We will miss them and all of the others who will be retiring at the end of this year.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

FAREWELL TO SENATOR MARK HATFIELD

Mr. DASCHLE. Mr. President, in the time that we have, prior to the time the majority leader comes back to the floor, I have a couple of statements that I would like to make with regard to two very respected colleagues.

Mr. President, in the study of political courage, ''Profiles in Courage'', Senator John F. Kennedy observed that ''in the United States of America, where brother once fought against brother, we do not judge a man's bravery under fire by examining the banner under which he fought.''

With this in mind, I say farewell to a Senator who has been a study in political courage, the Senior Senator from Oregon, MARK HATFIELD.

His has, indeed, been a career of bold stands. From his early days in the Senate, when he cosponsored legislation to limit American's involvement in the war in Vietnam, to his votes on the Persian Gulf war, to his recent vote against the balance budget constitutional amendment, Senator HATFIELD has consistently taken independent, courageous stands.

I have not always with him. But that is not the issue.

The issue is the courage each Senator shows in taking a stand for a principle he or she holds dear. The willingness to place principle above politics. The country over one individual career.

Indeed, Mr. President, Senator HATFIELD's entire life has been one of courage, responsibility, devotion to country. As a young naval officer in World War II, he saw battle at Iwo Jima and Okinawa, and was one of the first Americans to enter the rubble of what was left of Hiroshima following the atomic bombing.

His deep aversion to weaponry and war following World War II led him to cast the lone dissenting vote on resolution at the 1965 and 1966 National Governor's Conferences supporting President Johnson's policies in Vietnam. And it lead him to sponsor legislation, like the Nuclear Freeze Resolution, to half the nuclear arms race.

He became the youngest Secretary of State in Oregon's history, the State's first two-term Governor in the 20th century, and the longest serving Senator in the history of his State.

While serving in the Senate for nearly three decades, Senator HATFIELD has never allowed himself to be confined to or consumed by institutional duties, as he has maintained a life outside this Chamber. As a former political science professor and dean of students, for example, he has retained his intellectual interests and pursuits. This includes authoring three books and authoring four others.

But I also point out that Senator HATFIELD's career in public service has been one of cooperation and reconciliation, as well as hard, tenacious work. As chairman of the Senate Appropriations Committee, he has earned the respect and admiration of Senate Democrats and Senate gains like Senator ROBERT BYRD.

He has struggled to maintain that delicate balance between protecting the precious, beautiful environment of his home State, while preserving the economic viability of Oregon's industries.

His efforts have obviously been recognized and appreciated by the people of his home State. In four decades in Oregon politics, he has never lost an election.

In announcing his retirement, Senator HATFIELD spoke of the one great sacrifice of having served five terms in the Senate—''30 years of voluntary separation from the State'' he loves. Now, as he says, it is ''time to come home to Oregon.'' I wish him and his wife, Antoinette, peace and prosperity in returning home. I can only say that the Senate's loss is Oregon's gain.

SENATOR WILLIAM S. COHEN

Mr. DASCHLE. Mr. President, I want to pay tribute today to a very distinguished Member who is retiring this year. I am referring to Senator WILLIAM S. COHEN, who, as we all know, has made the decision to leave the Senate at the end of this session of Congress.

I think it is fair to say that with unanimity we all agree that this man will be missed.

Since he was first elected to the House of Representatives in 1972 and later, in 1978, to the Senate, BILL COHEN has shown a genuine commitment to public service.

BILL COHEN has made unique contributions as a man with great knowledge of, and a deep respect for, the power of language. He has been a champion of the cause of making political discourse more civil and has promoted civility within this body through his daily interaction with each of us. The author or coauthor of eight books, he has graced the Senate with elegant speeches on some of the most important issues of our time. They have also, on more than one occasion, served as a stern warning of the cost of straying from principle.

I recall when Senator COHEN stood on this floor 5 years ago during the debate

over the Civil Rights Act of 1991. He quoted to us from Richard Wright's book, ''Native Son'' to remind us of the cost of this Nation's terrible legacy of discrimination. ''It's like living in a jail,'' said one of the characters, a young African-American boy. ''Half the time I feel I'm on the outside of the world peeping in through a knothole in the fence.''

That day BILL COHEN reminded us how racism eats away at the human spirit and turns hope to despair. His willingness to stand firm against a storm of partisan pressure ensured that all Americans would take one more step toward a world free of discrimination.

BILL COHEN has shown that willingness in other key situations, too. As a young Representative in 1974, he was one of few members who crossed party lines to hold the President accountable for his actions, and he was the sole Republican vote against last year's Republican budget reconciliation package.

He has also been a leader in terms of bipartisan initiatives, especially in the area of defense, where he has developed special expertise. Throughout his career, he has been a strong supporter of important arms control measures and has worked to build bipartisan coalitions to implement them.

As he leaves us after nearly 25 years, I think it is only fitting to say farewell to one of our most literary Senators with an appropriate quotation. It was John Steinbeck who wrote in his novel ''East of Eden'' that a successful person was one, ''whose effective life was devoted to making men brave and dignified and good in a time when they were poor and frightened and when ugly forces were loose in the world to utilize their fears.''

BILL COHEN is indeed a successful person.

We wish him great success in his future. We hope that he returns many times for he has many friends here on both sides of the aisle.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

STERLING FOREST

Mr. MURKOWSKI. Mr. President, within the last hour or so I have had several calls in my office from various media, including the New York Times, asking for comments on why the Senator from Alaska would insist on killing the passage of the Sterling Forest—that is that issue that affects both New Jersey and New York, with a purchase of private lands with Federal funds—by insisting that my Tongass provision prevail? And how could I possibly take such an action and stop this process?

First of all, I think it is important for the Record to note the circumstances, as I understand them, that occurred in the House among the leadership at approximately 6:30 this morning, or thereabouts, because I think it reflects on the process around here. Some of it does need some airing. At that time, it was the intent of the leadership on the House side to include in the CR, to accommodate Senator HATFIELD and his contribution to this body, the so-called Mount Hood Parks package, and other incidental considerations.

Then, there was a communication from the White House that there should be an accommodation on another issue as well, and that was the San Francisco Bay cleanup proposal, a proposal that is worthy, a proposal that is in the omnibus parks bill, as well as the Sterling Forest, which is in that bill, which I support.

Now, there was no effort in that dialog to suggest that the San Francisco Bay was added anymore than to complement the accommodation on Mount Hood; and to suggest that we were in some way responsible for removing Sterling Forest from that legislative structure is absolutely incorrect and misleading, to say the least. Sterling Forest was subject to a point of order in the House under a blue line, for technical reasons, and that was of no concern to this body.

So, I would say to my colleagues, as some begin to point the finger of blame, that while it had been understood that the leadership was going to attempt to accommodate the Sterling Forest, initially, to complement the Mount Hood and Hatfield package, that the Tongass matter did not enter into that consideration under any terms or circumstances. And if the leadership and those attending that meeting saw fit to remove the Sterling Forest from that deliberation, that was entirely their own accord. They may have felt it may have been more politically expedient to add the San Francisco Bay cleanup to the CR, rather than the Sterling Forest. I guess it is fair to say that is beyond my pay grade.

But I want the RECORD to reflect that, as chairman of the Energy and Natural Resources Committee, we stand ready to continue a dialog on the 126 sections that are in the parks-Presidio package. We have indicated a willingness to work with the administration, by letter which was sent down there last night.

So that we can all understand the current posture, it is my understanding that in the CR, there will be two items now. There will be the Mount Hood and the San Francisco Bay cleanup as a consequence of the leadership action taken in the House. There will not be the Sterling Forest, there will not be the Tongass, there will not be the Utah Snow Basin, nor the other 123 very important items that we reported out of our committee.

So, if any of the House Members are suggesting that the chairman has stood in the way of trying to pass this omnibus legislation, the record should reflect otherwise and should reflect specifically that my initial interest was a 15-year extension for the Ketchikan sawmill, which I withdrew after the administration threatened to veto that. That was a pretty significant sacrifice, but nevertheless, it was made.

I think that should provide an adequate explanation for those who suggest that somehow we stood in the way of the leadership action, in moving on the CR accompanying the Mount Hood package, that we stood in the way of the Sterling Forest. We did not.

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

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

TRIBUTE TO SENATOR MARK HATFIELD

Mr. NICKLES. Mr. President, in the next day or two, we will be closing the 104th Congress. One of the things we will be doing is saying farewell to some of our colleagues who have served this institution and served our country so well.

One of the colleagues I would like to recognize today who I have the greatest respect for is Senator HATFIELD who served this body and our country so well for the last 30 years in the U.S. Senate.

Prior to that, he served the State of Oregon for 8 years as Governor. He also served in the Oregon House of Representatives, the Oregon Senate, and also served as Oregon Secretary of State, and had a distinguished career in the Navy, including the time during World War II.

MARK HATFIELD is a unique Senator, a courageous individual, independent, sometimes stubborn, a person with strong personal religious convictions, a person whom I know people on both sides of the aisle, Democrat and Republican, have really grown to know, to love, and respect. His years of service as the Appropriations chairman and also ranking member on the Appropriations Committee have been outstanding. He has an outstanding rapport with my colleague, Senator BYRD. To see the two of them work in tandem, and work so well, has certainly been a role model for all of us.

He also, as I think some of my colleagues know, is a historian, a lover and collector of items in relation to Abraham Lincoln. He is a person who has made invaluable contributions to this body and to our country. Certainly

his expertise, his guidance, his friendship will certainly be missed by all. My best wishes to MARK HATFIELD and his lovely wife Antoinette. And my thanks on behalf of all of our colleagues. We thank him, and both of them, for their service to our country.

TRIBUTE TO SENATOR SAM NUNN

Mr. NICKLES. Also, Mr. President, I would like to acknowledge another retiring colleague, the Senator from Georgia, Senator SAM NUNN. SAM NUNN was elected to the Senate 24 years ago. He is an outstanding Senator.

Many people know Senator NUNN as a leader of the Armed Services Committee. He has served as chairman and has served as ranking member. He has served in that capacity with distinction. He is a well-known expert in foreign policy and national defense matters.

What some people might not know about Senator NUNN is he also has a great deal of talent in other areas. He is one of the best golfers I have known, a very competitive individual.

But maybe my fondest memory of Senator NUNN will be when he made the speech at the national prayer breakfast just last year. I remember when he was talking about his accomplishments, he said, well, a lot of people would ask him about his accomplishments for his years of service, what bills did he pass, what legislative accomplishment was his real high water mark? He said the fact that he maintained a very strong relationship with his wife Colleen and maintained that relationship with his wife and his family. I thought that was a very inspirational comment.

I have really grown to know and respect Senator NUNN for his work, not only on Armed Services, but also for his work on the permanent Subcommittee on Investigations, for his work that he has done in small business. He has been a colleague that, again, people on both sides of the aisle in the U.S. Senate have really grown to know and respect. Certainly we will miss Senator NUNN. We thank him for his many years of service, 24 years of outstanding service, in the U.S. Senate.

TRIBUTE TO SENATOR BILL COHEN

Mr. NICKLES. Mr. President, also, I would like to comment on another retiring colleague from the State of Maine, Senator BILL COHEN. BILL COHEN served 6 years in the U.S. House of Representatives during a very turbulent time, a time many people called ''Watergate.'' He served, I believe, on the Judiciary Committee. I remember being an interested observer in Oklahoma and watching the House committee and Senator COHEN's involvement. That was back in 1973 and 1974. Senator COHEN was elected to the House in 1972.

In 1978, he was elected to the U.S. Senate. So he has served 18 years in the Senate. In addition to being an outstanding Senator on Armed Services and also on the Intelligence Committee, he is an author, he is a poet, he is a person who is respected on both sides of the aisle. He is a person who all in the Senate, Democrat and Republican, have certainly come to enjoy, to respect. He will certainly be missed in the Senate. We wish Senator BILL COHEN all the best and thank him for his years of service to our country, both in the House and in the Senate.

TRIBUTE TO SENATOR ALAN SIMPSON

Mr. NICKLES. Mr. President, also, I would like to make a couple comments about our colleague, Senator SIMPSON from Wyoming, Senator SIMPSON, from Cody, WY, and his lovely wife Ann. What a wonderful example of a loving couple, who have been a shining example for so many people. He is an outstanding representative for the State of Wyoming. He represents the State of Wyoming, is independent, kind of hard-nosed, funny, humorous, maybe the most humorous Senator that we have.

He is a colleague whom I have had the pleasure over the last few years to serve with on the Finance Committee. He is a courageous Senator, a Senator who is willing to take on issues that a lot of people would rather stay away from. He talks about problems in spending and Social Security. Not too many people want to talk about that. He talks about the problems and the need to try to rein in growing and exploding entitlement programs, a Senator who is willing to lead and stand up, a Senator who served Bob Dole and, frankly, the entire Senate so well, served as assistant majority leader for 10 years, a Senator who is willing to take on tough issues, like immigration. I am pleased that in the next day or two we will be passing immigration reform. It is largely because of the leadership of ALAN SIMPSON.

So he has a lasting legislative legacy in passing responsible legislation, like immigration reform, that most of us realize is very complicated, not a fun-type issue, yet Senator SIMPSON has shown the courage and the willingness, tenacity, and perseverance to make sure that we did the right thing.

So I compliment Senator SIMPSON for his 18 years of service in the U.S. Senate. He has been an outstanding Senator. We certainly wish Senator ALAN SIMPSON and his wife Ann all the best.

TRIBUTE TO SENATOR NANCY KASSEBAUM

Mr. NICKLES. Mr. President, also, I would like to make a couple comments about my friend and neighbor, Senator NANCY KASSEBAUM from Kansas. Senator KASSEBAUM will be leaving the Senate after 18 years of outstanding service. Senator KASSEBAUM is a Senator who is well respected by Democrats and Republicans and is the chairman of the Labor and Human Resources Committee—I might say, a very productive chairman.

She has passed a lot of legislation through her leadership. She has been able to work in a bipartisan fashion to get things done. She is a commonsense fiscal conservative who is willing to take on some of the tough issues, who is independent, who is willing to get things done for the good of our country, and certainly the good of her State.

Senator KASSEBAUM is certainly, in my opinion, one of the most decent Senators who has ever served in this body. She will certainly be missed. I thank her for her dedication to Kansas, and also to our country as well.

TRIBUTE TO SENATOR HOWELL HEFLIN

Mr. NICKLES. Mr. President, likewise, I would like to say thank you to Senator HOWELL HEFLIN, commonly known as ''the judge.'' He has served 18 years in the Senate. He was a former chief justice of the Alabama Supreme Court, a Senator with a southern drawl, a Senator who served on the Agriculture Committee and the Judiciary Committee, a Senator who has always done his homework.

He knows the Constitution probably as well as anyone serving in this body. He is a Senator who served in World War II as a marine. He is a Senator who is well liked by, I think, all, who has made a significant sacrifice, in my opinion, by serving in this body, and certainly that has been to the benefit of the people of Alabama and the benefit of our entire country.

So I wish Senator HEFLIN all the best and his lovely wife Mike. We have enjoyed their service. We wish them all the best as they return to the State of Alabama.

TRIBUTE TO SENATOR HANK BROWN

Mr. NICKLES. Mr. President, likewise, I would like to acknowledge my friend and colleague, HANK BROWN, who will be leaving the Senate after one term. I truly say—all the other colleagues I have alluded to have served 18 years or more in the Senate—I hate to see HANK BROWN leave because he is leaving after 6 years in the Senate.

He has made such a valuable contribution to this body. I have had the pleasure of serving with HANK BROWN on the Budget Committee. He has just been a real asset, not only to the budgeteers, but he is a person who does his homework, he is a person who digs into the numbers, a person who is innovative, very intelligent—very bright—who finds a better way to do something, who is always working on trying to do something good for our country, to save some money, a fiscal conservative who is effective, who not only makes speeches—and in my opinion one of the best speakers we have in this

body—but one of the most effective persons because he is the type of person that has the intelligence and the wherewithal to put together a budget package, and the type of person who can come up with amendments that can be enacted into law.

He served in the House of Representatives for 10 years. Certainly, he also had private sector business experience, he served in Vietnam, a person that is very well respected, a Senator, frankly, that I hate to see leave the Senate after only one 6-year term in the Senate.

He will certainly be missed by this Senator and I think all Senators. I wish Senator Hank BROWN and his wife, Nan, all the best, as they return to the private sector.

I yield the floor.

Mr. SIMPSON. Mr. President, I thank my friend from Oklahoma for his remarks about my pending retirement. I want to commend him because I have done that line of work. I served for 10 years as the assistant leader, and the occupant of the chair served for 8 years as assistant leader, so the three of us in this Chamber have added quite a dimension to the efforts of the Senate. I commend the Senator. I think he is doing a fine job. I am very proud to have seen you do the job. You are going to succeed very well in the future and be of great assistance to our very fine leader, TRENT LOTT, who, I think, too, is truly a leader. I thank the Senator for that.

Let me indulge my absent colleagues for a few minutes as I speak of winding down 31 years of legislating. I did this for 13 years in the Wyoming house of representatives, serving in many capacities there—assistant leader and majority leader, and I enjoyed that very much. One of the great honors of my legislative life was to serve here as assistant majority leader and assistant minority leader. I have enjoyed that leadership role. I commend those who throw themselves into the fray to do that. It is a contact sport.

IMMIGRATION REFORM

Mr. SIMPSON. Mr. President, let me just relate a bit about the immigration legislation which is now on its way to us in the continuing resolution. After negotiations until about 2 a.m. two nights ago and then until this morning until 4:30 a.m., if I look bright and alert it is deceptive in every sense. One of my staff, John Knepper, a fine young man, spent all night here and all morning. We finally turned him back to his home in a zombie-like condition and thank him so much for his splendid work last night and this morning.

In the course of dealing with this huge bill, a very significant bill with regard to illegal immigration, we all were confronted with the reality that the purpose of leaders is to lead. Our leaders wanted to complete this session and do it this weekend. To do that, there were accommodations of varying degrees, obviously. Some disappointments, some victories, some defeats. We all know that feeling as we wind down a legislative year. It is the time when much can happen, and if one is not observing carefully, things are slid into a bill and things are slid out of a bill. We all, then, go home and say, ''Wait, what happened here?'' Or, ''Well, we got that in.'' That is the way legislating is, too.

I thought that the leadership, in pressing forward to meet the schedule that they set for themselves and the bipartisan way in which it was done, our majority leader, TRENT LOTT and minority leader, TOM DASCHLE, NEWT GINGRICH, the Speaker of the House, our assistant leader here, DON NICKLES, Senator FORD, all worked together to make it work. I saw that over the course of days.

The other evening when we went until 2 a.m. there was a group of four of us, including Congressman LAMAR SMITH. I must pay him tribute: A remarkable man, steady, and thoughtful. I have never seen him get too impatient, never seen him really rise up like your loyal correspondent does from time to time. He was steady on the course throughout.

The rest of that quartet were Senator KENNEDY and Congressman HOWARD BERMAN and myself. We worked up some changes to what is called title V. There are no changes in the conference report on immigration, on illegal immigration, except in that one section. Everything else is exactly the same, and it is sweeping. It is about new Border Patrol agents, 5,000. It is about new penalties for those who use or alter or make fraudulent documents. It extends the visa waiver pilot program, and it provides 900 new investigators over 3 years to enforce alien smuggling and employer sanctions. Alien smuggling can subject one to a life in prison. There are heavy penalties to those who misuse and abuse documents, and 300 INS investigators will be hired here to check on those who overstay their visas. Remember that half of the people who come to the United States illegally originally were here legally. In other words, half of the illegal population in the United States came here legally, and then, of course, visa overstayers, visa fraud, student overstayers—we have the ability now to begin to correct that.

There is a newly rewritten and streamlined removal process, combining exclusion and deportation into a single legal process. We also got rid of layers of people who love to bring class actions and disrupt the normal course of the INS's work. We make the sponsors' affidavit of support, finally, a legally enforceable document which should provide some relief to the U.S. taxpayer.

There is a minimum INS presence in every State. There is a system of expedited removal which should curb the abuse of our asylum system while still providing a hearing for an immigration judge to those who make an asylum claim.

I want to thank Senator LEAHY for his work. I did not thank him at the time the amendment passed properly, but, nevertheless, a good deal of his material is in here. He felt strongly about that and he presented it well and won the case here. We adjusted that measure somewhat but it is still a good measure—not exactly what he would have wanted and not exactly what I would have wanted, and therefore, justifiably good.

There is a streamlined system for deporting aliens convicted of crimes. There is a requirement that all criminal aliens be detained until they are deported. Domestic violence and stalking are made deportable offenses. There is a provision to eliminate what is called ''parachute kids,'' foreign students who come in and then attend public schools at taxpayer expense. I commend Senator FEINSTEIN for her work on that one. There is a pilot program for verification of eligibility to work, and there will be much more of that in the future because no matter how vigorous you want to be on illegal immigration and all the abuses of the system, nothing will work until we have a more counterfeit-resistant type of verification system—whatever that may be, whether it would eventually be a Social Security card, a slide-through card like you use with a VISA when you make a purchase, perhaps some type of driver's license photograph, retina examination like they have done in California. But at some point in time you are going to have to have a more secure identifier. It is going to have to be used only twice in a person's life. It is used at the time of new-hire employment, at the time of work, and at the time of drawing any benefits from any public assistance program. That is when it would be used. Of course, it would have to be presented by not just people who ''look foreign'', but by, as I have said a thousand times, by bald Anglos like me, too. That is what will come.

It is interesting to me that, still, you hear the cry of the editorial writers talking about the ''slippery slope'' and ID cards, national ID cards, or tattoos, or Nazi Germany. I heard all that in 18 years. But I haven't seen anybody write anything yet about the fact that when you go to get on an airplane, somebody at the curb, who is not connected with any agency, except the airline, is asking you for a picture ID I am waiting for the first editorial on that. I am sure it will be a magnificent thing, about the slippery slope.

What it is about is safety, and what it is about here in immigration is the abuse of the system. The sooner we get on with it and forget the blather about a national ID—which nobody ever proposed and never has been part of any bill I have been involved with—get on with it, unless, of course, somebody can tell me what we should do with the gentlemen at the curb who asks you for a picture ID.

So we also have in this bill a nationwide fingerprinting of apprehended illegals within the IDEN system. We have confidentiality provisions for battered women and children so that there cannot be someone holding someone in almost a hostage situation because of their status as illegals. People say, well, when these people come and they are illegal, we must care for them and be humane. I say, you bet. How do you do that when they are here illegally? When they are illegal, they are going to be exploited. There is protection for battered women and children in the welfare provisions. We have increased staffing at ports of entry. We have criminal penalties for high-speed flights and border checkpoints, which often lead to great safety difficulties for the enforcement officials. We have subpoena authority for employer sanctions investigations.

We have the AG's authority for use of State or local law enforcement officers—something that would never have been suggested years ago. There is also a provision for a fence, a 12 or 14-mile fence along the southern border of the United States. That is in here. There are a lot of things in here. I hope I get that in perspective. We have waived some of the serious environmental obstructions on the construction of that fence, and that is in the bill. That had leverage on that.

People say, ''How could you do this and waive the Endangered Species Act,'' and so on. The reason we did that is because we need to get the fence built. The last time we built a fence in that area, there was something called the ''California gnat catcher,'' or something, that held it up for many, many months until they found that the gnat catcher really would fly over a fence to mate. I thought that was good that they determined, since it had wings, it probably would fly over a fence to mate. And so that is the kind of thing we will have abrogated under this bill.

It doesn't mean that we are dissembling the environmental laws. In fact, it was the work of Senator FEINSTEIN and Senator KYL that gave rise to the need for the fence. If you have ever been to the border near Tijuana, from the sea to the Tijuana Airport, you really want to see that some day. I also commend the Border Patrol and the INS for their work. So those are some of the things that are in the bill, and many more. I could go on, but I shan't.

I want to thank LAMAR SMITH. I thank Senator KENNEDY. He never votes with me, but I want to thank him anyway. He and I have worked together on immigration for 18 years. He has been the chairman, or I have been the chairman. There have been some remarkable negotiations and discussions, but through it all has been his staff person, Michael Myers, and there has been Jerry Tinker, a marvelous man, who is gone from us now, but was a great help to my person. My friend Dick Day, who served me as chief counsel and staff director in all of my immigration activities, there could not be a truer friend, a more loyal man than Dick Day. He worked so closely with Jerry Tinker, another wonderfully loyal and delightful man, and with Michael Myers and Senator KENNEDY.

We have had a good run. It has been a great pleasure. Congressman BERMAN was with us the other evening until 2 in the morning, another spirited and remarkable man I have come to enjoy greatly. I thank ORRIN HATCH for his steady, powerful work with regard to things that create passion in him. He is a man of passion and such a bright and thoughtful legislator. He was steady at the helm through all of this, with regard to the negotiations in conference. And to JOHN KYL, who is a newer member of the subcommittee which I chaired, a wonderfully perceptive, thoughtful, precise individual, who, when he sees something, he knows what result he wants to obtain. He will get that.

Another member of the subcommittee is DIANNE FEINSTEIN. Senator FEINSTEIN is a remarkable woman. It has been a great pleasure to work with her on illegal and legal immigration matters, and to see her learn the issues. The issues of immigration are emotion, fear, guilt, and racism. The only way to do it is to wipe those people away who talk like that and move on into the issue as it really is. Brush away emotion, fear, guilt, and racism. She has done that, and she is good.

Next year, either she or Senator KYL will be the chairman of the subcommittee. If I may make a partisan statement, I hope it will be Senator KYL because he would be, of course, the Republican majority member. If not, then Senator FEINSTEIN will be the Chair. But either way, America will gain from these two people. They work together very well. They worked on the fence issue, on other issues in conference, and they have a duality of interest and regard and trust for each other. You can't do this work without an element of trust.

So as I then finish the remarks about what is still in this bill—and I have given you that—let me tell you what was taken from title V. Remember, there were no changes in any other title of this bill. But in title V, through the negotiations of these last long nights, and rosy-fingered dawn, here is what has been lost from title V.

Under the administration's threat of shutting down the Federal Government unless Congress make changes in the immigration bill—and that was, in essence, a threat—that it pass both Houses by huge majorities, we lost some very important parts of the conference report. Principally, we lost the provision that would have ensured that persons who bring their immigrant relatives would have sufficient resources or income to provide them support, if needed. This was called the 140- or 200-percent requirement of poverty; 140-percent of poverty level and 200-percent requirement of poverty level. That was to reduce the number of those immigrant relatives who themselves would qualify for welfare, where you have a situation where a person bringing in an immigrant member of their family may not have enough resources to escape the poverty level themselves.

So it seems absurd to lower it as it now has come down to 125 percent of poverty where a person near poverty gets to bring in another person near poverty, and then that person who comes in under the new law being a public charge and being responsible for that person, then you are going to have a serious problem. But that will come to pass, and that will be corrected within years to come.

But even under the 140-percent standard, many immigrants would immediately qualify for many welfare programs. But even this modest standard was too much for the President. And he can answer for that in the campaign and in the future.

We lost a provision that would have defined the term ''public charge.'' And without such a definition we really cannot deport even those recent immigrants who have become completely dependent upon taxpayer-funded welfare. The only bright spot there is that under the welfare bill you can't receive welfare for a 4- or 5-year period, and there are certain conditions there.

The White House also insisted on the removal of the provision prohibiting illegal aliens from earning Social Security credits while working illegally in the United States. That is a rather remarkable bit of information, and that is what the President insisted upon. We had it in there to prohibit illegal aliens from earning Social Security credits while working illegally in the United States.

The White House even rejected the provision which would have required a fair distribution of refugee assistance. This was one of the principal activities of Senator FEINSTEIN. This is what she had in mind, and she was very right. And I tried to stick with her through all of the negotiations, because under current law the distribution of refugee assistance is highly erratic and inequitable. California counties receive $37 per refugee while counties in certain other States receive almost $500 per refugee.

We shall let the President explain that to the people of California, which I am sure he will.

Finally, we lost provisions that would have prevented illegal aliens from receiving treatment for AIDS.

I hope you hear that. This is not about homophobia. It is not about anything. It is about a remarkable provision that means that, if an illegal alien is receiving treatment for AIDS, they will continue to receive that treatment which can amount to about $119,000 per year. We have provisions in the law that illegals receive assistance for certain illnesses and ailments—tuberculosis. Obviously, that is in our vital interest. But never have we done this,

which is an extraordinary departure. And we shall let the President explain that, how we provide taxpayers' money to illegal aliens for treatment—not testing—treatment for AIDS.

I worked diligently to remove that. It is not removed. And the President will explain that, and I know he will.

But what remains in title V is of interest, too, because here is what we salvaged from that section of that title. States may deny driver's licenses to illegal aliens under title programs; very good provision.

Social Security benefits may no longer be paid to illegal aliens in the United States, even though I read you the other portion. That is different. They may no longer be paid.

For the first time all applicants for Federal public assistance must provide proof of citizenship, or legal residence. That is in title V.

Illegal aliens will no longer be eligible for reduced in-State college tuition. It is in there. The GAO will study the use of Pell grants and federally funded student aid of college students who are illegal, or nonresident aliens. That is in there.

Every person seeking to bring their relatives here as immigrants must sign a legally enforceable affidavit promising to provide financial support, if required. That is in there; very important provision.

All persons who bring their relatives here as immigrants must have an income of at least 125 percent of the poverty level. I very much wish it could have been more. I think that is going to cause real problems in the future.

States will now be authorized to limit aliens' access to cash assistance programs.

Federal funds will be authorized for full reimbursement to States for the cost of emergency medical and ambulance services to illegal aliens. That is a very important provision; bipartisan in every way.

We restrict the availability of public housing to illegal aliens, finally. It is not what we wanted. But it is a start. Senator HARRY REID worked on that for years. Many of us have worked on that for many years. There were changes. But it is still in there. Then we require verification of eligibility of citizenship for lawful alien status in order to obtain public housing.

So those are things that still are retained in title V. And you will recall that the White House was insisting that title V be repealed. It was not repealed.

There were good things in it that were taken out. I reviewed those. Good things in it were left in. And I reviewed those.

I ask unanimous consent that a statement of legislative history on Division C be printed in the RECORD.

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

DIVISION C: STATEMENT OF LEGISLATIVE HISTORY

Division C shall be considered as the enactment of the Conference Report (Rept. 104–828) on H.R. 2202, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, with certain modifications to Title V of the Conference Report.

The legislative history of Division C shall be considered to include the Joint Explanatory Statement of the Committee of Conference in Report 104–828, as well as the reports of the Committees on the Judiciary, Agricultue, and Economic and Educational Opportunities of the House of Representatives on H.R. 2202 (Rept. 104–469, Parts I, II, and III), and the report of the Committee on the Judiciary of the Senate on S. 1664 (Rept. 104–249).

The following records the disposition in Division C of the provisions in Title V of the Conference Report. (The remaining Titles of the Conference Report have not been modified.) Technical and conforming amendments are not noted.

Section 500: Strike.

Section 501: Modify to amend section 431 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193) to insert the provisions in section 501(c)(2) of the Conference Report relating to an exception to ineligibility for benefits for certain battered aliens. Strike all other provisions of section 501.

Section 502. Modify to authorize States to establish pilot programs, pursuant to regulations promulgated by the Attorney General. Under the pilot programs, States may deny drivers' licenses to illegal aliens and otherwise determine the viability, advisability, and cost effectiveness of denying driver's licenses to aliens unlawfully in the United States.

Section 503. Strike.

Section 504. Redesignate as section 503 and modify to include only amendments to section 202 of the Social Security Act, and new effective date. Strike all other provisions.

Section 505. Redesignate as section 504 and modify to amend section 432(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide that the Attorney General shall establish a procedure for persons applying for public benefits to provide proof of citizenship. Strike all other provisions.

Section 506. Strike.

Section 507. Redesignate as section 505.

Section 508. Redesignate as section 506 and modify. Strike subsection (a) and modify requirements in subsection (b) regarding Report of the Comptroller General.

Section 509. Redesignate as section 507.

Section 510. Redesignate as section 508. Modify subsection (a) and redesignate as an amendment to section 432 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Strike subsection (b).

Section 511. Redesignate as section 509. Modify to change references to ''eligible aliens'' to ''qualified aliens'' and make other changes in terminology.

Section 531. No change.

Section 532. Strike.

Section 551. Modify to reduce sponsor income requirement to 125 percent of poverty level. Strike subsection (e) of Immigration and Nationality Act (INA) section 213A as added by this section. Make other chanes to conform INA section 213A as added by this section to similar provision enacted in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Strike subsection (c).

Section 552. Modify to amend section 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to include the provisions in section 552(d)(1) and 552(f). Strike all other provisions.

Section 553. Strike.

Section 554. Redesignate as section 553.

Section 561. No change.

Section 562. Strike.

Section 563. Redesignate as section 562.

Section 564. Redesignate as section 563.

Section 565. Redesignate as section 564.

Section 566. Redesignate as section 565 and modify to strike (4).

Sections 571 through 576. Strike and insert sections 221 through 227 of the Senate amendment to H.R. 2202, as modified.

Section 591. No change.

Section 592. Strike.

Section 593. Redesignate as section 592.

Section 594. Redesignate as section 593.

Section 595. Redesignate as section 594.

A CAREER IN POLITICS

Mr. SIMPSON. Mr. President, I will speak a bit about the fact that this will be my last opportunity to be on this floor. Indeed, it has been a rich and wonderful experience.

There are several corollaries that I could share with those who come after me with regard to legislating. One is that legislating is very dry work, if done properly. It is not about sound bites. It is not about press conferences. It is called hard work—doing your homework, doing the hearings, sitting at the hearings, getting involved in the floor debate, the conference committee, and the all-night sessions. That is what it is. And there are many who do it well.

The occupant of the Chair is a classic example of a legislator—a true legislator; a right down-in-the-trench legislator, and he knows the rules of the game to help get the work done. And no one is more skilled than that.

There is another one as skilled—perhaps more. And I think the Senator in the chair would admit that it is Senator ROBERT BYRD of West Virginia who has become a very delightful friend. I wish that all here could get to know ROBERT BYRD as I have come to know him—a most extraordinary Renaissance type of legislator; a soaring and extraordinary person who knows his craft. And all of us would admit that without any possible exception.

So to ROBERT BYRD, my thanks because he ''trained me up.'' He taught me so much. And when I was a rambunctious, new assistant majority leader, he took me under his wing. One night I remember he was on the other side of a rather wrenching all-night session. And I was hunting for ways out. I said, ''ROBERT, how do I get out of this?'' He said, ''Now, sit down, ALAN.''

I shall relate to you some things that later will be discerned where they may have come from where you will be unable to identify the source.

Then he told me how to extricate myself. I did it in a way which, obviously, was deferential and pleasing to him, and certainly to me it ''saved my bacon,'' would be the phrase.

I have not forgotten that. I would never forget those things.

So it has been a great joy to serve with him.

Then, of course, my dear colleague, CRAIG THOMAS. We didn't come here together but we grew up together. We

were boyhood chums in Cody, WY. Imagine the pleasure of serving in a legislature with someone you knew from the fifth year of life; watch him come here, and serve with him. He is a wonderful man; a great, great friend; and his wife, Susan.

They will now take the role of senior Senator from Wyoming.

So that is a part of the swan song. Those other corollaries of legislating—I see there is stirring here. Whenever you are ready to proceed, why, just let me know, and I will, of course, defer to the process, having done that kind of work.

Several corollaries, the best of them. There was a great one. That is this: Everything here hangs by a thread. Do not forget that one. We all learn that one.

Another one is: Nothing ever dies. If it is not here this year, it will come back, like Lazarus from the dead, next year with a new shroud, a little tattered with more dirt clods on it but literally will rise from the dead. Legislation never dies. Staff assures that. Staff is eternal. Legislating and legislators move on.

Another one is: Get a crumb when you can't get a loaf. If you have not learned that—you either learn to compromise or learn to cry yourself to sleep at night. That is the way that works. And then remember something, too, at least for Republicans, and that is Democrats do good work, too. I know that is a sick idea to some, but nevertheless it is true. And to my colleagues on the other side of the aisle, I say Republicans do good work, too.

I think the occupant of the chair will agree; I have never seen in my entire 31 years of legislating what I think is a very bad precedent, and that is a conference committee conferencing without the other side present. That cannot be done. And the sooner that stops, the better off this place will be. You cannot have a conference committee when you just have one party in the room. I have had it done to me, and I did not like it at all. I will not name the chairman involved, but I will never forget it; we just met and the hammer went down and said, ''There is the report. You do not have to sign the conference committee report.''

I said, ''We haven't even talked about it. We don't know what it is.''

''Well, we are in the majority. School's out.''

So then we came back and we did that ourselves, and that is very unfortunate. I hope that does not happen again. It is not worthy of the legislative body. And maybe I was raised by the masters, but I have conferenced with people like Mo Udall, and JOHN DINGELL, and Peter Rodino, and Ron Mazzoli, who are wonderful people. You learn from them and you learn in a conference that the Democrats have ideas, too. They are often well worth hearing.

I note the presence of the assistant leader, and I believe there is some papers to move. I will defer if the Senator wishes to move those or take another 5 minutes and conclude.

Mr. NICKLES. Go ahead.

Mr. SIMPSON. Having, as I said, done that work also.

So I would say that it has been a great run for me to have served with Malcolm Wallop, a wonderful man, who was our defense expert in this body. Dick Cheney, how can you say any more about that man? A great old friend who served Wyoming with great distinction. CRAIG THOMAS, BARBARA CUBIN in the House. There have been some great honors, great friends, great adventures.

Ten years of serving with Bob Dole was a remarkable honor and privilege. What a great man he is. There isn't a person in this body who has ever worked with him who would not know that. And then, of course, the special class of 1978, many of them still here and soon to go. Ones who are still here: BILL BRADLEY, THAD COCHRAN, BILL COHEN, JIM EXON, HOWELL HEFLIN, NANCY KASSEBAUM, CARL LEVIN, LARRY PRESSLER, DAVE PRYOR, JOHN WARNER. We all came here together. Many of us will leave together. And they have been the dearest of friends, very special people.

I have been blessed with a wonderful staff: Don Hardy, my chief of staff, whom I have known since he was 14 years old. He was a spirited man then, spirited boy; a spirited colt makes the best horse. I saw great potential in him, and he met every bit of it; Joe Ratliff, my first campaign manager, my first AA; Chuck Blahous, who will go on now to serve with Senator CRAIG, who is just everything. There is not a thing he can't do—anything, marvelous; Tad Segal, my able press person; Tote Turner and Brad Westby, who sit at the front office and take all the abuse that some rugged old people can give like ''Where is that big, skinny rascal? I want to tack him up on the wall.''

''Yes, sir. How are you today? And I hear you.''

And Evora Williams and Carroll Wood and Margaret Carroll who were here with Cliff Hansen, Senator Cliff Hansen for nearly 12 years and with me for 18, so they have invested 30 years of their lives in representing Wyoming people; and Laurie Rosen, my scheduler who controls my life in a gentle, bright way; and Don Hardy, the Veterans' Affairs Committee, more than a chief counsel, a lovely friend; Dick Day. I related I brought him here to do immigration work: ''Come on out here; I need somebody who cares about me. I'm going into the tank where I will be called everything.''

Well, that was true. I was called everything. And Dick Day met every test—every test, every friendship demand; Scott Northrop, his patience in ferrying me around from place to place and also very able legislative assistant in his own right.

I could go on. And you are thinking, ''He is going to.'' Diane Rodekohr, my coordinator in Wyoming, there is nothing like her—absolutely splendid, efficient, tactical, and so precise, so good; Robin Bailey from the beginning almost, 14 years, handles all my Academy appoints, does the grunt work and tough stuff; Lyn Shanaghy in Jackson and her husband, Joe, very wonderful people; Karen McCreery in Cody. I hope I will see much more of her, and I will, because in my other life to come she will be right there at my side. And she has been at my side all these years.

I could go on. Cherie Burd, Olivia Haag. I ask unanimous consent to have printed in the RECORD the list of the people who served with me. I will enter that into the RECORD without any further information other than that because I cannot take much more time of the body.

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

Robin Bailey, David Balland, Chuck Blahous, Cherie Burd, Paul Burgess, Chad Calvert, Margaret Carroll, Dick Day, Dennis G. Doherty, Rosalie L. Ducosin, Demerie Edington, Kate Edmands, Tammy Farmer, Jodi Geis, Olivia Haag, Don Hardy, Tom Harvey, Ron Hindle, Becket Hinckley, Allison Johnston, and John Knepper.

Karin Leishman, Karin L. McCarthy, Karin McCreery, Scott Northrop, Ron Niesing, Jim Nyberg, Linda H. Reamy, Diane (Dee) Rodekohr, Laurie Rosen, Tad Segal, Trudy Settles, Lyn Shanaghy, Elizabeth Shaw, Chris Spear, Vivian Stokes, Sandra Green Swirski, Stephanie Sword, Dawn Taylor, Dat P. Tran, William F. Tuerk, Tote Turner, Mark VanKoevering, Brad Westby, Evora Williams, Carroll Wood, Chip Wood, and Charles ''Chris'' Yoder.

Mr. SIMPSON. And a supportive spouse. Anyone in this line of work that does not have a supportive spouse is in for anguish. I have had a most remarkable woman at my side for 42 years. And as she said to me one day in a spirit of the campaign, she said, ''Wait a minute. Don't give me that. I'm a volunteer in this outfit.'' I remember that very well.

But let me tell you, this is a consuming exercise and the sooner we learn that we are not partisans, we are not Democrat and Republican; we are colleagues in the U.S. Senate, the better. I learned it fast because I was the ranking junior Republican to TED KENNEDY, Al Cranston and Gary Hart when I came, and all three of them were running for President. I said, ''You run for President and I won't embarrass you, but let's not have any of this stuff,'' and never did. It was a tremendous experience.

So I will now be going on to Harvard to teach. Yes, I know that is shocking to some but quite stimulating to others. Some even fell out of the gallery on that. Going to Harvard to teach. I will be at the Kennedy School of Government, to be a visiting professor there, the Lombard chair, after preparing my syllabus, whatever that is. And I shall teach, and the teaching will be the course called ''Creative Legislation, Congress and the Press.'' So you might imagine I will have a delightful experience in that.

And then, of course, a book has been finished. That has a unique title. The title of that book is ''In the Old Gazoo: Observations From a Lifetime of Scrapping with the Press.'' And that book, of course, will be a remarkable document and certainly I will at least sell 50 copies because I shall assign it to my class. And so that will be at least—now, let us see, the royalty on that.

Well, there is no question about where we are headed here. So enough. The legacy that I have with Social Security is going to go on to JUDD GREGG, wonderful, picking it right up where I left off. The legacy of immigration will go on to JOHN KYL and DIANNE FEINSTEIN, and that is spirited and I am pleased. The legacy of the Veterans' Affairs Committee will go to ARLEN SPECTER and JAY ROCKEFELLER, and they are both dedicated, passionate people about veterans. In fact, almost too much so. That is why we will have some further discussions together on that.

But, I intend to work with young people. I intend to get involved with the Third Millennium. These are not antisenior people. These are young people. If people between 18 and 45 cannot figure out what is going to happen to them when they are 65, they will be picking grit with the chickens. We are going to work with them, we are going to talk about the entitlements and Social Security and Medicare.

I commend the leaders I have worked with, Senator NICKLES, TED STEVENS, Howard Baker, ROBERT BYRD, Al Cranston, WENDELL FORD, George Mitchell, TOM DASCHLE, TRENT LOTT—doing a tremendous job. I am very proud of him.

And particularly to the Wyoming people who allowed me to do this in my own way for 18 years—in my own unique way, however that is defined. But, to me it has been a true honor to represent this proud people of Wyoming, my native land, who are opinionated, thoughtful, articulate, and well read; who really let you know how they feel and don't mince words, and that is the way we do it out in the land of high altitude and low multitude.

Someone asked me, what would be the epitaph you would like at the end of public life? It did not take me long to think of the answer. The answer is, ''You would have wanted him on your side.'' It has been a great run.

God bless you all.

Mr. President, it is very important that I relate the great pride I have in the fact that my father served in this U.S. Senate and what a sheer privilege and honor it has been to come here after him. He served here from 1962 to 1966 and retired because of arthritis and Parkinson's disease, and he lived to be 95. So I want to say that to carry on his legacy has been a moving thing. And as the passing parade of life goes on, in 18 years here, I want to recognize Bill, Colin, Susan, who are wonderful, dear, splendid people, all Ann's friends and my friends—our children. Since I came here, Bill has married Debbie, and we could not have found one like that for him. They have given us two grandchildren in the passing years, Beth and Eric—just dazzlers, both of them. And then Susan is married to a wonderful man named John Gallagher. Again, if you could go shopping for those in-laws, sons-in-laws and daughters-in-law, those are two you would pick—Debbie and John. Colin is not linked up with anyone as yet. But he has had a great deal of hot pursuit over the years, in my time here. He is a wonderful, splendid man, the middle son.

So my parents are, too, joined now and gone since I came here. I close with three things my parents taught me that I leave with you.

No. 1, my mother said, ''Humor is the universal solvent against the abrasive elements of life.'' It is, and you need it here.

No. 2 is our line of work, and Edmund Burke said it best. Listen to it:

> Those who would carry the great public schemes must be proof against the most fatiguing delays, the most mortifying disappointments, the most shocking insults, and the worse of all—the presumptious judgment of the ignorant beyond their design.

That is our work. That is what we do. But in the combat of the day, the best one of all, if you are doing anything, you are making enemies. If you are doing nothing, or just want to be loved, get into another line of work, because here it is, all in this little couplet:

> You have no enemies, you say? My friend, your boast is poor. For anyone who has entered the fray of duty, where the brave endure, must have made foes. If he has none, small is the work that he has done; he has never cast a cup from perjured lips, he has never struck a trailer on the hip, never turned a wrong to right, or beat a coward in a fight.

I have lived that one. I commend it to you. Finally, on my wall in leather—appropriately, because leather is supple and tough—is this phrase:

> Press on. Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent.

I commend that to my colleagues. I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to congratulate the very distinguished senior Senator from Wyoming. I will say, for one who has been in combat with my colleague from Wyoming, I would always say that I want him on my side. I look forward to reading his books.

You might note, you will have at least 51 copies I know you will be enriched by the royalties of. We have all been enriched by your humor and participation in this body, one of the most colorful Members, one of the most humorous Members, one of the most dedicated Members, I think, to serve in the Senate—and with courage too, taking on little issues, tough issues, like entitlements and Social Security and so on.

I just compliment my colleague from Wyoming, and I can speak on behalf of all my colleagues, we certainly value his contributions to this body and to our country. We wish you and your lovely bride, Ann, all the best in the future.

Mr. SIMPSON. That is very nice. Thank you.

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

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I want to join the tribute to AL SIMPSON, the Senator from Wyoming. I came here with him and there is almost nobody I admire more than AL SIMPSON. I enjoyed that speech very much. I wish I could be in your class at Harvard. I think that would be fun. But stay within the subject matter.

Mr. SIMPSON. Buy the book.

THE FEDERAL AVIATION AUTHORIZATION BILL

Mr. PRESSLER. Mr. President, as chairman of the conference on H.R. 3539, the Federal Aviation Authorization Act of l996, I rise to urge my colleagues to permit the Senate to immediately proceed to consideration of the conference report for this critically important legislation. H.R. 3539 is a bipartisan, omnibus aviation bill which reauthorizes the Airport Improvement Program [AIP], reforms the Federal Aviation Administration, improves aviation safety and security, and provides long overdue assistance to the families of victims of aviation disasters.

Mr. President, it is absolutely imperative that the Senate approves this conference report before we adjourn and that the President signs the report. Yesterday, the House met its responsibility to the American traveling public by passing this legislation. If the Senate fails to approve this excellent legislation which represents another significant legislative accomplishment for this body, we will have failed to meet our responsibility to the American traveling public. For example, if we do not approve this report, airports across the country will not receive Federal funding which is vital for safety-related repairs and other improvements.

If we fail to pass this report, the Senate will have neglected our responsibility to ensure the United States maintains the safest and most secure aviation system in the world. For example, the conference report implements many of the aviation security recommendations made by the White House Commission on Aviation Safety and Security earlier this month.

Mr. President, there are dozens of important provisions in this legislation,

but I would like to focus my remarks on four main areas.

First, aviation security. Air transportation in this country is safe. Indeed, it remains the safest form of travel. However, we can and we must do more. This legislation facilitates the replacement of outdated air traffic control equipment. It puts in place a mechanism to evaluate FAA's long-term funding which is critically important at a time in which enplanements continue to increase yet Federal budget constraints limit the ability of the FAA to respond to the increased needs of our aviation system. Additionally, this legislation eliminates the FAA's dual mandate. It ensures the FAA finally focuses solely on aviation safety.

A second area I want to highlight is aviation security. This conference report contains numerous provisions designed to improve security at our Nation's airlines and airports. The measure before us today incorporates many of the recommendations of the White House Commission on Aviation Safety and Security of which I am a member. In fact, this legislation provides statutory authority requested by the President to implement several of the Commission's recommendations. Passage of this bill will improve aviation security by: speeding deployment of the latest explosive detection devices; enhancing passenger screening processes; requiring criminal history record checks on screeners; requiring regular joint threat assessments; and encouraging other innovative procedures to improve overall aviation security such as automated passenger profiling.

The third area I wish to highlight is how this legislation will help small community air service and small airports. The legislation before us today reauthorizes the Essential Air Service Program at the level of $50 million. This program is vital to States such as South Dakota. By adjusting the formula for AIP funds, we would now ensure that all airports receive virtually all their entitlement funds in addition to being eligible for discretionary funds. This is great news for small airports which in recent years have received far less than their full and fair share of these funds. Also, the legislation directs the Secretary of Transportation to conduct a comprehensive study on rural air service and fares. For too long, small communities have been forced to endure higher fares as a result of inadequate competition. The Department of Transportation will now look into this issue as a result of this conference report. This follows on the important work that I instructed the General Accounting Office to initiate last year.

Mr. President, the final area I wish to highlight is the compassionate measures this legislation would put in place for the families of victims of aviation disasters. Last week, I chaired a hearing of the Commerce Committee in which the families of victims of five aviation tragedies courageously told the committee of their harrowing experiences. I promised those witnesses, as well as other families of victims in the room, that Congress finally would act this year to put in place measures to improve the treatment families receive, protect their privacy in a time of grief, ensure they receive timely and accurate information, and address a number of other concerns they eloquently voiced to the committee. The family advocacy and assistance provisions in this conference report are supported by these families and I hope the Senate will help me keep my promise to families who already have suffered enough. I hope we do not disappoint them.

Mr. President, despite all the vitally important aviation safety and security provisions in this legislation, I understand a very small group of Senators are concerned about one provision in the legislation which makes a technical correction affecting Federal Express. I refer to the amendment the ranking member of the Commerce Committee, Senator HOLLINGS, offered in conference to correct a technical error in the Interstate Commerce Commission Termination Act of 1995. It is time we reach an agreement on this issue.

The Hollings amendment, which I strongly support, is not the partisan provision these Senators believe it to be. All five Senate conferees—Senator MCCAIN, Senator STEVENS, Senator HOLLINGS, Senator FORD and I—voted in favor of that amendment because, despite all the rhetoric, it is simply a technical correction which fairness dictates the Congress make.

I would like to briefly discuss the rhetoric that has clouded the Hollings amendment issue and, regrettably, has transformed the Hollings amendment into an issue which some now feel is more important than enhancing aviation safety and security. When the House debated the conference report, I heard a number of Members make blanket statements that the Hollings amendment is not truly a technical correction. Those same Members claimed their statements were based on their purported knowledge of the Senate's intent when it considered and overwhelmingly passed the ICC Termination Act. With all due respect to those Members of the House, I authored the ICC Termination Act and can unequivocally say they are dead wrong. The Hollings amendment is nothing more than a technical correction.

Let me explain. Prior to the Interstate Commerce Commission Termination Act of 1995, the Railway Labor Act had jurisdiction over carriers including express companies. A conforming amendment in the ICC Termination Act inadvertently dropped express companies from the scope of the Railway Labor Act. As the author of the ICC Termination Act, I can say unequivocally that the Senate never intended to strip Federal Express or any person of rights without the benefit of a hearing, debate, or even discussion. Section 10501 of the ICC Termination Act makes that point crystal clear. Section 10501 states ''[t]he enactment of the ICC Termination Act of 1995 shall neither expand nor contract coverage of employees or employers by the Railway Labor Act.''

Mr. President, fairness dictates we correct that inadvertent technical error. That is precisely what the Hollings amendment does. It is exactly why I supported it in conference. It is why I continue to strongly support it. Contrary to what some Senators have claimed, it is my understanding the Hollings amendment will not create any new labor protections which Federal Express did not have prior to enactment of the technical error in the ICC Termination Act. Nor will it broaden labor protections Federal Express previously had. The amendment is precisely what it purports to be, a technical correction.

The conference report should be on the floor for consideration and we should be debating a truly historic piece of aviation legislation which reflects the outstanding work Congress does when it proceeds on a bipartisan basis. Unfortunately, instead of discharging our duty to the American traveling public, the Senate is bogged down in procedural maneuvers by a small group of Senators to prevent the conference report accompanying H.R. 3539 from being considered by the Senate. Why? We cannot consider this vital legislation because a small group of Senators does not support the Hollings amendment which is contained in just 5 lines of a 189-page bill. All too often, Congress is criticized for losing sight of the big picture. Today, regrettably, the Senate is reinforcing that perception.

Some members of the American public watching these proceedings either from the gallery or on C-SPAN will understandably ask themselves ''has the Senate lost sight of the goal of ensuring the safety and security of air travel in the United States?'' Others will ask themselves ''has the Senate forgotten the importance of safety-related repairs and other improvements at our Nation's airports?'' And the family members of aviation disaster victims will correctly ask ''why has the Senate failed to listen to our pleas to put in place measures to improve the treatment of families of future aviation disaster victims?''

And, Mr. President, each and every one of these questions is perfectly valid. If we fail to pass this conference report before we adjourn, I would hate to be in the position of having to answer them.

We owe it to the American public to preempt these questions by resisting the invitation to lose sight of the bigger picture. Today, we are trying to pass an historic aviation safety and security bill. Let us get the job done for the American public. I urge that the

Senate immediately take up for consideration the conference report to accompany H.R. 3539.

Let me add that I pledge to join whatever efforts the Senator from Alaska, who is in the chair, or others take to ensure this conference report passes before we adjourn. This legislation is yet another example of the excellent bipartisan cooperation of the Commerce Committee. The Hollings amendment enjoys the bipartisan support of all of the Senate conferees. In that bipartisan spirit, I urge Senators from both sides of the aisle to join our effort to pass the FAA conference report.

CLEAN FUEL VEHICLE ACT OF 1996

Mrs. BOXER. Mr. President, in June of this year, along with my colleagues Senators INOUYE, FEINSTEIN, KENNEDY, KERRY, and JEFFORDS, I introduced legislation (S. 1848) to provide temporary tax incentives to spur the market for clean fuel vehicles, including natural gas and electric vehicles. While this Congress has no time remaining to consider this proposal, I intend to introduce the legislation in the 105th Congress, and I urge my colleagues to then consider the measure and join me and others in promoting the transformation of our transportation system to cleaner forms of energy.

This proposal calls for targeted tax incentives that would, first, remove clean fuel vehicles from the luxury automobile classification for luxury excise tax and depreciation purposes; second, remove the limitations on the availability of credits and deductions for use of electric vehicles by governmental units; third, provide deductions for large electric vans and buses; fourth, adopt a straight, rather than graduated, tax credit for electric vehicles; and fifth, exempt liquefied natural gas from certain taxes.

Recently, the Joint Committee on Taxation provided a revenue estimate of those provisions of the bill that provide tax incentives for clean fuel vehicles. The committee previously reported to me that my provision to levy the same rate of excise tax on liquified natural gas as already is levied on compressed natural gas would result in a revenue loss of only $4 million from 1997 to 2002. I urge my colleagues to note, significantly, the committee estimated that for the other provisions, items one through four above, for the 5-year period between 1997 and 2001 the total revenue impacts would equate to no more than $15 million. Even more important, for this modest cost, we can spur the development of vehicles that produce no tailpipe emissions.

Zero emission vehicles are not a pipeless dream so to speak. Many are in use today, and they are scheduled to be in Saturn dealer showrooms later this fall and soon on the lots of other automakers. Again, let me state that we are not describing some far out in time technology; the world's largest automobile manufacturer—General Motors—intends to market an electric vehicle in the showrooms of one of its most successful product lines.

General Motor's Saturn dealerships in southern California and Phoenix/Tucson, AZ will begin selling electric vehicles this fall. Next year, General Motors will offer, through Chevrolet dealers, an electric light duty truck; Toyota and Honda will begin selling EV's; and Chrysler has proposed to sell electric minivans to the U.S. Government. In 1998, Ford Motor Co. will introduce a vehicle for the U.S. market, as will Chrysler and Nissan. Many other companies in California and throughout the United States also are actively involved in clean fuel vehicle development.

Even with this degree of very promising activity, the market is uncertain because the number of first-time buyers is uncertain. The short-term tax incentives in my proposal will go far toward helping to encourage the initial market. All of the tax provisions will sunset at the end of the year 2004. Most important, we have an opportunity to assist in creating new forms of personal transportation—ones that produce little or no tailpipe emissions and that rely upon domestically produced fuels. And, ones that use advanced computer-based technologies that position U.S. industries to lead the transportation sector into the next century.

This legislaton has been endorsed by the Union of Concerned Scientists, the Electric Transportation Coalition, the Natural Gas Vehicle Coalition of the USA, the city of Los Angeles and Potomac Electric Power Co. I urge my colleagues to join me in this effort for a clean-fuel 21st century and support my legislation next year.

I ask unanimous consent that a copy of the letter from the Joint Taxation Committee be printed in the RECORD.

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

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, September 24, 1996.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: This completes our response to your request for a revenue estimate corresponding to a draft bill to provide certain tax incentives for electric vehicles and other clean-fuel vehicles (the ''Clean Fuel Vehicle Stimulus Act of 1996'').

In our letter of June 24, 1996, we provided you with a revenue estimate for section 6 of your draft bill, which would exempt liquified natural gas (''LNG'') from the Highway Trust Fund component of the special motor fuels excise tax.

This letter contains a revenue estimate for sections 2 through 5 of your draft bill. These sections of the bill would (a) remove clean-fuel vehicles from the luxury automobile classification for luxury excise tax purposes and exempt such vehicles from depreciation limitations, (b) remove current restrictions on the availability of credits and deductions for electric vehicles used by governmental units, (c) provide certain deductions for large electric trucks, vans, and buses in lieu of the credit for electric vehicles, and (d) modify the credit for electric vehicles and allow the credit to be applied against the alternative minimum tax. The modifications to the electric vehicle credit and the alternative minimum tax would be effective for taxable years beginning after December 31, 1996. In general, the remaining provisions would be effective for property placed in service after the date of enactment.

For the purpose of preparing a revenue estimate for sections 2 through 5 of your draft bill, we have assumed that the bill will be enacted on October 1, 1996. The following is a revenue estimate for sections 2 through 5 of the bill:

FISCAL YEARS
[In millions of dollars]

Item	1997	1998	1999	2000	2001	2002	1997–2001	1997–2006
Sections 2 through 5 of the Clean Fuel Vehicle Stimulus Act	−2	−3	−3	−4	−4	−3	−15	−22

Note: Details may not add to totals due to rounding.

I hope this information is helpful to you. If we can be of further assistance in this matter, please let me know.

Sincerely,

KENNETH J. KIES.

RETIRING SENATORS

Mrs. BOXER. Mr. President, 13 dedicated people are leaving the U.S. Senate this year. Each of them will leave a mark on this institution. Each has contributed to its accomplishments. Each has been an able and honorable representative of his or her State.

I count them all as friends, and I hope that the friendship I have shared with them will continue after they leave public life. I wish them all godspeed, good health, and long happy lives after the Senate.

CLAIBORNE PELL

Around the Senate, we often hear the word ''distinguished'' used to describe our colleagues. But in the case of the senior senator from Rhode Island, the description truly fits the man. CLAIBORNE PELL has served in this body for 36 years. Only two other Senators have served longer.

In addition to his almost four decades of devoted service to the people of Rhode Island, Senator Pell has an unsurpassed record of legislative accomplishments—a legacy that will benefit Americans all over the Nation for generations to come.

CLAIBORNE PELL is the father of Pell grants, the Nation's premier assistance program for needy college students. For many years, he has also been one of the Senate's leading voices in support of the National Endowments for the Arts and the Humanities, which promote and sustain so much of the creative life of this country.

Throughout his career in the Senate, CLAIBORNE PELL has been deeply involved in foreign policy issues. He

served as chairman of the Foreign Relations Committee from 1987 through 1994. Through his vision and leadership, the Arms Control and Disarmament Agency. His steadfast commitment to reducing the threat of weapons of mass destruction led to major international arms control agreements, including the Environmental Modification Treaty and the Seabed Arms Control Treaty. Senator PELL has contributed immeasurably to the development of U.S. leadership in world affairs and to the establishment of better relations among the nations of the world.

Finally, I must pay special tribute to the very special character of CLAIBORNE PELL. We live in a time and a place where certain qualities of character—courtesy and gentility, decency and kindness, honesty and integrity—are are all too rare, in public life or private. But with CLAIBORNE PELL, these qualities are ingrained and innate. He is an honorable gentleman, and I have been proud to serve with him.

SAM NUNN

The senior Senator from Georgia is among the most respected Members of this body—admired for his knowledge, legislative acumen, and unparalleled dedication to the men and women who serve our Nation in the Armed Forces.

SAM NUNN is held in such high esteem by the citizens of Georgia that they have elected him as their Senator five times. Had he decided to face the voters again this year, political commentators unanimously agree that Georgians would have re-elected him by a wide margin.

Senator NUNN will be remembered in this body for his service to the State of Georgia and his diligent efforts to reform the Federal Government through his work on the Governmental Affairs Committee. However, there is no doubt that SAM NUNN will be remembered best as an international affairs and military policy expert, whose impact on U.S. national security policy will be felt forever. From the cold war to the Gulf war, Presidents have sought his counsel and relied on his advice.

Senator NUNN's retirement will leave the Senate without one its most respected voices, but we trust that he will remain active in public life and will continue to contribute to the vitality of our Nation. I will certainly call on him for his common sense counsel and his deep trough of knowledge on so many matters of great importance to our country.

MARK HATFIELD

Many words can be used to describe my colleague the senior Senator from Oregon, but the one word that most comes to mind in describing his service in the Senate is integrity. Early in his career, he said, ''I pray for the integrity, justice and courage to vote the correct vote, not the political vote.'' The American people witnessed his integrity earlier this year when he cast a vote of conscience on the balanced budget amendment.

Senator HATFIELD has been a champion for the environment. Throughout his career he sponsored legislation to protect the trees, rivers, and wildlife in his beautiful State of Oregon as well as throughout the Nation. He used his skill to protect the threatened northern spotted owl, while at the same time save jobs in the timber industry.

Senator HATFIELD has also been a strong advocate of peace. While he served in the military during World War II, he was one of the first U.S. servicemen to see the devastation that the atomic bomb inflicted on Hiroshima. This episode moved him greatly, and as a result, he has devoted himself to arms control and trying to get the United States to invest less money in weapons systems and more in our people.

We need more MARK HATFIELDs in both parties. The Senate will miss his quiet dignity and his quiet strength. Personally, I will miss his friendship, and I want to take this opportunity to thank him for all the help he gave me as chairman of the Appropriations Committee on issues of mutual concern, including the environment, transportation, and health research.

DAVID PRYOR

As everyone knows, Senator DAVID PRYOR from the great State of Arkansas is one of our most beloved colleagues. He is a man who always had a kind and generous word to say to everyone.

DAVID PRYOR has devoted much of his public life to improving the quality of life for our senior citizens. Last year, I was proud to join DAVID and others in the fight to retain Federal nursing home standards. He knows that we need minimum uniform standards in order to ensure that our seniors continue to receive the best care possible.

Senator PRYOR has also been a leader in the fight to make prescription drugs available to all at lower prices. He sponsored successful legislation to require pharmaceutical companies to give Medicare and Medicaid the same discounts that are available to other large purchasers. As a result, prescription drugs are more affordable for patients and the Government saves $1 billion a year. Most important, this policy saves lives.

I love DAVID PRYOR and I will miss him dearly. I wish for DAVID, Barbara and their children all the very best in the years to come.

JIM EXON

It is with a sad heart that I say goodbye to my dear friend and esteemed colleague, Senator EXON. Senator EXON came to the Senate after a successful 8 years as Governor, where he was highly popular with all Nebraskans. His ability to attract supporters from both parties brought him to Washington in a landslide Senate victory.

As a veteran of World War II and a senior member of the Armed Services Committee, Senator EXON has fought to ensure a strong defense for our country. A significant achievement which exemplifies this is the Exon–Florio bill which gives the President the power to stop hostile foreign takeovers which threaten national security.

At the same time, he has been an economizer and a watchdog of the deficit. As Governor, he cut the deficit in Nebraska and has continued to fight for the same outcome as the ranking Democrat of the Budget Committee. It has been my pleasure to work with him on the Budget Committee and he will be greatly missed by all of us.

ALAN SIMPSON

ALAN SIMPSON, the Senior senator from Wyoming, will go down in the history of the Senate as one of its foremost legislators, but also as a man with a unique sense of humor that has added a wonderful dimension to the life of this body.

Time and again, ALAN SIMPSON has demonstrated that he is a man of conviction and courage. I am very proud to have served with him and I will always especially remember and appreciate the strong support he has given over the years to the reproductive rights of women.

ALAN SIMPSON is a man of his word—straight forward and fair. He will be missed in this body.

NANCY KASSEBAUM

It has been my pleasure to be able to serve with now senior Senator from Kansas, NANCY KASSEBAUM, during her final term. As the sole Republican woman in the Senate when first elected and for a significant portion of the time she has served here, she has become a role model to women on both sides of the aisle. In addition, as the chair of the Senate Labor and Human Resources Committee, she is currently the only woman to head a Senate committee.

Senator KASSEBAUM's ability to moderate between different ideologies a great asset to this body and one which will be greatly missed. Most recently, her work with Senator KENNEDY brought the first substantive health care reform to the Senate. We all know this legislation passed unanimously and has become one of the great achievements of the 104th Congress.

Senator KASSEBAUM has also been a leader in issues concerning foreign affairs. She has been a key negotiator on important decisions such as determining sanctions against South Africa and eliminating credit guarantees for Iraq which were supposed to be used for food, but were in fact being used by Saddam Hussein to buy weapons. Whether Senator KASSEBAUM and I have been on opposite sides of the issue or the same, I have tremendous respect for the work she has done here and I know she will be missed.

HOWELL HEFLIN

Years from now, when historians review the history of the U.S. Senate, one name that will surely stand out as one of the Senate's most colorful and foresighted members will be HOWELL HELFLIN. Known for his cautious deliberation, Senator HEFLIN has definitely made his mark in the U.S. Senate.

The judge, as we all know him, has served the State of Alabama and this Nation with distinction, courage, and integrity. This Silver Star medal recipient will no doubt be remembered as one to the Senate's shining stars. His work and personable demeanor has served as a model for us all. As chief justice of the Alabama Supreme Court, he implemented nationally acclaimed state court reform. Upon retiring from the bench in 1977, not one trial or appellate court in the State of Alabama was backlogged or congested.

In the Senate, he has been a champion in every sense of the word. From protecting American farmers as the chief architect of the cotton, peanut, and soybean programs, to ensuring senior citizens security and expanding medical research. His work underscores his compassion and commitment to improving the quality of life for us all. It is no wonder that the first bill he ever introduced, and continues to fight for in each Congress, is for a balanced budget. Without a doubt, Senator HEFLIN has a clear understanding of ensuring that our Nation's priorities are in order; and securing a better standard of living for ourselves, our children, and for generations to come.

Those of us fortunate enough to have served with him in this body have been enriched by his intellect, fortitude, and personal charm. I wish for him and his family all the best in the years ahead, and I extend my appreciation for his friendship, and most importantly, his service to our nation.

PAUL SIMON

Since 1947, when PAUL SIMON became the youngest editor-publisher in the Nation, he has been one of the most thoughtful spokesmen for the public interest. As an editor he railed against the corruption that gripped Illinois politics; in his 14 years in the Illinois state legislature he was the annual winner of the best legislator award; as a Member of the U.S. Congress he has been a leading advocate for children and education.

Since being elected to the Senate, Senator SIMON has proven himself to be a capable, and at times masterful, legislator. Well-liked on both sides of the aisle, Senator SIMON's popularity has enabled him to forge coalitions and push through legislation. He has fought to help families with his legislation supporting children and education. His legislation, such as the Job Training Partnership Act, the School-to-Work Act, and the National Literacy Act has put him in the forefront as a leader in education, and helped to ensure a well-prepared workforce.

Senator SIMON is a caring and dedicated legislator. His record underscores his dedication to the public good and the future of our Nation. Senator PAUL SIMON's thoughtfulness, his generosity, his kindness, will be sorely missed in the halls of Congress.

BILL BRADLEY

One of the most respected thinkers in the Senate, BILL BRADLEY of New Jersey is most comfortable in the world of ideas and ideals. A former Rhodes scholar, Senator BRADLEY has never been content or satisfied with the cliches that can sometimes dominate an issue. He continually seeks to come up with new and original answers to the problems facing our Nation.

Senator BRADLEY has been instrumental in shaping America's economic and foreign policy. And although he has at times been concerned with the direction of Government, he has continued to push our Government toward dealing effectively with the needs of our Nation, and with the problems that affect people's everyday lives. His role in the 1986 Tax Reform Act, for example, was pivotal, and reshaped how we address tax issues.

I especially admire Senator BRADLEY for his concern about the toughest issue of time—race relations. He has shown great courage and leadership for all our people.

America undoubtedly has profited greatly from Senator BRADLEY's leadership in economic, social, and foreign policy. His departure from the Senate leaves a big hole which will be difficult to fill.

BENNETT JOHNSTON

The people of Louisiana could not have had a more outstanding representative of their interests than J. BENNETT JOHNSTON, who has been a member of the Senate since 1973. He is, in fact, a Louisiana Legend.

I want to pay tribute to BENNETT as one of the most effective and skilled legislators in Congress—and also one of the most formidable opponents I have ever faced.

HANK BROWN

As the chairman of the Foreign Relations Subcommittee on Near Eastern Affairs, Senator HANK BROWN has shown great leadership on matters concerning one of America's most important allies, Israel. I also want to thank him for and recognize the support he has always given to the reproductive rights of women.

WILLIAM COHEN

Senator COHEN, following in the tradition of many previous Senators from Maine, has become known as a thoughtful legislator and judicious thinker on a broad range of issues. His intellect will be missed by the Senate.

One of BILL COHEN's greatest contributions to the Senate has been his role as an honest broker in important foreign policy debates. He is always willing to work on a bipartisan basis for what he believes to be the best interests of the United States.

TRIBUTE TO JUDGE JAMES BATTIN

Mr. BAUCUS. Mr. President, I wish to pay tribute to the life of a great Montanan and a very good man, Judge James F. Battin.

Judge Battin lost his battle with cancer yesterday. But he leaves behind a legacy of public service and devotion to the law that has helped make Montana a better place.

Last August, I had the honor of attending the investiture of Montana's newest Federal judge, Judge Don Molloy. Years ago, Judge Molloy served as a clerk for Judge Battin. And, through the ensuing years, Judge Battin played the role of friend and mentor to his former clerk.

So it was a great honor to see Judge Battin administer the oath to our new judge. As Judge Molloy begins his service on the bench, he could look for no finer role model than Judge Battin.

One of President Nixon's first judicial appointments, Judge Battin came to the bench from Congress. He served for a number of years—with great effectiveness and distinction—as eastern Montana's Republican Congressman.

Yet, at the time, there were some Montana lawyers who questioned whether a good Congressman would also make a good judge. One attorney was later quoted as saying, ''everybody said he would be a terrible pain.''

But that same lawyer went on to say ''everybody was proven wrong . . . he's a superior judge.''

That is a sentiment shared by everyone in Montana who knew Judge Battin. Wanda and I offer our condolences to his wife Barbara and their family. Yet they should be deeply proud of the life Judge Battin lived. He made a difference.

MESSAGES FROM THE HOUSE

At 10:03 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill and joint resolution, each without amendment:

S. 1931. An act to provide that the United States Post Office and Courthouse building located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the ''L. Clure Morton Post Office and Courthouse.''

S.J. Res. 64. Joint resolution to commend Operation Sail for its advancement of brotherhood among nations, its continuing commemoration of the history of the United States, and its nurturing of young cadets through training in seamanship.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 3576. An act to designate the United States courthouse located 401 South Michigan Street in South Bend, Indiana, as the ''Robert K. Rodibaugh United States Bankruptcy Courthouse.''

H.R. 3841. An act to amend the civil service laws of the United States, and for other purposes.

H.R. 4042. An act to designate the United States courthouse located at 500 Pearl Street in New York City, New York, as the ''Ted Weiss United States Courthouse.''

H.R. 4119. An act to designate the Federal building and United States courthouse located at 475 Mulberry Street in Macon, Georgia, as the ''William Augustus Bootle Federal Building and United States Courthouse.''

H.R. 4133. An act to designate the United States courthouse to be constructed at the corner of Superior and Huron Roads, in Cleveland, Ohio, as the ''Carl B. Stokes United States Courthouse.''

H.J. Res. 70. Joint Resolution authorizing the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr. in the District of Columbia or its environs.

At 2 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. 3219. An act to provide Federal assistance for Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes.

H.R. 4088. An act to provide for the conveyance of certain property from the United States to Stanislaus County, California.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 229. Concurrent resolution directing the Secretary of the Senate to make corrections in the enrollment of S. 1004.

The message further announced that the House agrees to the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1004) to authorize appropriations for the United States Coast Guard, and for other purposes.

At 2:52 p.m., a message from the House of Representatives, delivered by Ms. Goetz, 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. 543. An act to reauthorize the National Marine Sanctuaries Act, and for other purposes.

H.R. 3632. An act to amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition.

H.R. 4165. An act to provide for certain changes with respect to requirements for a Canadian border boat landing permit pursuant to section 235 of the Immigration and Nationality Act.

At 5:54 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 joint resolution, in which it requests the concurrence of the Senate:

H. J. Res. 197. Joint resolution waiving certain enrollment requirements with respect to any bill or joint resolution of the One Hundred Fourth Congress making general or continuing appropriations for fiscal year 1997.

MEASURES PLACED ON THE CALENDAR

The following measure was read the second time and placed on the calendar:

H.R. 3452. An act to make certain laws applicable to the Executive Office of the President, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on September 28, 1996 he had presented to the President of the United States, the following enrolled bills:

S. 1675. An act to provide for the nationwide tracking of convicted sexual predators, and for other purposes.

S. 1802. An act to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes.

S. 1970. An act to amend the National Museum of the American Indian Act to make improvements in the Act, and for other purposes.

S. 2085. An act to authorize the Capitol Guide Service to accept voluntary services.

S. 2101. An act to provide educational assistance to the dependents of Federal law enforcement officials who are killed or disabled in the performance of their duties.

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. COHEN:

S. 2153. A bill to designate the United States Post Office building located in Brewer, Maine, as the ''Joshua Lawrence Chamberlain Post Office Building'', and for other purposes; considered and passed.

By Mr. SPECTER (for himself, Mr. JOHNSTON, Mr. HEFLIN, and Mr. SANTORUM):

S. 2154. A bill to provide equitable treatment for pharmaceutical patents on certain pipeline drugs in order to encourage continued development of new drugs, and for other purposes; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. MCCONNELL, and Mr. HARKIN):

S. 2155. A bill to authorize the Secretary of Agriculture to transfer funds to the farmers' market nutrition program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. STEVENS:

S. 2156. A bill to protect the rights of the States and the people from abuse by the Federal Government; to stregthen the partnership and the intergovernmental relationship between State and Federal Governments; to restrain Federal agencies from exceeding their authority; to enforce the Tenth Amendment to the Constitution; and for other purposes; to the Committee on Governmental Affairs.

By Mr. SMITH:

S. 2157. A bill to amend the Solid Waste Disposal Act to provide for the efficient collection and recycling of spent lead-acid batteries and educate the public concerning the collection and recycling of such batteries, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LOTT:

S. 2158. A bill to set the time for counting electoral votes; considered and passed.

S. 2159. A bill to set the time for the convening of the 105th Congress; considered and passed.

By Mr. LIEBERMAN:

S. 2160. A bill to provide for alternative procedures for achieving superior environmental performance, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWN (for himself and Mr. SIMON):

S. Res. 303. A resolution commending the Governments of Hungary and Romania on the occasion of the signing of a Treaty of Understanding, Cooperation and Good Neighborliness; considered and agreed to.

By Mr. LOTT (for himself and Mr. GRASSLEY):

S. Res. 304. A resolution approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to employing offices of the Senate and employees of the Senate, and for other purposes; considered and agreed to.

By Mr. PRYOR (for himself, Mr. BUMPERS, Mr. JOHNSTON, Mr. BREAUX, and Mr. FORD):

S. Res. 305. A resolution to designate Saturday, November 30, 1996, as ''National Duck Calling Day''; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself, Mr. JOHNSTON, Mr. HEFLIN and Mr. SANTORUM):

S. 2154. A bill to provide equitable treatment for pharmaceutical patents on certain pipeline drugs in order to encourage continued development of new drugs, and for other purposes; to the Committee on the Judiciary.

THE PHARMACEUTICAL EQUITY ACT OF 1996

Mr. SPECTER. Mr. President, Pennsylvania is proud to host some of the world's most innovative pharmaceutical, biotechnology, medical device and health care product companies. The United States, of course, is the world's leader. These companies are developing the new medicines and new products that are extending and improving life for people around the world.

Current law often unnecessarily slows the introduction of new technologies and new medicines and increases costs to producers, and therefore, ultimately, to consumers. I have consulted with consumer and other patient advocacy representatives, as well as pharmaceutical manufacturers and the biotechnology industry, in an effort to gather sufficiently diverse and constructive suggestions for meaningfully addressing this problem.

While this is certainly an issue critical to Pennsylvania's economic future, it is most of all a critical issue for our citizens who suffer from costly and debilitating conditions for which no adequate drug therapies exist today, including Alzheimer's, AIDS, heart disease, cancer, et cetera. We cannot, and should not, keep these patients waiting any longer than absolutely necessary.

We have a very basic problem in America about research expenditures for drugs that benefit sick people. These drugs benefit everybody, particularly the elderly and the young. We need medical research. We need these

wonder drugs to be produced. It is a matter of fairness as to how we are going to compensate those who produce them. If we are to have these drugs for consumers, we will have to be able to pay for them. If we are to have the kind of research, productivity, and the great miraculous advances in medical science, we are simply going to have to ensure a reasonable rate of return on the patent period.

The purpose of the legislation I am introducing today, the Pharmaceutical Equity Act of 1996, is to provide a one-time adjustment to the patent terms of certain drugs that received unfair treatment as a result of the Drug Price Competition and Patent Term Restoration Act of 1984 (the Hatch–Waxman Act). Where applicable, these drugs would receive a 2-year extension of their patent terms. My legislation is intended to provide regulatory relief on a principled basis, as opposed to a piecemeal effort to address these concerns.

Under the Hatch–Waxman Act, Congress provided patent term extensions to restore part of the patent lives of drugs that were lost due to approval time lags at the FDA. The Hatch–Waxman Act provides up to 5-year extensions for most drugs. However, the statute also limited the patent term extension to 2 years for any drugs that had already begun clinical trials before September 24, 1984, and for which a patent had already been issued. Drugs falling into this category are often referred to as the pipeline drugs because they were in the regulatory pipeline at the FDA upon enactment of the Hatch–Waxman Act.

In making the distinction between pipeline drugs and other drugs in 1984, Congress believed that pipeline drugs would receive FDA approval shortly after 1984 and would not require lengthy patent term extensions. Although FDA approval times improved generally, for several drugs the delays were inordinantly long, in some cases involving over 10 years of FDA review time. As a result, these drugs lost critical portions of their patent terms. Therefore, the limited 2-year Hatch–Waxman patent extension for these drugs simply does not adequately compensate these companies for the lengthy regulatory delays incurred, particularly when other similarly situated companies with non-pipeline drugs could receive patent extensions as long as 5 years for such delays.

The Pharmaceutical Equity Act covers any pipeline drug patent where the New Drug Application [NDA] for the drug was reviewed by the FDA for more than 5 years and where the total review time at the FDA, which includes the clinical trials for investigational new drugs [IND], exceeded 10 years. This limited extension period would thus only apply in those egregious cases where FDA approval times far exceeded average approval delays for other drugs. Even if granted, the additional patent extension would also still be less than the maximum 5-year extension allowable for post-pipeline drugs suffering FDA delays.

This legislation is not intended to grant an extension to scores of drug patents. Rather, it will only apply in limited circumstances where FDA delays were inordinate long.

One of the fundamental powers assigned to Congress under article I, section 8 of the Constitution, is the power to promote the progress of science by securing for limited times to inventors the exclusive right to their discoveries. This is a power which carries with it a tremendous obligation.

In the pharmaceutical arena, for example, this obligation includes the need to ensure that our laws encourage the development of life-saving and life-enhancing new drugs and technologies. My legislation fulfills this obligation by providing equitable treatment for pharmaceutical innovators, including the appropriate degree of market incentives for new innovation.

Unless we have an equitable system of patent protection, including a mechanism for remedying delays by the FDA which deprive patent holders of their full patent terms, we will undermine the very incentives the law intends to give to research and development companies that undertake the enormously expensive and risky process of searching for the wonder cures of tomorrow.

There should be no misunderstanding about the source of drug innovation. The vast majority of new drugs are discovered and developed by private for-profit research-based pharmaceutical companies. Incredibly, 90 percent of FDA-approved drugs that consumers use for every type of disease, from cholera to cancer, were first synthesized by private industry.

A recent survey by the Pharmaceutical Research & Manufacturer's Association [PhRMA] shows that research-based pharmaceutical companies are in the process of developing 215 drugs for over 20 different types of cancer. There is also an enormous research and development effort aimed at combating AIDS and AIDS-related conditions, with more than 110 products at various stages of development. Many more medicines for a wide range of diseases and human afflictions are also being developed, including 132 drugs for major diseases of aging, 118 for neurological disorders, 107 for heart disease and strokes, and 64 for mental illness. The list for other major medical ailments is virtually endless.

Such innovation does not come cheaply. A recent study by the Boston Consulting Group found that pharmaceutical companies expend approximately $500 million and 15 years bringing a new drug to market. These innovative drug research companies will spend nearly $16 billion in research and development costs this year. That is more than the entire government budget for biomedical research, and represents an increase of 9.6 percent over 1995 levels. These pharmaceutical companies spend an average of almost 20 percent of their income from sales on research.

Part of this research and development expense is due to the complexity of the diseases being fought—for every 6,000 new drugs that are researched and developed, only a single drug emerges as an approved new product. A large portion of the expense, however, is also due to the sheer volume and duration of FDA approval requirements for safety and efficacy. New drug applications by pharmaceutical innovators typically require hundreds of thousands of pages of information and years of clinical trials to complete. The time required to complete the clinical trials for new drugs has ballooned from an average of 2.5 years in the 1960's to nearly 6 years in the 1990's.

The high cost of drug development and the limited numbers of drugs that receive approval and actually are available to the public combine to create a system where the few successful drugs must pay for all the research and development expended on those drugs that did not succeed. More significant from a consumer standpoint, however, these successful drugs provide profits and incentives which support the research and development of the new cures for the diseases of tomorrow.

Apart from the immeasurable benefits people around the world enjoy from improved health and the new cures made possible by pharmaceutical innovation, we must also realize that the pharmaceutical producers themselves provide great economic benefits to communities across the United States. One of these benefits is through high-paying, quality jobs.

Recent data indicate that pharmaceutical companies employ over 33,000 people in my State of Pennsylvania. Nationally, these companies provide over 150,000 jobs. A large portion of these jobs are scientific jobs in research and development, exactly the types of jobs we are trying to create to maintain American competitiveness in a global marketplace.

Another economic benefit is through expanded exports. In 1994, the U.S. exported $7.565 billion in pharmaceutical products around the world.

Use of proper drug treatments can also save consumers and the government millions if not billions of dollars every year. Experts have calculated that pharmaceutical products are often far more cost-effective at treating disease than alternative treatments such as surgery or hospitalization. Several examples illustrate just how much money families can save through drug therapy in particular circumstances.

Cancer patients whose immune systems are weakened by chemotherapy have been helped by a drug containing a colony stimulating factor. The treatment saves $30,000 per patient in hospitalization costs for bone marrow transplants.

For heart disease, a New England Journal of Medicine study showed that

patients on ACE inhibitor drugs for heart failure avoided nearly $9,000 per patient in hospitalization costs over a 3-year period. Nationwide, the potential savings from these drug treatments are up to $2 billion per year. More importantly, however, the drug also reduced patient deaths by over 15 percent.

Drug therapy for schizophrenia, according to a 1990 study, has enabled many patients to receive treatment in nonhospital settings. Although annual drug costs for such treatment are approximately $4,500, the savings are tremendous when compared with annual costs of over $73,000 for treatment in state mental hospitals.

Post-surgical recuperation is another area where the use of immuno-suppressive drugs has improved the effectiveness of treatment and reduced costs. In organ transplants, for example, success rates were dramatically higher with the use of these drugs. One drug was found to reduce average hospital stays by as much as 10 days, and also reduced re-hospitalizations after surgery.

In the case of ulcers, the advent of antacids and other products have led to a decline in surgeries from 97,000 in 1977 to 19,000 in 1987. The annual cost of drug therapy for each patient amounted to $900, versus approximately $28,000 for surgery. In the aggregate, use of these antacids and other products reduced medical costs by approximately $224 million per year.

The evidence is irrefutable about the tremendous benefit our society enjoys, from the physiological to the financial, from pharmaceutical innovation. Without a strong and fair patent system which provides the necessary incentives to continue this innovation, we will lose these benefits. The Pharmaceutical Equity Act, with its narrowly-targeted fix of an unanticipated problem, will take an important step toward restoring the equity and incentives to ensure that we enjoy those benefits for many years to come.

Mr. President, to reiterate, this legislation would provide fairness to pharmaceutical companies which research and develop lifesaving and health-improving pharmaceutical products. I am offering this legislation, and I do so at the very end of the legislative session.

The point of this legislation is to deal with the problem which arises when the Food and Drug Administration [FDA] delays approval on patented pharmaceutical products for sometimes as long as 17 years, 11 years, very lengthy periods of time. As I said earlier, these delays affect not only the companies which produce these drugs, but they also affect the consumers—people suffering from heart ailments, schizophrenia, ulcers, AIDS, Alzheimer's disease—the whole panoply of ailments that are affected when these products are not brought to market.

It takes $500 million and 15 years to bring a new drug to market, and out of every 6,000 drugs subjected to research and development, only one new product is produced. In 1996 alone, some $16 billion will be spent in private investments by the pharmaceutical industry.

I speak as a U.S. Senator, because it is a national issue. I also speak as a Pennsylvania Senator, where we have so many companies in my State which are involved in developing and producing new pharmaceutical products.

Quite a number of Senators have expressed an interest in cosponsoring this legislation, but we have not had a chance to work through all the details. I wanted to put it in the RECORD at this time so it may be considered on all sides, by consumer groups, by the pharmaceutical industry and by my colleagues. I do so in the wake of a contentious issue which was raised on a product called Lodine, manufactured by my constituent, American Home Products, in a place I visited recently in the Philadelphia suburbs.

The extension was added for Lodine in a way that was not known to the managers of the recent health reform bill and was stricken on the floor of the Senate. Some had contended that it was done secretly. I said at that time that I was not a party to that and would not be a party to that and, in fact, had raised this issue in a public way in the Agriculture appropriations conference report. What should be done is this issue should be tackled in a principled way by considering, not simply one product, but by considering the industry as a whole. This legislation seeks to advance and extend the patent time for some 2 years, not 5 years, which is present under other circumstances by Hatch–Waxman, but for a more limited period of only 2 years.

This is a matter of enormous importance to consumers. My record of protecting consumer interests is second to none in the U.S. Congress. In looking out for the protection and encouragement of pharmaceutical advances, I have the consumers at the top of the list. That is what the advances are for—for people to extend lives and to save lives. If we are to have these products, we are going to have to have a return on the enormous capital investment. When market approval on a patented drug is delayed for as long as 17 years, 11 years, other protracted periods of time, these products simply cannot be produced.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD.

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

S. 2154

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 ''Pharmaceutical Equity Act of 1996''.

SEC. 2. EXTENSION OF PATENTS RELATING TO CERTAIN PIPELINE DRUGS.

(a) IN GENERAL.—The term of any patent in force on September 24, 1984, and on the effective date of this Act, that claims a drug product, a method of using a drug product, or a method of manufacturing a drug product, shall be extended pursuant to subsection (b) from the expiration date determined pursuant to section 154 of title 35, United States Code, if:

(1) an exemption described in section 156(g)(1)(B)(i) or section 156(g)(4)(B)(i) of title 35, United States Code, became effective for the drug product before September 24, 1984;

(2) the regulatory review period set forth in section 156(g)(1)(B) or section 156(g)(4)(B) of title 35, United States Code, for the drug product, exceeded 120 months; and

(3) the regulatory review period described in section 156(g)(1)(B)(ii) or section 156(g)(4)(B)(ii) of title 35, United States Code, for the drug product, exceeded 60 months.

(b) TERM.—The term of any patent described in subsection (a) shall be extended by a period of two years.

(c) INFRINGEMENT.—During any extension granted pursuant to subsection (b), the rights in the patent so extended shall be determined in accordance with section 156(b) of title 35, United States Code.

(d) DEFINITION.—For the purpose of the Act, the term ''drug product'' shall be defined in accordance with section 156(f)(2) of title 35, United States Code.

(e) NOTIFICATION.—No later than 90 days after the date of enactment of this Act, the patentee of a patent extended pursuant to subsection (b) shall notify the Commissioner of Patents and Trademarks of the number of any patent extended pursuant to subsection (b). On receipt of this notice, the Commissioner shall confirm the patent extension by placing a notice thereof in the official file of the patent, and publishing an appropriate notice of this extension in the Official Gazette of the Patent and Trademark Office.

By Mr. LEAHY (for himself, Mr. MCCONNELL and Mr. HARKIN):

S. 2155. A bill to authorize the Secretary of Agriculture to transfer funds to the farmers' market nutrition program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE FARMERS' MARKET NUTRITION PROGRAM ACT OF 1996

Mr. LEAHY. Mr. President, I am very happy to join with Senator MCCONNELL, who is chairman of the Nutrition Subcommittee of the Senate Agriculture Committee, in introducing this bill to permit the Secretary of Agriculture to transfer up to $2 million of additional funding to the WIC Farmers' Market Program upon consultation with the Appropriations Committees of the other body and of the Senate.

This program was funded up to $6.75 million in this year's appropriations bill. We greatly appreciate that the appropriations committees were able to provide that funding.

We are advised by the Department of Agriculture that because of the way the language is technically worded that USDA cannot reprogram additional funds into that WIC Farmers' Market Program. As it turns out some states need additional funding as my colleague Senator MCCONNELL points out in his floor statement and that a few States need funding to set up a WIC Farmers' Market Program.

We recognize that we will need the support of all Senators to pass this bill at this stage. This bill does not mandate the spending of additional funds,

it simply permits USDA to transfer up to $2 million to this program if the Secretary determines that such transfer is a good idea. We assume they will fully consult with the appropriate members of the Appropriations Committees to assure that this is done in a manner that is satisfactory to them.

It is important to us that this consultation take place.

The WIC Farmers' Market Program provides vouchers to low-income families who are on the WIC program. They can use the vouchers to buy fresh fruits and vegetables or other farm products at farmers' markets. The authorizing law, passed without objection in the Senate, mandates that States contribute a significant share of the cost of the program. It thus leverages Federal money with State and local funding to provide farm products to children and their parents on the WIC program.

This program has been an incentive in my home State of Vermont for farmers to work together and set up additional farmers' markets. This has been good for local communities, for the farmers selling their products and for families on the WIC program.

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. 2155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO TRANSFER FUNDS TO FARMERS' MARKET NUTRITION PROGRAM.

For fiscal year 1997, the Secretary of Agriculture may transfer after consultation with the appropriations committees of the House of Representatives and the Senate, from any funds available to the Secretary, up to $2,000,000 to the farmers' market nutrition program under section 17(m) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)). Amounts authorized to be transferred under the preceding sentence shall be in addition to any amounts authorized to be made available to the program under title IV of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1997 (110 Stat. 1590).

Mr. MCCONNELL. Mr. President, today along with my colleague Senator LEAHY, we are introducing legislation that will permit the Secretary of Agriculture authority to transfer funds to the WIC Farmers' Market Nutrition Program.

The WIC Farmers' Market Nutrition Program [FMNP] has become a very successful program in assisting low-income families, farmers, and local economies.

A total of 28 States and three Indian tribal organizations now participate in the FMNP. Because of the limitation on funding, several States, including Kentucky, have been restricted in the size of the program that they can offer. Several States would like the opportunity to expand this program based on their experience and feedback from farmers that participate.

For a State to have a FMNP requires the filing of an application in the fall with USDA, a commitment that the State will match 30 percent of the total Federal funds with either cash or in-kind services and support.

The benefits of FMNP are significant. WIC participants enhance the nutrition in their diet from of fresh fruits and vegetables. In fiscal year 1995 the FMNP served nearly 1 million low-income mothers and children participating in the WIC program. As a result of the FMNP: 71 percent of the WIC participants ate more fresh fruits and vegetables; 40 percent tried fruits and vegetables they had never eaten before; 48 percent spent cash and/or food stamps in addition to their FNMP coupons; 66 percent plan to continue shopping at farmers markets and; 72 percent plan to eat more fresh fruits and vegetables year round.

Farmers' incomes will increase because of the new market for their products. A survey of participants in 1995 revealed that: 84 percent of farmers increased their sales; 23 percent increased their fruit and vegetable production; 36 percent grew additional types of fruits and vegetables and; 37 percent said they would increase their production in 1996.

The Kentucky Farm Bureau has initiated a new program to boost sales of Kentucky farm products involving 25 roadside farm markets. Studies confirm that consumers prefer to buy locally-grown produce.

This is another example of organizations and State agencies working together to provide a service to consumers, it introduces fresh fruit and vegetables that are locally grown, and it enhances farmer income.

Mr. President, this is a good bill that benefits everyone and I hope we are able to pass this important legislation before we adjourn.

Mr. HARKIN. Mr. President, this legislation providing transfer authority to the Secretary of Agriculture is designed to help address the wide gap that exists between the need within the WIC Farmers' Market Nutrition Program and the level of resources that we have been able to appropriate for it. I welcome this opportunity to join as an original cosponsor of this bill.

The WIC Farmers' Market Nutrition Program has been an immensely popular and successful initiative, benefiting both farmers and WIC recipients. In fiscal 1995, nearly 1 million low-income mothers and children received benefits allowing them to purchase fresh, nutritious unprepared foods at 1,143 qualifying farmers' markets that were supplied by over 8,000 farmers. Currently, 27 States, including my State of Iowa, along with the District of Columbia and three American Indian tribal organizations, participate in the WIC Farmers' Market Nutrition Program. To take part, States must agree to provide at least 30 percent of the total cost of the program through State, local, or private funds.

The nutritional benefits of the WIC Farmers' Market Nutrition Program are excellent. The 1995 survey showed that among WIC participants receiving farmers' market benefits, 71 percent ate more fresh fruits and vegetables, 40 percent tried fruits and vegetables they had never eaten before, 48 percent spent cash or food stamps in addition to their WIC farmers' Market coupons or checks, 66 percent planned to continue shopping at farmers' markets, and 72 percent planned to eat more fresh fruits and vegetables year round.

The benefits to farmers are also substantial. Over $9 million was earned in 1995 by the more than 8,000 participating farmers. The 1995 survey also showed that 84 percent of participating farmers increased their sales, 23 percent increased their fruit and vegetable production, 36 percent grew additional types of fruits and vegetables, and 37 percent planned to increase their production in 1996.

In my State of Iowa the WIC Farmers' Market Nutrition Program has been very popular and successful. There is a great deal of interest in expanding the number of WIC recipients and farmers' markets that may take part, but the limited available Federal funding has prevented expansion. This situation also exists in the other States now in the program. Of any additional Federal funding provided for the Farmers' Market Nutrition Program, 75 percent would go to States that currently participate in it, with 25 percent to be used for adding new States.

Unfortunately, the lack of needed Federal funding has prevented a number of States from joining the WIC Farmers' Market Nutrition Program. Thirteen other States, along with other American Indian tribal organizations, have expressed interest in offering the program.

This legislation would allow, but not require, the Secretary of Agriculture to transfer funds within the Department of Agriculture budget to provide up to $2 million in additional funding for the WIC Farmers' Market Nutrition Program, where it could be put to very good use in expanding the number of WIC recipients, farmers, and farmers' markets participating in this outstanding program.

I urge my colleagues to support this important bill.

By Mr. STEVENS:

S. 2156. A bill 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; to restrain Federal agencies from exceeding their authority; to enforce the 10th amendment to the Constitution; and for other purposes; to the Committee on Governmental Affairs.

THE TENTH AMENDMENT ENFORCEMENT ACT OF 1996

Mr. STEVENS. Mr. President, the 10th amendment was a promise to the

States and to the American people that the Federal Government would be limited, and that the people of the States could, for the most part, govern themselves as they saw fit.

Unfortunately, in the last half century, that promise has been broken. The American people have asked us to start honoring that promise again: to return power to State and local governments which are closer to and more sensitive to the needs of the people.

The 104th Congress and in particular, the Unfunded Mandates Reform Act, started to shift power out of Washington by returning it to our States and to the American people. As chairman of the Governmental Affairs Committee, I wanted to continue its shift of power. More than a dozen colleagues and I introduced S. 1629 on March 20 of this year. Within 5 months of its introduction, the bill had 32 cosponsors. On May 8 of this year, a House companion bill was also introduced.

I want to introduce a bill today which is the product of work by the Governmental Affairs Committee over the past several months. Unfortunately, the session is ending before we can complete action. However, before adjourning I wanted to provide a summary of the committee's consideration of this issue, and put forward a bill that reflects revisions made as a result of our hearings and discussions with interested parties. The legislation that I offer today is a starting point for when we reconvene next year. This is an important issue and I intend to pursue it in the next Congress.

The purpose of out legislation is to return power to the States and to our people by placing safeguards in the legislative process, by restricting the power of Federal agencies and by instructing the Federal courts to enforce the 10th amendment.

This would be accomplished in five ways. The act includes a specific congressional finding that the 10th amendment means what it says: The Federal Government has no powers not delegated by the Constitution, and the States may exercise all powers not withheld by the Constitution.

The act states that Federal laws may not interfere with State or local powers unless Congress declares its intent to do so and Congress cites its specific Constitutional authority to do so.

The act gives Members of the House and Senate the ability to raise a point of order challenging a bill that lacks such a declaration or that cites insufficient constitutional authority.

The act requires that Federal agency rules and regulations not interfere with State or local powers without Constitutional authority cited by Congress. Agencies must allow States notice an opportunity to be heard in the rulemaking process.

The act, further, directs courts to strictly construe Federal laws and regulations that interfere with State powers, with a presumption in favor of State authority and against Federal preemption.

During the course of the past year, we received bipartisan expressions of support from many Governors and State attorneys general, State legislatures, groups including the National Conference of State Legislatures [NCSL] and the Council of State Governments [CSG].

As the Supreme Court stated in 1991 when Justice Sandra Day O'Connor delivered the majority opinion of the court in the case Gregory versus Aschroft:

> If Congress intends to alter the usual constitutional balance between the states and the Federal Government, it must make its intention to do so unmistakably clear in the language of the statute. Congress should make its intention clear and manifest if it intends to preempt the historic powers of the States. In traditionally sensitive areas such as legislation affecting the federal balance, the requirement of clear statement assures that the legislature has in fact faced, and intended to bring into issue, the critical matters involved in the judicial decision.

The Tenth Amendment Enforcement Act that I have introduced will prevent overstepping by all three branches of the Federal Government, and will focus attention on what State and local officials have been advocating for so long: the need to return the power of our democracy to the States and to our people.

The Governmental Affairs Committee held three hearings on the Tenth Amendment Enforcement Act:

March 21, 1996, featured Senators Dole, HATCH, and NICKLES. Attorneys general from Virginia and South Carolina, the solicitor general of Colorado, and elected representatives from Alaska, Ohio, and New York appeared, as well as Professors Nelson Lund and John Kincaid. Senator Dole said:

> I don't care what your party is. This isn't a Republican or a Democratic issue. Even the President has said ''The era of big government is over.'' . . . This is a bipartisan issue and this is a bipartisan bill.

June 3, 1996 in Nashville, TN, cochaired by Senator THOMPSON, included elected representatives for Tennessee State and local governments, as well as the director of the Tennessee Advisory Council on Intergovernmental Relations and the deputy director of the Tennessee Division of Water Supply. This hearing enlightened us to the wisdom that resides in Tennessee. State legislators, mayors, and administrators know how to solve most problems, but Federal overreaching often prevents them from doing that. One of our witnesses offered an update on a familiar saying in Washington. To this Tennessean, it's not just all politics that are local, ''All solutions are local.''

July 16, 1996, testimony was presented by NCSL President-Elect Michael Box and constitutional lawyer Roger Marzulla speaking in favor of the bill, while Professors Mary Brigid McManamon and Ed Rubin spoke in opposition. Mr. Marzulla pointed out that Congress is the only branch of the Federal Government that does not analyze the source of its power before it acts. Courts and Federal agencies both do. We in Congress can do our jobs better by looking at our constitutional jurisdiction and authority first, then exercising or power appropriately to solve the Nation's problems.

Let me conclude by saving, as a result of our work throughout this year and with input form the National Conference of State Legislatives, we have made the following changes to the Tenth Amendment Enforcement Act.

We have removed the supermajority requirement on the point of order. It would take a simple majority to remove the point of order, not just a supermajority.

It will require the Congressional Research Service to report on Federal preemption at the close of each Congress. It will exempt participation by State officials in agency rulemaking from the Federal Advisory Committee Act and allow State and Federal officials to work together on preemption issues without following the Federal Advisory Committee Act's detailed notice and reporting procedures. It would make funds received by States under Federal law subject to appropriation by the State legislatures.

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

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

S. 2156

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 referred to as the ''Tenth Amendment Enforcement Act of 1996''.

SEC. 2. FINDINGS.

The Congress finds that—

(1) in most areas of governmental concern, State governments possess both the Constitutional authority and the competence to discern the needs and the desires of the People and to govern accordingly;

(2) Federal laws and agency regulations, which have interfered with State powers in areas of State jurisdiction, should be restricted to powers delegated to the Federal Government by the Constitution;

(3) the framers of the Constitution intended to bestow upon the Federal Government only limited authority over the States and the people;

(4) under the Tenth Amendment to the Constitution, the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people; and

(5) the courts, which have in general construed the Tenth Amendment not to restrain the Federal Government's power to act in areas of State jurisdiction, should be directed to strictly construe Federal laws and regulations which interfere with State powers with a presumption in favor of State authority and against Federal preemption.

SEC. 3. CONGRESSIONAL DECLARATION.

(a) IN GENERAL.—On or after January 1, 1997, any statute enacted by Congress shall include a declaration—

(1) that authority to govern in the area addressed by the statute is delegated to Congress by the Constitution, including a citation to the specific Constitutional authority relied upon;

(2) if the statute interferes with State powers or preempts any State or local government law, regulation or ordinance, that Congress specifically finds that the Federal Government is the better level of government to govern in the area addressed by the statute; and

(3) if the statute interferes with State powers or preempts any State or local government law, regulation or ordinance, that Congress specifically intends to interfere with State powers or preempt State or local government law, regulation, or ordinance, and that such preemption is necessary.

(b) FACTUAL FINDINGS.—The Congress shall make specific factual findings in support of the declarations described in this section.

SEC. 4. POINT OF ORDER.

(a) IN GENERAL.—It shall not be in order in either the Senate or House of Representatives to consider any bill, joint resolution, or amendment that does not include a declaration of Congressional intent as required under section 3.

(b) RULEMAKING.—This section is enacted—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, and as such, it is deemed a part of the rules of the Senate and House of Representatives, but is applicable only with respect to the matters described in section 3 and supersedes other rules of the Senate or House of Representatives only to the extent that such sections are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the Senate or House of Representatives to change such rules at any time, in the same manner as in the case of any rule of the Senate or House of Representatives.

SEC. 5. ANNUAL REPORT ON STATUTORY PREEMPTION.

(a) REPORT.—Within 90 days after each Congress adjourns sine die, the Congressional Research Service shall prepare and make available to the public a report on the extent of Federal statutory preemption of State and local government powers enacted into law during the preceding Congress or adopted through judicial interpretation of Federal statutes.

(b) CONTENTS.—The report shall contain—

(1) a cumulative list of the Federal statutes preempting, in whole or in part, State and local government powers;

(2) a summary of Federal legislation enacted during the previous Congress preempting, in whole or in part, State and local government powers;

(3) an overview of recent court cases addressing Federal preemption issues; and

(4) other information the Director of the Congressional Research Service determines appropriate.

(c) TRANSMITTAL.—Copies of the report shall be sent to the President and the chairman of the appropriate committees in the Senate and House of Representatives.

SEC. 6. EXECUTIVE PREEMPTION OF STATE LAW.

(a) IN GENERAL.—Chapter 5 of title 5, United States Code, is amended by inserting after section 559 the following new section:

"SEC. 560. PREEMPTION OF STATE LAW.

''(a) No executive department or agency or independent agency shall construe any statutory authorization to issue regulations as authorizing preemption of State law or local ordinance by rulemaking or other agency action unless—

''(1) the statute expressly authorizes issuance of preemptive regulations; and

''(2) the executive department, agency or independent agency concludes that the exercise of State power directly conflicts with the exercise of Federal power under the Federal statute, such that the State statutes and the Federal rule promulgated under the Federal statute cannot be reconciled or consistently stand together.

''(b) Any regulatory preemption of State law shall be narrowly tailored to achieve the objectives of the statute pursuant to which the regulations are promulgated and shall explicitly describe the scope of preemption.

''(c)(1) When an executive department or agency or independent agency proposes to act through rulemaking or other agency action to preempt State law, the department or agency shall provide all affected States notice and an opportunity for meaningful and timely input by duly elected or appointed State and local government officials or their designated representatives in the proceedings.

''(2) The notice of proposed rulemaking shall be forwarded to the Governor, the Attorney General and the presiding officer of each chamber of the legislature of each State setting forth the extent and purpose of the preemption.

''(3) In the table of contents of each Federal Register, there shall be a separate list of preemptive regulations contained within that Register.

''(4) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to participation in rulemaking or other agency action by duly elected or appointed State and local government officials or their designated representatives acting in their official capacities.

''(d) Unless a final executive department or agency or independent agency rule or regulation contains an explicit provision declaring the Federal Government's intent to preempt State or local government powers and an explicit description of the extent and purpose of that preemption, the rule or regulation shall not be construed to preempt any State or local government law, ordinance or regulation.

''(e)(1) Each executive department or agency or independent agency shall review the rules and regulations issued by the department or agency that preempt, in whole or in part, State or local government powers. Each executive department or agency or independent agency shall publish in the Federal Register a plan for such review. Such plan may be amended by the department or agency at any time by publishing a revision in the Federal Register.

''(2) The purpose of the review under paragraph (1) shall be to determine whether and to what extent such rules are to continue without change, consistent with the stated objectives of the applicable statutes, or are to be altered or repealed to minimize the effect of the rules on State or local government powers.

''(3) The plan under paragraph (1) shall provide for the review of all such department or agency rules and regulations within 10 years after the date of publication of such rules and regulations as final rules. For rules and regulations in effect more than 10 years on the effective date of this section, the plan shall provide for review within 3 years after such effective date.

''(f) Any Federal rule or regulation promulgated after January 1, 1997, that is promulgated in a manner inconsistent with this section shall not be binding on any State or local government, and shall not preempt any State or local government law, ordinance, or regulation.''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by adding after the item for section 559 the following:

''560. Preemption of State law.''.

SEC. 7. CONSTRUCTION.

(a) IN GENERAL.—No statute, or rule promulgated under such statute, enacted after the date of enactment of this Act, shall be construed by courts or other adjudicative entities to preempt, in whole or in part, any State or local government law, ordinance or regulation unless the statute, or rule promulgated under such statute, contains an explicit declaration of intent to preempt, or unless there is a direct conflict between such statute and a State or local government law, ordinance, or regulation, such that the two cannot be reconciled or consistently stand together.

(b) CONSTRUCTION IN FAVOR OF STATES AND PEOPLE.—Notwithstanding any other provisions of law, any ambiguities in this Act, or in any other law of the United States, shall be construed in favor of preserving the authority of the States and the people.

(c) SEVERABILITY.—If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 8. APPROPRIATION BY STATE LEGISLATURES.

Any funds received by a State under Federal law shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under such applicable provisions of law.

By Mr. SMITH:

S. 2157. A bill to amend the Solid Waste Disposal Act to provide for the efficient collection and recycling of spent lead-acid batteries and educate the public concerning the collection and recycling of such batteries, and for other purposes; to the Committee on Environment and Public Works.

THE LEAD ACID BATTERY RECYCLING ACT

Mr. SMITH. Mr. President, I introduce lead-acid battery recycling legislation. This legislation, entitled the ''Lead-Acid Battery Recycling Act,'' is intended to strengthen and make uniform the existing lead-acid battery recycling infrastructure by establishing a mandatory recycling program for lead-acid batteries.

This legislation would prohibit the incineration and landfill disposal of used lead-acid batteries and require that these batteries be managed through a reverse distribution system. Under this legislation, used lead-acid batteries would have to be delivered in reverse order to battery retailers, wholesalers, manufacturers, recycling facilities or automotive dismantlers and ultimately to secondary smelters for recycling.

There is little doubt that lead-acid batteries are an extremely useful product. They are used in a variety of applications ranging from lighting and ignition systems for automobiles, power sources for electric vehicles, emergency lighting, and standby telecommunication systems. The lead contained in these batteries is, however, a cause for concern. Furthermore, given the fact that lead-acid batteries account for approximately 80 percent of all the lead consumed in the United States, they merit special attention.

This special attention has resulted in implementation of aggressive lead-acid battery recycling programs by many State and local governments as well as

the battery industry. Lead-acid batteries have now become the Nation's most successfully recycled commodity. According to the most recent statistics, over the last 5 years the lead-acid battery recycling rate in the United States has been at least 95 percent. This rate is unparalleled among any other recyclable commodity.

Forty-two States have adopted lead battery recycling legislation similar to this legislation. These 42 States account for over 85 percent of the Nation's population. However, there are variations among the State programs that create problems for the free flow of batteries in interstate commerce. My bill would reenforce the existing lead-acid battery recycling infrastructure now in place throughout the United States while making it more uniform nationwide.

This legislation is self-implementing, and does not require further development through regulation. Rather, this legislation builds upon the existing lead-acid battery collection and recycling system now in place in many States.

Upon enactment, the incineration and landfill disposal of used lead-acid batteries will be expressly prohibited. However, owners and operators of a municipal solid waste landfills, incinerators or collection programs that inadvertently receive used lead-acid batteries that are not readily removable from municipal solid waste would not be liable for violating the recycling provisions of this bill.

In general, this legislation would require used lead-acid batteries to be delivered to battery retailers, wholesalers, manufacturers, automotive dismantlers, secondary lead smelters, or recycling facilities regulated by a State or subject to regulation by the Administrator under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.). Used lead-acid batteries could continue to be lawfully collected through community collection and recycling programs set up by States and localities.

Although recycling is becoming an every day fact of life in the minds of the public, to ensure further consumer participation in the program, retailers are required to accept used lead acid batteries from consumers without requiring the purchase of a new lead-acid battery. In addition, battery manufacturers or their authorized representatives—such as shippers delivering new batteries—will be required to accept used lead-acid batteries from their customers.

I have included provisions for labeling and notification that are intended to ensure that consumers are aware of the recycling requirements under law. These provisions are not intended to affect or limit in any way the battery industry's efforts to display recycling symbols intended to encourage recycling.

Mr. President, as I discussed above, my legislation is substantially similar to battery recycling legislation adopted in 42 States. The bill is strongly supported by the Battery Council International. I believe this legislation provides a substantial improvement in our ability to remove these batteries from our Nation's solid waste stream and I would encourage all of my colleagues to cosponsor this legislation.

Mr. President, I realize that, in the twilight of this legislative session, there is virtually no chance of this bill will become law before this Congress adjourns. Yet, I am introducing it today with the desire that the States, the Environmental Protection Agency, environmental groups, and the regulated entities will have a chance to review it, judge its merits, and provide me with comments on how this legislation could be improved. It is my desire, that upon our return in January, to hold hearings on this legislation and to move it to the full Senate for passage early in 1997.

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. 2157

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 ''Lead-Acid Battery Recycling Act''.

SEC. 2. RECYCLING OF LEAD-ACID BATTERIES.

(a) IN GENERAL.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following:

''SEC. 4011. RECYCLING OF LEAD-ACID BATTERIES.

''(a) DEFINITIONS.—In this section:

''(1) LEAD-ACID BATTERY.—The term 'lead-acid battery' means a battery that—

''(A) contains lead and sulfuric acid;

''(B) is used as a power source; and

''(C) is not a rechargeable battery.

''(2) MUNICIPAL SOLID WASTE.—The term 'municipal solid waste' means—

''(A) solid waste generated by the general public or from a residential, commercial, institutional, or industrial source, consisting of paper, wood, yard waste, plastics, leather, rubber, and other combustible material and noncombustible material such as metal and glass, including residue remaining after recyclable material has been separated from waste destined for disposal, and including waste material removed from a septic tank, septage pit, or cesspool (other than from portable toilets); but

''(B) does not include—

''(i) waste identified or listed as a hazardous waste under section 3001 of this Act or waste regulated under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

''(ii) waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604, 9606) or any corrective action taken under this Act;

''(iii) medical waste listed in section 11002;

''(iv) industrial waste generated by manufacturing or industrial processes, including waste generated during scrap processing and scrap recycling;

''(v) recyclable material; or

''(vi) sludge.

''(3) RECHARGEABLE BATTERY.—The term 'rechargeable battery'—

''(A) means 1 or more voltaic or galvanic cells, electrically connected to produce electric energy, that is designed to be recharged for repeated uses; and

''(B) includes any type of enclosed device or sealed container consisting of 1 or more such cells, including what is commonly called a battery pack; but

''(C) does not include—

''(i) a battery that is used to start an internal combustion engine or is used as the principal electrical power source for a vehicle, such as an automobile, truck, construction equipment, motorcycle, garden tractor, golf cart, wheelchair, or boat;

''(ii) a battery that is used for load leveling or for storage of electricity generated by an alternative energy source, such as a solar cell or wind-driven generator;

''(iii) a battery that is used as a backup power source for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily; or

''(iv) a rechargeable alkaline battery.

''(b) PROHIBITION.—

''(1) IN GENERAL.—A person shall not—

''(A) place a lead-acid battery in a landfill;

''(B) incinerate a lead-acid battery; or

''(C) otherwise dispose of a lead-acid battery in a manner other than in accordance with subsection (c).

''(2) COMMINGLED WASTE.—A person that is an owner or operator of a municipal solid waste landfill, incinerator, or collection program that receives a lead-acid battery that—

''(A) is commingled with municipal solid waste (other than lead-acid batteries); and

''(B) is not readily removable from the waste stream,

shall not be considered to violate paragraph (1) if the owner or operator has established contractual requirements or other appropriate notification or inspection procedures that are reasonably designed to ensure that no lead-acid battery is received at, or burned in, the landfill or incinerator facility or accepted through the collection program.

''(c) LAWFUL DISPOSAL.—

''(1) BY PERSONS IN GENERAL.—

''(A) IN GENERAL.—A person (other than a person described in paragraph (2), (3), or (4)) shall return a spent lead-acid battery by delivering the battery to 1 of the authorized recipients described in subparagraph (B).

''(B) AUTHORIZED RECIPIENTS.—The authorized recipients described in this subparagraph are—

''(i) a person that sells lead-acid batteries at retail or wholesale;

''(ii) a lead smelter regulated by a State or the Administrator under this Act or the Clean Air Act (42 U.S.C. 7401 et seq.);

''(iii) an automotive dismantler or scrap dealer (as defined by the Administrator);

''(iv) a collection entity, program, or facility designated by a State to accept spent lead-acid batteries; and

''(v) a manufacturer of lead-acid batteries of the same general type as the type delivered.

''(2) BY RETAILERS.—

''(A) IN GENERAL.—A person that sells lead-acid batteries at retail shall return a spent lead-acid battery by delivering the battery to 1 of the authorized recipients described in subparagraph (B).

''(B) AUTHORIZED RECIPIENTS.—The authorized recipients described in this subparagraph are—

''(i) a person that sells lead-acid batteries at wholesale;

''(ii) a lead smelter regulated by a State or the Administrator under this Act or the Clean Air Act (42 U.S.C. 7401 et seq.);

''(iii) an automotive dismantler or scrap dealer (as defined by the Administrator);

''(iv) a manufacturer of lead-acid batteries of the same general type as the type delivered; and

''(v) a collection entity, program, or facility designated by a State to accept spent lead-acid batteries.

''(3) BY WHOLESALERS, AUTOMOTIVE DISMANTLERS, AND COLLECTION PROGRAMS, ENTITIES AND FACILITIES.—

''(A) IN GENERAL.—A person that sells lead-acid batteries at wholesale, an automotive dismantler, and a collection entity, program, or facility designated by a State to accept spent lead-acid batteries shall return a spent lead-acid battery by delivering the battery to 1 of the authorized recipients described in subparagraph (B).

''(B) AUTHORIZED RECIPIENTS.—The authorized recipients described in this subparagraph are—

''(i) a lead smelter regulated by a State or the Administrator under this Act or the Clean Air Act (42 U.S.C. 7401 et seq.); and

''(ii) a manufacturer of lead-acid batteries of the same general type as the type delivered.

''(4) BY MANUFACTURERS.—

''(A) IN GENERAL.—A person that manufactures lead-acid batteries shall return a spent lead-acid battery by delivering the battery to the authorized recipient described in subparagraph (B).

''(B) AUTHORIZED RECIPIENT.—The authorized recipient described in this subparagraph is a lead smelter regulated by a State or the Administrator under this Act or the Clean Air Act (42 U.S.C. 7401 et seq.).

''(d) COLLECTION REQUIREMENTS.—

''(1) RETAILERS.—

''(A) IN GENERAL.—A person that sells or offers for sale lead-acid batteries at retail shall accept spent lead-acid batteries of the same general type as the batteries sold in a quantity that is approximately equal to the number of batteries sold.

''(B) EXEMPTION.—Subparagraph (A) shall not apply to a retailer that sells not more than 5 lead-acid batteries per month on average over a calendar year, if a collection entity, program, or facility is in operation for the collection of spent lead-acid batteries in the locality of the retailer.

''(2) WHOLESALERS.—

''(A) IN GENERAL.—A person that sells or offers for sale lead-acid batteries at wholesale shall accept spent lead-acid batteries of the same general type as the batteries sold and in a quantity approximately equal to the number of batteries sold.

''(B) ACCEPTANCE FROM RETAILERS.—A wholesaler that sells or offers for sale lead-acid batteries to a retailer shall provide for the removal of spent lead-acid batteries at the place of business of the retailer—

''(i) not later than 90 days after the retailer notifies the wholesaler of the existence of the spent lead-acid batteries for removal; or

''(ii) if the quantity of batteries to be removed is less than 5, not later than 180 days after notification.

''(3) MANUFACTURERS.—A person that manufactures lead-acid batteries shall accept spent lead-acid batteries of the same general type as the batteries sold and in a quantity approximately equal to the number of batteries sold.

''(e) NOTICE REQUIREMENTS.—

''(1) POSTED NOTICE BY RETAILERS.—A person that sells or offers for sale lead-acid batteries at retail shall post a written notice that—

''(A) is clearly visible in a public area of the establishment in which the lead-acid batteries are sold or offered for sale;

''(B) is at least 8½ inches by 11 inches in size; and

''(C) contains the following text:

''(i) It is illegal to throw away a motor vehicle battery or other lead-acid battery.

''(ii) Recycle your used lead-acid batteries.

''(iii) Federal (or State) law requires battery retailers to accept used lead-acid batteries for recycling when a lead-acid battery is purchased.

''(2) STATE REQUIREMENTS.—Nothing in paragraph (1) shall be construed to prohibit a State from requiring the posting of substantially similar notice in lieu of that required under paragraph (1).

''(3) LABELING.—

''(A) IN GENERAL.—Each lead-acid battery manufactured on or after the date that is 1 year after the date of enactment of this Act, whether produced domestically or imported, shall bear a label comprised of—

''(i) the 3 chasing arrow recycling symbol; and

''(ii) immediately adjacent to the recycling symbol, the words 'LEAD', 'RETURN', 'RECYCLE'.

''(B) INTERNATIONAL SYMBOLS.—

''(i) APPLICATION.—On application by a person subject to the labeling requirements of this paragraph, the Administrator shall certify that a different label meets the requirements of this paragraph if the label conforms with a recognized international standard that is consistent with the overall purposes of this section.

''(ii) FAILURE TO ACT.—If the Administrator fails to act on an application under clause (i) within 120 days after the date on which the application is filed, the Administrator shall be considered to have certified that the label proposed in the application meets the requirements of this paragraph.

''(4) UNIFORMITY.—No State or political subdivision of a State may enforce any labeling requirement intended to communicate information about the recyclability of lead-acid batteries that is not identical to the requirements contained in paragraph (3).

''(5) RECYCLING INFORMATION.—Nothing in this subsection shall be construed to prohibit the display on a label of a lead-acid battery of any other information intended by the manufacturer to encourage recycling or warn consumers of the potential hazards associated with lead-acid batteries.

''(f) PUBLICATION OF NOTICE.—Not later than 180 days after the date of enactment of this section, the Administrator shall publish in the Federal Register a notice of the requirements of this section and such other related information as the Administrator determines to be appropriate.

''(g) EXPORT FOR PURPOSES OF RECYCLING.—Notwithstanding any other provision of this section, a person may export a spent lead-acid battery for the purposes of recycling.

''(h) ENFORCEMENT.—The Administrator may issue a warning or citation to any person that fails to comply with the requirements of this section.

''(i) CIVIL PENALTY.—

''(1) IN GENERAL.—When on the basis of any information the Administrator determines that a person is in violation of this section, the Administrator—

''(A) in the case of a willful violation, may issue an order assessing a civil penalty of not more than $1,000 for each violation and requiring compliance immediately or within a reasonable specified time period, or both; or

''(B) in the case of any violation, may commence a civil action in the United States district court in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

''(2) CONTENTS OF ORDER.—An order under paragraph (1) shall State with reasonable specificity the nature of the violation.

''(3) CONSIDERATIONS.—In assessing a civil penalty under paragraph (1), the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

''(4) FINALITY OF ORDER; REQUEST FOR HEARING.—An order under paragraph (1) shall become final unless, not later than 30 days after the date on which the order is served, a person named in the order requests a hearing on the record.

''(5) HEARING.—On receiving a request under paragraph (4), the Administrator shall promptly conduct a hearing on the record.

''(6) SUBPOENA POWER.—In connection with any hearing on the record under this subsection, the Administrator may issue subpoenas for the attendance and testimony of witnesses and for the production of relevant papers, books, and documents.

''(7) CONTINUED VIOLATION AFTER EXPIRATION OF PERIOD FOR COMPLIANCE.—If a violator fails to take corrective action within the time specified in an order under paragraph (1), the Administrator may assess a civil penalty of not more than $1,000 for the continued noncompliance with the order.''.●

By Mr. LIEBERMAN:

S. 2160. A billto provide for alternative procedures for achieving superior environmental performance, and for other purposes; to the Committee on Environment and Public Works.

THE INNOVATIVE COMPLIANCE ACT

● Mr. LIEBERMAN. Mr. President, I am pleased to introduce today the Innovative Compliance Act of 1996. Title I of this legislation authorizes the Environmental Protection Agency to approve a demonstration program allowing companies who show superior environmental performance to use flexible methods of achieving environmental goals. Title II of the legislation requires the EPA, when developing a new program to control a pollutant to consider, where appropriate, basing the regulatory scheme on market-based trading programs. The legislation builds on President Clinton's project XL which stands for excellence and leadership, and on the successful market-based program for controlling acid rain established under the Clean Air Act Amendments of 1990.

Mr. President, I am introducing this bill at the end of this session in the hope that it will lead to a continued dialog among interested parties on the best way to implement these two programs. I view this bill as an initial draft, discussion draft and welcome all proposals and suggestions on how to alter and improve it. I hope to resubmit the bill reflecting suggestions made over the next few months early next session.

This Congress has been marked by debate about the future of Government's role in environmental protection. At times, it appeared that the bipartisan support of environmental laws and regulation that has evolved over the past three decades was at serious risk. Efforts to undermine our environmental laws initially had support from some in this Congress, despite the absence of any public demand for retrenchment on the environmental

front. Those efforts have been stemmed.

In fact, our laws and regulations have performed remarkably well in improving the quality of America's environment. As Gregg Easterbrook has pointed out, environmental protection is probably the single greatest success story of American Government in the period since World War II.

In many cases, however, we need to do more to provide the level of environmental protection most Americans expect from Government. For example, 62 million Americans still live in neighborhoods where the air does not meet Federal health-based standards. Forty percent of our rivers and lakes still do not fully meet water quality standards. The number of people suffering from asthma has increased 40 percent in the past decade. In some communities, it has reached epidemic proportions, especially among children. Health advisories for eating fish increased by 14 percent between 1994 and 1995. In light of these serious problems, there is clearly a need to improve protection of our environment. But there is just as clearly a need to review our methods of environmental protection in order to find better, more efficient, more innovative and fairer ways to achieve greater progress toward meeting our environmental goals. In some cases, the traditional approaches to environmental protection have hindered companies from developing more innovative approaches, such as pollution prevention, that can result in larger benefits for the environment.

While combining these two goals may appear illusive, a significant consensus has emerged that alternative compliance and market-based trading programs can form the basis for a new approach to environmental protection that will achieve superior results at less cost while encouraging innovation. This consensus can be seen, for example, in the work of the President's Council on Sustainable Development which brought together leaders from government, business, environmental, civil rights, labor and Native American organizations in an effort to achieve consensus national environmental, economic and social goals. The Council's report supports both these approaches. The Aspen Institute also undertook a 3-year effort to reach consensus among a wide group of divergent interests on an alternative path to achieving a cleaner, cheaper way to protect and enhance the environment. This legislation seeks to adopt many of the principles agreed to by the participants in the Aspen process.

Title I of this bill establishes an alternative compliance program at EPA. The Administrator of EPA is authorized to consider up to 50 petitions from companies seeking modifications or waivers from environmental rules and to grant petitions if certain criteria are met. The basic premise of this title is that superior environmental performance can be achieved by allowing environmental managers at companies, in partnership with an active group of community stakeholders, to devise their own means of reaching environmental goals. This approach recognizes that the regulated industry is now in an excellent position to experiment and decide what approaches will yield better environmental results than can be achieved under existing or reasonably foreseeable regulation. Allowing flexibility can substantially reduce compliance costs and make industries more competitive, provide for much greater community involvement in the decisions of their neighboring industrial plants, foster more cooperative partnerships, and encourage greater innovation in meeting environmental goals.

Let me discuss a few important provisions of the bill.

First, the Administrator may only grant flexibility if a company demonstrates that it will achieve better overall environmental results under the alternative compliance strategy than would be achieved under existing or reasonably anticipated rules. The bill establishes benchmarks from which to determine whether better environmental results will be achieved under the alternative compliance strategies. For example, for existing facilities, the benchmark generally will be either the level of releases into the environment actually being achieved by the facility or the level of releases allowed under the applicable regulatory requirements and reasonably foreseeable future requirements, whichever is lower. The bill also sets forth benchmarks for existing facilities being modified to significantly expand production and for new facilities, section 105(b). In addition to determining if the benchmark is met, the Administrator must find, based on a well-accepted, documented methodology, that the alternative compliance strategy will not result in a significant increase in the risk of adverse effects or shift any significant risks of adverse effects, to the health of an individual, population, or natural resource affected by the strategy.

There are a number of different types of alternative compliance strategies. For example, in some cases, a facility may demonstrate better overall environmental results by showing a reduction in releases of all pollutants and, in exchange, seek a modification of reporting or other paperwork requirements. In other cases, a facility may demonstrate better overall environmental results by showing a reduction in releases of all pollutants, but seek modification of a rule to allow for flexibility with respect to emission levels at different sources within the facility. There may be some cases where the alternative compliance strategy would result in very large decreases in one pollutant while resulting in a very small increase in another pollutant. But it is particularly important that the Administrator only approve such a strategy upon a finding, based on a well-accepted, documented methodology, that there will be no significant increase in the risk of adverse effects resulting from the strategy.

As I've described, before granting a petition, the Administrator must find that certain quantitative requirements for measuring better environmental performance have been met by the petitioner. After making this determination, the Administrator may also consider other significant environmental, economic and social benefits that the petitioner offers in the petition, section 105(b)(2).

Under the bill, the alternative compliance strategy must provide accountability, monitoring, enforceability and public access to information at least equal to that provided by the rule that is being modified or waived. A related and very important requirement is that adequate information must be made accessible so that any member of the public can determine if a company is complying with an alternative compliance agreement, sections 105(b) (4), (5). Other requirements that must be met by the petitioner are set forth in section 105.

Another critical provision of the bill, section 104 establishes that any company submitting a petition must undertake a stakeholder participation process and work to ensure that adequate resources exist to make the process effective. Involving citizens, particularly members of the local community, in the development of an alternative compliance strategy is absolutely critical. Companies that have formulated successful alternative compliance strategies have told me that without the support of the local community these strategies simply will not work. Empowerment of the local community through stakeholder processes will help build trust and make implementation of the agreement easier. It is also important that State and local regulators be part of the stakeholder process.

Under the bill, a more structured stakeholder process is set out for more complex agreements—those involving more than one pollutant or one medium. The stakeholders have a greater decisional role in more complex agreements. Nevertheless, in all cases, stakeholder acceptance will be critical to success of the alternative compliance strategy.

Title II of the legislation seeks to build on the successful acid rain program established under the Clean Air Act Amendments of 1990. It requires that prior to promulgating a new program for controlling emissions or discharges of a pollutant, EPA consider, where appropriate, the adoption of a market-based trading program. The program would include a cap on total emissions or discharges of the pollutant. Each source of a pollutant would be required to meet an emission or discharge limit based on a share of the total limit on emissions or discharges

allowed from all sources. Sources could meet their performance objective though a variety of methods, including by acquiring excess emission or discharge reductions from other sources that have achieved levels of performance beyond that required to meet their discharge or emission limits.

The bill recognizes that trading programs are not appropriate in every case. Trading programs should only be implemented where they would result in levels of emissions or discharges greater than those that would be achieved under alternative programs. Additionally, there are circumstances where a trading program is not appropriate because the environmental or human health reasons for which the pollutant is regulated can only be addressed through source-specific emission controls.

As I have mentioned, this title is intended to build on the success of the acid rain program of the Clean Air Act. That program set a cap on the total amount of emissions of sulfur dioxide that electric utilities can emit and allows flexibility for individual units to select their own method of compliance. The mechanism for allocating reductions is a comprehensive permit and emission allowance system. An allowance is a limited authorization to emit a ton of sulfur dioxide. Facilities receive allowance based on a specific formula contained in the law. Allowances may be traded or banked for future use or sale. Thirty days after the end of the year, each utility must have a number of allowances equal to the tonnage actually emitted during the previous year. Allowances may be purchased to cover each unit's emissions for the year. The system rewards utilities that go beyond the law's requirement by enabling them to earn profits from the sale of their extra allowances.

The program is being implemented in two phases: Phase I began in 1995 and will last until 1999. It covers 445 utility units.

In July, EPA issued a report on the compliance results of phase I. The results are extremely impressive and far exceed the expectations of those of us involved in the drafting of the legislation—both in terms of emission reductions achieved and cost of those reductions.

First, EPA reports that the compliance level for all the units under Phase I was 100 percent. Second, EPA reports that the emissions for these units was 39 percent below what the law allowed for 1995. Third, EPA and the U.S. Geological Survey report environmental success—reductions in sulfur dioxide emissions have resulted in rainfall being less acidic in 1995 as a result of the first year of the acid rain program. The U.S. Geological Survey study reports a 10–25 percent drop in rainfall acidity, particularly at some sites located in the mid-west, northeast and mid-Atlantic regions. Fourth, the cost of reducing a ton of sulfur dioxide continues to decline. In just two years, allowance prices have dropped from $150 a ton to less than $80 a ton. At the time of enactment of the Clean Air Act Amendments, it was estimated that the cost of an allowance would be $500 to $600 a ton. The General Accounting Office has estimated that $2 to $3 billion will be saved with the implementation of the acid rain program through its allowance trading program.

In other words, the acid rain program has achieved greater reductions than anticipated at far lower costs than anticipated. This is a win-win—for the environment and the regulated community. The legislation I am introducing today would require EPA, where appropriate, to consider basing future environmental programs on the same type of successful program established for acid rain.

Mr. President, I ask unanimous consent that the full text of the legislation be included in the RECORD.

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

S. 2160

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 ''Innovative Compliance Act of 1996''.

SEC. 2. FINDINGS.

Congress finds that—

(1) superior environmental performance can be achieved in some cases by granting regulated industries the flexibility to develop alternative strategies for achieving environmental results;

(2) alternative strategies also have the potential to—

(A) substantially reduce compliance costs;

(B) foster cooperative partnerships among industry, government, and local communities;

(C) encourage greater innovation and greater pollution prevention in meeting environmental goals; and

(D) increase the involvement of members of the local community and citizens in decisions relating to the approach taken by a facility for achieving environmental goals; and

(3) the acid deposition control program established under title IV of the Clean Air Act (42 U.S.C. 7651 et seq.), the stratospheric ozone protection program established under title VI of the Act (42 U.S.C. 7671 et seq.), and other initiatives demonstrate that properly designed market-based approaches can achieve greater environmental performance and encourage innovation while saving money for regulated industries and government when compared with more traditional control approaches.

TITLE I—ALTERNATIVE STRATEGIES FOR ACHIEVING SUPERIOR ENVIRONMENTAL PERFORMANCE

SEC. 101. DEFINITIONS.

In this title:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) AGENCY.—The term ''Agency'' means the Environmental Protection Agency.

(3) AGENCY RULE.—The term ''Agency rule''—

(A) means a rule (as defined in section 551 of title 5, United States Code) issued by the Agency; but

(B) does not include any emissions reduction requirement of any rule under title IV of the Clean Air Act (relating to acid deposition control) (42 U.S.C. 7651 et seq.) or any other requirement pursuant to any other enforceable trading program.

SEC. 102. PETITION.

A person that owns or operates a facility that is subject to an Agency rule may petition the Administrator to modify or waive the Agency rule with respect to the facility and to enter into an enforceable compliance agreement with the person establishing an alternative compliance strategy with respect to the facility in accordance with this title.

SEC. 103. CONTENTS OF PETITION.

A petition under section 102 shall—

(1) identify the Agency rule for which the modification or waiver is sought and the alternative compliance strategy that is proposed;

(2) identify the facility to which the modification or waiver would pertain; and

(3) demonstrate that the alternative compliance strategy meets the requirements of section 105.

SEC. 104. STAKEHOLDER PARTICIPATION PROCESS.

(a) IN GENERAL.—A person that submits a petition under section 102 shall—

(1) undertake a stakeholder participation process in accordance with this section; and

(2) work to ensure that there is adequate technical support for an effective process.

(b) REQUIREMENTS.—The stakeholder participation process shall—

(1) be balanced and representative of interests likely to be affected by the proposed alternative compliance strategy;

(2) ensure options for public access to the process and make publicly available the proceedings of the stakeholder participation process, except with respect to confidential information of the petitioner;

(3) establish procedures for conducting the stakeholder participation process, including open meetings as appropriate; and

(4) if necessary, provide for appropriate agreements to protect confidential information of the petitioner proposing the alternative compliance strategy.

(c) PUBLIC NOTICE OF PETITION.—A person that submits a petition under section 102 shall provide effective public notice of the intent of the petitioner to pursue the alternative compliance strategy to—

(1) community groups;

(2) environmental groups;

(3) potentially affected employees;

(4) persons living near the facility; and

(5) Federal, State, and local government agencies in areas that may be affected by the alternative compliance strategy, including areas that may be affected by transport of a pollutant.

(d) PARTICIPATION.—

(1) IN GENERAL.—Any person may participate in the stakeholder participation process, except that a person that has a business interest in competition with that of the petitioner may be excluded.

(2) GOVERNMENT OFFICIALS.—Federal, State, and local government officials in areas that may be affected by the proposed alternative compliance strategy may participate in the stakeholder participation process.

(3) LIMITATION ON NUMBER OF PARTICIPANTS.—In order to provide for a manageable stakeholder process, a petitioner may propose a limit on the number of stakeholder participants if the petitioner demonstrates to the satisfaction of the Administrator that the stakeholder participants adequately represent, in a balanced manner, the full range of interests (excluding competitive business interests) that may be affected by the alternative compliance strategy.

(e) MODIFICATION OR WAIVER OF PROCESS.—

(1) REQUEST.—A petitioner may request that the Administrator modify or waive 1 or more of the requirements of this section.

(2) CRITERIA.—The Administrator may grant a request under paragraph (1) if, after notice and opportunity for public comment, the Administrator determines that—

(A) there is insufficient interest in convening stakeholder participants; and

(B) the stakeholder participation process would not be useful in view of the routine or noncontroversial nature of the proposal.

SEC. 105. REQUIREMENTS FOR APPROVAL.

(a) IN GENERAL.—The Administrator may approve a petition under section 107 if the Administrator determines that—

(1) the facility is in compliance with all applicable environmental and public health regulations and other requirements;

(2) the alternative compliance strategy will achieve better overall environmental results than would be achieved under the current regulatory requirements and any reasonably anticipated future regulatory requirements;

(3) the alternative compliance strategy will not result in adverse cross-media impacts;

(4) the alternative compliance strategy provides accountability, monitoring, enforceability, and public and Agency access to information at least equal to that provided under the Agency rule that is modified or waived;

(5) the alternative compliance strategy provides for access to information adequate to enable verification of environmental performance by any interested person;

(6) the alternative compliance strategy ensures worker health and safety;

(7) no person or population would be subjected to unjust or disproportionate environmental impacts as a result of implementation of the alternative compliance strategy;

(8) the alternative compliance strategy will not result in transport of a pollutant to another area;

(9) the alternative compliance strategy will not result in a violation of a national environmental or health standard;

(10) all State and local environmental agencies in areas that may be affected by the alternative compliance strategy support the petition;

(11) the stakeholder participation process met the requirements of section 104;

(12) as determined on the basis of a well accepted, documented methodology, the alternative compliance strategy will not result in any significant increase in the risks of adverse effects, or shift any significant risks of adverse effects, to the health of an individual, population, or natural resource affected by the alternative compliance strategy;

(13) the agreement is for a specified term not to exceed 10 years; and

(14) in the case of a petition involving more than 1 pollutant or more than 1 medium, a broad consensus of the stakeholder participants has approved the alternative compliance strategy.

(b) BETTER OVERALL RESULTS.—

(1) CRITERIA.—For the purposes of subsection (a)(2), the achievement of better overall environmental results shall be measured as follows:

(A) For existing facilities, the benchmark shall be the lesser of—

(i) the level of releases of pollutants into the environment being achieved prior to the date of submission of the petition; or

(ii) the level of releases of pollutants into the environment allowed under the current regulatory requirements and any reasonably anticipated future regulatory requirements;

except that the Administrator may modify the benchmark on a case-by-case basis for a facility that has reduced releases significantly below applicable regulatory requirements prior to the date of submission of the petition.

(B) For existing facilities being modified to significantly expand production, the benchmark shall be the lesser of—

(i) the level of releases of pollutants into the environment being achieved (on a per unit of production basis) prior to the date of submission of the petition; or

(ii) the level of releases of pollutants into the environment allowed under the current regulatory requirements and any reasonably anticipated future regulatory requirements on a per unit of production basis.

(C) For new facilities, the benchmark shall be based on the lesser of—

(i) the level of releases of pollutants into the environment allowed under the current regulatory requirements and any reasonably anticipated future regulatory requirements; or

(ii) the level of releases of pollutants into the environment being achieved by the best performance practices of similarly situated facilities.

(2) OTHER CONSIDERATIONS.—In addition to determining that the criteria of paragraph (1) are met, the Administrator may consider other factors supporting superior environmental, social, and economic benefits set forth in the petition.

(c) OBJECTION BY STAKEHOLDER.—Notwithstanding subsection (a)(14), the Administrator shall deny a petition involving more than 1 pollutant or more than 1 medium if—

(1) 1 or more stakeholders object to the alternative compliance strategy; and

(2) the Administrator determines, based on the objection, any response to the objection, and all other relevant facts, that—

(A) the objection relates to any of the criteria stated in paragraphs (1) through (13) of subsection (a); and

(B) the objection has a clear and reasonable foundation.

SEC. 106. PRIORITY.

The Administrator shall give priority to petitions with alternative compliance strategies using pollution prevention approaches and to petitions submitted by persons with a strong record of outstanding environmental performance and worker health and safety protection.

SEC. 107. DETERMINATION OF PETITION.

Not later than 180 days after receiving a petition under section 102, the Administrator, subject to section 112, shall—

(1) propose to approve the petition and enter into an enforceable compliance agreement; or

(2) submit a written explanation to the petitioner of the basis for determining that the requirements of section 105 are not met.

SEC. 108. PUBLIC NOTICE OF INTENT TO APPROVE PETITION.

The Administrator shall publish notice of the intent to approve a petition in the Federal Register at least 60 days prior to approving the petition.

SEC. 109. ENFORCEABILITY.

(a) IN GENERAL.—If the Administrator and a person enter into an enforceable compliance agreement under this title, the person shall comply with the agreement in lieu of any Agency rule modified or waived by the agreement, and compliance with the agreement shall be considered to be compliance with the Agency rule for all purposes.

(b) SPECIFICATION OF AGENCY RULES TO WHICH AGREEMENT APPLIES.—An agreement under subsection (a) shall specify each Agency rule that is modified or waived.

SEC. 110. PRELIMINARY COMMENT PROCESS.

The Administrator shall establish a process for providing preliminary comments by the Administrator on a petition.

SEC. 111. JUDICIAL REVIEW.

A decision by the Administrator to approve or disapprove a petition under this title shall constitute final agency action and shall be subject to judicial review.

SEC. 112. LIMITATION ON PETITIONS CONSIDERED.

The Administrator shall not consider more than 50 petitions for alternative compliance strategies unless—

(1) a petitioner demonstrates that, because the petitioner is situated in a position that is virtually identical to that of another person that has been granted approval of a petition, the petitioner may be at a substantial competitive disadvantage if the petition is not considered; or

(2) at the sole discretion of the Administrator and taking into account the full range of the Agency's obligations, the Administrator determines that adequate resources exist to evaluate a greater number of petitions and to oversee implementation of a greater number of enforceable compliance agreements.

SEC. 113. SMALL BUSINESS PROPOSALS.

The Administrator shall establish a program to facilitate development of proposals for alternative means of compliance from groups of small businesses and to provide expedited review of proposals for alternative means of compliance from groups of small businesses.

SEC. 114. REPORT AND EVALUATION.

Not later than 3 years after the date of enactment of this Act, the Administrator shall submit a report to Congress on the aggregate effect of the enforceable compliance agreements entered into under this title, including—

(1) the number and characteristics of the agreements;

(2) estimates of the environmental and public health benefits, including any reduction in quantities or types of emissions and wastes generated;

(3) estimates of the effect on compliance costs and jobs creation;

(4) the degree and nature of public participation and accountability;

(5) the incidence of noncompliance with the agreements entered into under this title compared to the incidence of noncompliance with relevant Agency rules by similarly situated facilities;

(6) conclusions on the functioning of stakeholder participation processes; and

(7) recommendations for legislative action.

SEC. 115. SAVINGS CLAUSE.

A decision by the Administrator to enter into an enforceable compliance agreement under this title shall not create any obligation of the Agency to modify any Agency rule insofar as the rule applies to any facility other than the facility subject to the enforceable compliance agreement. Nothing in this title shall affect the ability of the Administrator to enter into or carry out enforceable alternative compliance agreements under other law.

SEC. 116. COMPUTER ACCESS.

The Administrator shall establish, and provide on-line computer access to, a national repository of enforceable compliance agreements entered into under this title.

SEC. 117. FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Agency to carry out this title such sums as are necessary for fiscal years 1997 through 2000.

(b) AUTHORIZATION OF FEES.—

(1) IN GENERAL.—The Administrator may assess reasonable fees for consideration of petitions.

(2) OFFSET.—Fees assessed under paragraph (1) shall offset the expenses incurred by the

Administrator and may be used only for processing, administering, implementing, and enforcing enforceable compliance agreements.

(3) OTHER FEES.—Fees assessed under this subsection shall be collected in lieu of fees associated with otherwise applicable rules or requirements modified by an enforceable compliance agreement.

(4) WAIVER.—The Administrator may waive any fees under this subsection for any proposal for an alternative means of compliance from a small entity (as defined under section 601 of title 5, United States Code) or group of small entities.

TITLE II—ENVIRONMENTAL MARKET-BASED STRATEGIES

SEC. 201. CONSIDERATION OF MARKET-BASED MECHANISMS.

Before issuing a rule establishing a new program intended to limit the discharge or emission of a pollutant into the environment, the Administrator of the Environmental Protection Agency shall, in appropriate circumstances, consider including market-based mechanisms in the design and implementation of the program.

SEC. 202. MARKET-BASED MECHANISMS.

(a) IN GENERAL.—Subject to subsection (b), a market-based mechanism shall include—

(1) the imposition, on each regulated person, of express legal accountability for an explicit performance objective expressed as a quantity of actual discharges or emissions (and each such person's emissions or discharge limit shall represent a share of a total limit on emissions or discharges from all sources affected by the rule); and

(2) the authorization of the regulated person to comply with the requirements described in paragraph (1) by transferring or acquiring increments of emissions or discharge reductions, which shall represent reductions in emissions or discharges in excess of those required to be made by a regulated entity to meet its emissions or discharge limits.

(b) OTHER APPROPRIATE FACTORS.—

(1) IN GENERAL.—If the Administrator of the Environmental Protection Agency determines that a program with the elements specified in subsection (a) is not appropriate, the Administrator may include in a market-based mechanism a method by which a regulated person subject to emissions or discharge limits that are not expressed as a quantity of total emissions or discharges may—

(A) elect to meet the applicable emissions or discharge limits by limiting the person's total emissions or discharges to a specified quantity that corresponds to the regulated person's initial emissions or discharge limits; and

(B) achieve compliance with the emissions or discharge limits established under subparagraph (A) by acquiring or transferring increments of emissions or discharge reductions.

(2) INCREMENTAL REDUCTIONS.—Subject to paragraph (3), increments described in paragraph (1)(B) shall—

(A) represent reductions in emissions or discharges in excess of reductions required to be made by a regulated entity to meet its emissions or discharge limits; and

(B) be permanent, enforceable, and nondiscrete.

(3) EXCLUSION AS PART OF MECHANISM.—A rule permitting sources to acquire increments of emissions or discharge reductions when increments represent reductions that are discrete, nonpermanent, or discontinuous and are generated by sources the total emissions or discharges of which are not subject to a quantified emissions or discharge limitation requirement shall not be part of a market-based mechanism.

(c) LIMITATION.—Notwithstanding any other provision of this title, the Administrator of the Environmental Protection Agency may not consider market-based mechanisms for a program if—

(1) the program would result in levels of emissions or discharges of the pollutant regulated by the rule in excess of those that would be achieved under an alternative program, taking into account any incentives for generating and retaining excess reductions created by the opportunity to acquire and transfer increments of emissions or discharge reductions as a means of meeting the emissions or discharge limitation requirement applicable to the source; or

(2) the program pertains to a pollutant the properties of which are such that the environmental or human health purposes for which the pollutant is subject to regulation, taking into account any disproportionate or unjust environmental impacts to an individual, population, or natural resource, and any transport of the pollutant that may result, may be achieved only through the imposition of nontransferable source-specific emissions or discharge limitation requirements.●

ADDITIONAL COSPONSORS

S. 1911

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Washington [Mrs. MURRAY] was added as a consponsor of S. 1911, a bill to amend the Internal Revenue Code of 1986 to encourage economic development through the creation of additional empowerment zones and enterprise communities and to encourage the cleanup of contaminated brownfield sites.

S. 2123

At the request of Mr. BAUCUS, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Nebraska [Mr. EXON], the Senator from Illinois [Ms. MOSELEY-BRAUN], and the Senator from New Hampshire [Mr. SMITH] were added as a consponsor of S. 2123, a bill to require the calculation of Federal-aid highway apportionments and allocations for fiscal year 1997 to be determined so that States experience no net effect from a credit to the Highway Trust Fund made in correction of an accounting error made in fiscal year 1994, and for other purposes.

S. 2150

At the request of Mr. MURKOWSKI, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a consponsor of S. 2150, a bill to prohibit extension or establishment of any national monument on public land without full compliance with the National Environmental Policy Act and the Endangered Species act, and an express act of Congress, and for other purposes.

SENATE RESOLUTION 303—COMMENDING THE GOVERNMENTS OF HUNGARY AND ROMANIA

Mr. BROWN (for himself and Mr. SIMON) submitted the following resolution; which was considered and agreed to:

S. RES. 303

Whereas on September 16, 1996, ''Treaty of Understanding, Cooperation and Good Neighborliness between Romania and the Republic of Hungary'' was signed by Gyula Horn, Prime Minister of Hungary, and by Nicolae Vacaroiu, Prime Minister of Romania, in Timisoara/Temesvar, Romania;

Whereas this agreement between the two governments is an important step in contributing to the stability of that region and to reconciliation and cooperation among the nations of Central and Eastern Europe;

Whereas this agreement will enhance the participation of both countries in the Partnership for Peace program and will contribute to and facilitate their closer cooperation with the members of the North Atlantic Treaty Organization and the eventual entry of these countries into full NATO participation; and

Whereas this agreement is a further significant step in the process of reconciliation between Hungary and Romania reflects the desire and effort of both countries to improve their economic cooperation, to foster the free movement of people between their countries, to expand military relationships, and to increase cultural and educational cooperation.

It is resolved by the Senate, The Senate—

(1) commends the farsighted leadership shown by both the government of Hungary and the government of Romania in reaching agreement on the Treaty of Understanding, Cooperation and Good Neighborliness signed on September 16, 1996;

(2) commends the frank, open, and reasoned political dialogue between officials of Hungary and Romania which led to the treaty;

(3) commends the two countries for their efforts to foster improved relations in all fields; and

(4) calls upon the President to utilize all available and appropriate means on behalf of the United States to support the implementation of the provisions of the ''Treaty of Understanding, Cooperation and Good Neighborliness between Romania and the Republic of Hungary'' and to promote their efforts for regional cooperation as the best means of bringing these two countries into NATO and to ensure lasting security in the region.

SENATE RESOLUTION 304—APPROVING PROVISIONS OF THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995

Mr. LOTT (for himself and Mr. GRASSLEY) submitted the following resolution; which was considered and agreed to:

S. RES. 304

Resolved,

SECTION 1. APPROVAL OF REGULATIONS.

(a) IN GENERAL.—The regulations described in subsection (b) are hereby approved, insofar as such regulations apply to employing offices of the Senate and employees of the Senate under the Congressional Accountability Act of 1995 (2 U.S.C. 1301 et seq.) and to the extent such regulations are consistent with the provisions of such Act.

SENATE RESOLUTION 305—RELATIVE TO NATIONAL DUCK CALLING DAY

Mr. PRYOR (for himself, Mr. BUMPERS, Mr. JOHNSTON, Mr. BREAUX, and Mr. FORD) submitted the following resolution; which was considered and agreed to:

S. RES. 305

Whereas Stuttgart, Arkansas, with its flooded rice and soybean fields, is located in the heart of the Mississippi River flyway for migratory birds;

Whereas for the past 60 years, the World's Championship Duck Calling Contest and the Wings Over the Prairie Festival have attracted waterfowl enthusiasts from around the world to come to Stuttgart, Arkansas, on Thanksgiving Day weekend;

Whereas the first national duck calling contest was held on November 24, 1936, as part of the traditional Rice Carnival in downtown Stuttgart;

Whereas Thomas E. Walsh of Greenville, Mississippi, was the first national duck calling contest champion, and was awarded a hunting coat valued at $6.60 for his achievement;

Whereas today, the World's Championship Duck Calling Contest draws contestants from throughout the United States and Canada, with a first place prize package valued at over $15,000;

Whereas in order to enter the World's Championship Duck Calling Contest a contestant must qualify by winning a World's Championship Duck Calling Contest sanctioned calling contest, which are held in 29 states;

Whereas over the history of the World's Championship Duck Calling Contest attendance at the event has steadily grown; the number of participants has jumped from 10,000 in 1954, to 50,000 in 1992, to 65,000 in 1995: Now, therefore, be it

Resolved, That the Senate designates Saturday, November 30, 1996, as ''National Duck Calling Day''. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED

THE AMOS F. LONGORIA POST OFFICE BUILDING DESIGNATION ACT OF 1996

PRYOR AMENDMENT NO. 5413

Mr. GREGG (for Mr. PRYOR) proposed an amendment to the bill (H.R. 2700) to designate the United States Post Office building located at 7980 FM 327, Elmendorf, Texas, as the ''Amos F. Longoria Post Office Building''; as follows:

On page 2, insert after line 9 the following new section:

SEC. 2. INSTITUTION OF HIGHER EDUCATION

Paragraph (3) of section 3626(b) of title 39, United States Code, is amended by striking the period and inserting '', and includes a nonprofit organization that coordinates a network of college-level courses that is sponsored primarily by nonprofit educational institutions for an older adult constituency.''.

THE VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

SIMPSON (AND OTHERS) AMENDMENT NO. 5414

Mr. NICKLES (for Mr. SIMPSON, for himself, Mr. ROCKEFELLER, Mrs. HUTCHISON, Mr. AKAKA, Mr. MURKOWSKI, and Mr. WELLSTONE) proposed an amendment to the bill (H.R. 3118) to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Veterans' Health Care Eligibility Reform Act of 1996''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—ELIGIBILITY REFORM

Sec. 101. Eligibility for hospital care and medical services.
Sec. 102. Revision in authorities for provision of priority health care for certain veterans exposed to specified toxic substances.
Sec. 103. Prosthetics and preventive care.
Sec. 104. Management of health care.
Sec. 105. Authorization of appropriations.
Sec. 106. Assessment of implementation and operation.

TITLE II—CONSTRUCTION AUTHORIZATION

Sec. 201. Authorization of major medical facility projects.
Sec. 202. Authorization of major medical facility leases.
Sec. 203. Authorization of appropriations.
Sec. 204. Strategic planning.
Sec. 205. Revision to prospectus requirements.
Sec. 206. Construction authorization requirements.
Sec. 207. Terminology changes.

TITLE III—HEALTH CARE AND ADMINISTRATION

Subtitle A—Health Care Sharing and Administration

Sec. 301. Revision of authority to share medical facilities, equipment, and information.
Sec. 302. Improved efficiency in health care resource management.
Sec. 303. Personnel furnishing shared resources.
Sec. 304. Waiting period for administrative reorganizations.
Sec. 305. Repeal of limitations on contracts for conversion of performance of activities of Department health-care facilities and revised annual reporting requirement.

Subtitle B—Care of Women Veterans

Sec. 321. Mammography quality standards.
Sec. 322. Patient privacy for women patients.
Sec. 323. Assessment of use by women veterans of Department health services.
Sec. 324. Reporting requirements.

Subtitle C—Readjustment Counseling and Mental Health Care

Sec. 331. Expansion of eligibility for readjustment counseling and certain related counseling services.
Sec. 332. Reports relating to Vet Centers.
Sec. 333. Advisory Committee on the Readjustment of Veterans.
Sec. 334. Centers for mental illness research, education, and clinical activities.
Sec. 335. Committee on Care of Severely Chronically Mentally Ill Veterans.

Subtitle D—Other Provisions

Sec. 341. Hospice care study.
Sec. 342. Payment to States of per diem for veterans receiving adult day health care.
Sec. 343. Research corporations.
Sec. 344. Veterans Health Administration headquarters.
Sec. 345. Disbursement agreements relating to medical residents and interns.
Sec. 346. Authority to suspend special pay agreements for physicians and dentists who enter residency training programs.
Sec. 347. Remunerated outside professional activities by Veterans Health Administration personnel.
Sec. 348. Modification of restrictions on real property, Milwaukee County, Wisconsin.
Sec. 349. Modification of restrictions on real property, Cheyenne, Wyoming.
Sec. 350. Name of Department of Veterans Affairs Medical Center, Johnson City, Tennessee.
Sec. 351. Report on health care needs of veterans in east central Florida.
Sec. 352. Evaluation of health status of spouses and children of Persian Gulf War veterans.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ELIGIBILITY REFORM

SEC. 101. ELIGIBILITY FOR HOSPITAL CARE AND MEDICAL SERVICES.

(a) NEW CRITERIA FOR ELIGIBILITY FOR CARE.—Section 1710(a) is amended to read as follows:

''(a)(1) The Secretary (subject to paragraph (4)) shall furnish hospital care and medical services, and may furnish nursing home care, which the Secretary determines to be needed—

''(A) to any veteran for a service-connected disability; and

''(B) to any veteran who has a service-connected disability rated at 50 percent or more.

''(2) The Secretary (subject to paragraph (4)) shall furnish hospital care and medical services, and may furnish nursing home care, which the Secretary determines to be needed to any veteran—

''(A) who has a compensable service-connected disability rated less than 50 percent;

''(B) whose discharge or release from active military, naval, or air service was for a compensable disability that was incurred or aggravated in the line of duty;

''(C) who is in receipt of, or who, but for a suspension pursuant to section 1151 of this title (or both a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement provided for in such section;

''(D) who is a former prisoner of war;

''(E) who is a veteran of the Mexican border period or of World War I;

''(F) who was exposed to a toxic substance, radiation, or environmental hazard, as provided in subsection (e); or

''(G) who is unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

''(3) In the case of a veteran who is not described in paragraphs (1) and (2), the Secretary may, to the extent resources and facilities are available and subject to the provisions of subsections (f) and (g), furnish hospital care, medical services, and nursing

home care which the Secretary determines to be needed.

''(4) The requirement in paragraphs (1) and (2) that the Secretary furnish hospital care and medical services shall be effective in any fiscal year only to the extent and in the amount provided in advance in appropriations Acts for such purposes.''.

(b) TRANSFER OF PROVISION.—Chapter 17 is amended—

(1) by redesignating subsection (g) of section 1710 as subsection (h); and

(2) by transferring subsection (f) of section 1712 to section 1710 and inserting such subsection so as to appear after subsection (f), redesignating such subsection as subsection (g), and amending such subsection by striking out ''section 1710(a)(2) of this title'' in paragraph (1) and inserting in lieu thereof ''subsection (a)(3) of this section''.

(c) REPEAL OF SEPARATE OUTPATIENT CARE PRIORITIES.—(1) Section 1712 is amended—

(A) by striking out subsections (a) and (i);

(B) by redesignating subsections (b), (c), (d), (h) and (j), as subsections (a), (b), (c), (d), and (e), respectively; and

(C) in subsection (b), as so redesignated, by striking out ''subsection (b) of this section'' and inserting in lieu thereof ''subsection (a)''.

(2)(A) The heading of such section is amended to read as follows:

''§ 1712. Dental care; drugs and medicines for certain disabled veterans; vaccines''.

(B) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

''1712. Dental care; drugs and medicines for certain disabled veterans; vaccines.''.

(d) CONFORMING AMENDMENTS TO CHAPTER 17.—Chapter 17 is further amended as follows:

(1) Section 1701(6)(B)(i) is amended—

(A) in subclause (I), by striking out ''section 1712(a)'' and inserting in lieu thereof ''paragraph (1) or (2) of section 1710(a)''; and

(B) in subclause (II), by striking out ''section 1712(a)(5)(B)'' and inserting in lieu thereof ''paragraph (1), (2) or (3) of section 1710(a)''.

(2) Section 1710(c)(1) is amended by striking out ''section 1712(b)'' and inserting in lieu thereof ''section 1712(a)''.

(3) Section 1710(e)(1)(C) is amended by striking out ''hospital care and nursing home care under subsection (a)(1)(G) of this section'' and inserting in lieu thereof ''hospital care, medical services, and nursing home care under subsection (a)(2)(F)''.

(4) Section 1710(f) is amended—

(A) in paragraph (1), by striking out ''subsection (a)(2)'' and inserting in lieu thereof ''subsection (a)(3)''; and

(B) in paragraph (3)(E)—

(i) by striking out ''section 1712(a) of this title'' and inserting in lieu thereof ''paragraph (3) of subsection (a)''; and

(ii) by striking out ''section 1712(f) of this title'' and inserting in lieu thereof ''subsection (g)''; and

(C) in paragraph (3)(F), by striking out ''section 1712(f) of this title'' and inserting in lieu thereof ''subsection (g)''.

(5) Section 1712A is amended—

(A) in subsection (b)(1), by striking out ''under the conditions specified in section 1712(a)(5)(B) of this title''; and

(B) in subsection (e)(1), by striking out ''sections 1712(a)(1)(B) and 1703(a)(2)'' and inserting in lieu thereof ''sections 1703(a)(2) and 1710(a)(1)(B)''.

(6) Section 1717(a) is amended—

(A) in paragraph (1), by striking out ''section 1712(a)'' and inserting in lieu thereof ''section 1710(a)''; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking out ''paragraph (1) of section 1712(a) of this title'' and inserting in lieu thereof ''section 1710(a)(1) of this title, or for a disability described in section 1710(a)(2)(C) of this title''; and

(ii) in subparagraph (B), by striking out ''section 1712'' and inserting in lieu thereof ''section 1710(a)(2)''.

(7) Section 1718(e) is amended by striking out ''section 1712(i)'' and inserting in lieu thereof ''section 1705''.

(8) Section 1720(f) is amended—

(A) in paragraph (1)(A)(ii), by striking out ''section 1712(a)(1)(B)'' and inserting in lieu thereof ''paragraph (1), (2), or (3) of section 1710(a)''; and

(B) by striking out paragraph (3).

(9) Section 1722 is amended—

(A) in subsection (a), by striking out ''section 1710(a)(1)(I)'' and inserting in lieu thereof ''section 1710(a)(2)(G)''; and

(B) in subsection (f)(3), by striking out ''or 1712(f)''.

(10) Section 1729(g)(3)(A) is amended by striking out ''under section 1710(f) of this title for hospital care or nursing home care, under section 1712(f) of this title for medical services,'' and inserting in lieu thereof ''under subsection (f) or (g) of section 1710 of this title for hospital care, medical services, or nursing home care''.

(e) OTHER CONFORMING AND TECHNICAL AMENDMENTS.—

(1) Section 1525 is amended—

(A) in subsection (a), by striking out ''section 1712(h) of this title'' and all that follows through the period at the end and inserting in lieu thereof ''section 1712(d) of this title.''; and

(B) in subsection (b), by striking out ''renumeration'' and inserting in lieu thereof ''remuneration''.

(2) Section 2104(b) is amended—

(A) in the first sentence, by striking out ''section 1712(a)'' and inserting in lieu thereof ''section 1717(a)(2)''; and

(B) in the second sentence, by striking out ''section 1712(a)'' and inserting in lieu thereof ''section 1717(a)(2)''.

(3) Section 5317(c)(3) is amended by striking out ''sections 1710(a)(1)(I), 1710(a)(2), 1710(b), and 1712(a)(2)(B)'' and inserting in lieu thereof ''subsections (a)(2)(G), (a)(3), and (b) of section 1710''.

(4) Section 8110(a)(2) is amended by striking out ''section 1712'' and inserting in lieu thereof ''section 1710(a)''.

(5) Section 8111A(b)(2)(A) is amended by striking out ''subsection (f) of section 1712'' and inserting in lieu thereof ''subsection (a) of section 1710''.

SEC. 102. REVISION IN AUTHORITIES FOR PROVISION OF PRIORITY HEALTH CARE FOR CERTAIN VETERANS EXPOSED TO SPECIFIED TOXIC SUBSTANCES.

(a) AUTHORIZED INPATIENT CARE.—Section 1710(e) is amended—

(1) in paragraph (1), by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

''(A) A Vietnam-era herbicide-exposed veteran is eligible (subject to paragraph (2)) for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any disability, notwithstanding that there is insufficient medical evidence to conclude that such disability may be associated with such exposure.

''(B) A radiation-exposed veteran is eligible for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any disease suffered by the veteran that is—

''(i) a disease listed in section 1112(c)(2) of this title; or

''(ii) any other disease for which the Secretary, based on the advice of the Advisory Committee on Environmental Hazards, determines that there is credible evidence of a positive association between occurrence of the disease in humans and exposure to ionizing radiation.''; and

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

''(2)(A) In the case of a veteran described in paragraph (1)(A), hospital care, medical services, and nursing home care may not be provided under subsection (a)(2)(F) with respect to—

''(i) a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure described in paragraph (4)(A)(ii); or

''(ii) a disease for which the National Academy of Sciences, in a report issued in accordance with section 2 of the Agent Orange Act of 1991, has determined that there is limited or suggestive evidence of the lack of a positive association between occurrence of the disease in humans and exposure to a herbicide agent.

''(B) In the case of a veteran described in paragraph (1)(C), hospital care, medical services, and nursing home care may not be provided under subsection (a)(2)(F) with respect to a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure described in that paragraph.

''(3) Hospital care, medical services, and nursing home care may not be provided under or by virtue of subsection (a)(2)(F)—

''(A) in the case of care for a veteran described in paragraph (1)(A), after December 31, 2002; and

''(B) in the case of care for a veteran described in paragraph (1)(C), after December 31, 1998.

''(4) For purposes of this subsection—

''(A) The term 'Vietnam-era herbicide-exposed veteran' means a veteran (i) who served on active duty in the Republic of Vietnam during the Vietnam era, and (ii) who the Secretary finds may have been exposed during such service to dioxin or was exposed during such service to a toxic substance found in a herbicide or defoliant used for military purposes during such era.

''(B) The term 'radiation-exposed veteran' has the meaning given that term in section 1112(c)(3) of this title.''.

(b) SAVINGS PROVISIONS.—The provisions of sections 1710(e) and 1712(a) of title 38, United States Code, as in effect on the day before the date of the enactment of this Act, shall continue to apply on and after such date with respect to the furnishing of hospital care, nursing home care, and medical services for any veteran who was furnished such care or services before such date of enactment on the basis of presumed exposure to a substance or radiation under the authority of those provisions, but only for treatment for a disability for which such care or services were furnished before such date.

SEC. 103. PROSTHETICS AND PREVENTIVE CARE.

(a) ELIGIBILITY.—Section 1701(6)(A)(i) is amended—

(1) by striking out ''(in the case of a person otherwise receiving care or services under this chapter)'' and ''(except under the conditions described in section 1712(a)(5)(A) of this title),'';

(2) by inserting ''(in the case of a person otherwise receiving care or services under this chapter)'' before ''wheelchairs,''; and

(3) by inserting ''except that the Secretary may not furnish sensori-neural aids other than in accordance with guidelines which the Secretary shall prescribe,'' after ''reasonable and necessary,''.

(b) REGULATIONS.—Not later than 30 days after the date of the enactment of this Act,

the Secretary of Veterans Affairs shall prescribe the guidelines required by the amendments made by subsection (a) and shall furnish a copy of those guidelines to the Committees on Veterans' Affairs of the Senate and House of Representatives.

SEC. 104. MANAGEMENT OF HEALTH CARE.

(a) IN GENERAL.—(1) Chapter 17 is amended by inserting after section 1704 the following new sections:

"§ 1705. Management of health care: patient enrollment system

''(a) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary, in accordance with regulations the Secretary shall prescribe, shall establish and operate a system of annual patient enrollment. The Secretary shall manage the enrollment of veterans in accordance with the following priorities, in the order listed:

''(1) Veterans with service-connected disabilities rated 50 percent or greater.

''(2) Veterans with service-connected disabilities rated 30 percent or 40 percent.

''(3) Veterans who are former prisoners of war, veterans with service-connected disabilities rated 10 percent or 20 percent, and veterans described in subparagraphs (B) and (C) of section 1710(a)(2) of this title.

''(4) Veterans who are in receipt of increased pension based on a need of regular aid and attendance or by reason of being permanently housebound and other veterans who are catastrophically disabled.

''(5) Veterans not covered by paragraphs (1) through (4) who are unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

''(6) All other veterans eligible for hospital care, medical services, and nursing home care under section 1710(a)(2) of this title.

(7) Veterans described in section 1710(a)(3) of this title.

''(b) In the design of an enrollment system under subsection (a), the Secretary—

''(1) shall ensure that the system will be managed in a manner to ensure that the provision of care to enrollees is timely and acceptable in quality;

''(2) may establish additional priorities within each priority group specified in subsection (a), as the Secretary determines necessary; and

''(3) may provide for exceptions to the specified priorities where dictated by compelling medical reasons.

''(c)(1) Effective on October 1, 1998, the Secretary may not provide hospital care or medical services to a veteran under paragraph (2) or (3) of section 1710(a) of this title unless the veteran enrolls in the system of patient enrollment established by the Secretary under subsection (a).

''(2) The Secretary shall provide hospital care and medical services under section 1710(a)(1) of this title, and under subparagraph (B) of section 1710(a)(2) of this title, for the 12-month period following such veteran's discharge or release from service, to any veteran referred to in such sections for a disability specified in the applicable subparagraph of such section, notwithstanding the failure of the veteran to enroll in the system of patient enrollment referred to in subsection (a) of this section.

"§ 1706. Management of health care: other requirements

''(a) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall, to the extent feasible, design, establish and manage health care programs in such a manner as to promote cost-effective delivery of health care services in the most clinically appropriate setting.

''(b)(1) In managing the provision of hospital care and medical services under such section, the Secretary shall ensure that the Department maintains its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) within distinct programs or facilities of the Department that are dedicated to the specialized needs of those veterans in a manner that (A) affords those veterans reasonable access to care and services for those specialized needs, and (B) ensures that overall capacity of the Department to provide such services is not reduced below the capacity of the Department, nationwide, to provide those services, as of the date of the enactment of this section. The Secretary shall carry out this paragraph in consultation with the Advisory Committee on Prosthetics and Special Disabilities Programs and the Committee on Care of Severely Chronically Mentally Ill Veterans.

''(2) Not later than April 1, 1997, April 1, 1998, and April 1, 1999, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's compliance, by facility and by service-network, with the requirements of this subsection.''.

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 1704 the following new items:

''1705. Management of health care: patient enrollment system.

''1706. Management of health care: other requirements.''.

(b) CONFORMING AMENDMENTS TO SECTION 1703.—Section 1703(a) is amended—

(1) in the matter preceding paragraph (1), by striking out ''or 1712'';

(2) in paragraph (2)—

(A) by striking out ''1712(a)(1)(B)'' in subparagraph (A) and inserting in lieu thereof ''1710(a)(1)(B)'';

(B) by striking out subparagraph (B) and inserting in lieu thereof the following:

''(B) a veteran who (i) has been furnished hospital care, nursing home care, domiciliary care, or medical services, and (ii) requires medical services to complete treatment incident to such care or services; or''; and

(C) by striking ''section 1712(a)(3) (other than a veteran who is a former prisoner of war) of this title'' in subparagraph (C) and inserting in lieu thereof ''section 1710(a)(2)(E) of this title, or a veteran who is in receipt of increased pension, or additional compensation or allowances based on the need of regular aid and attendance or by reason of being permanently housebound (or who, but for the receipt of retired pay, would be in receipt of such pension, compensation, or allowance),''; and

(3) in paragraph (7), by striking out ''1712(b)(1)(F)'' and inserting in lieu thereof ''1712(a)(1)(F)''.

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Department of Veterans Affairs for the Medical Care account, for the purposes specified for that account in Public Law 103–327 (108 Stat. 2300), including the cost of providing hospital care and medical services under the amendments made by section this title, not to exceed $17,250,000,000 for fiscal year 1997 and not to exceed $17,900,000,000 for fiscal year 1998.

SEC. 106. ASSESSMENT OF IMPLEMENTATION AND OPERATION.

(a) ASSESSMENT SYSTEMS.—The Secretary of Veterans Affairs shall establish information systems to assess the experience of the Department of Veterans Affairs in implementing sections 101, 103, and 104, including the amendments made by those sections, during fiscal year 1997. The Secretary shall establish those information systems in time to include assessments under such systems in the report required under subsection (b).

(b) REPORT.—Not later than March 1, 1998, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report reflecting the experience of the Department during fiscal year 1997 on—

(1) the effect of implementation of, and provision and management of care under, sections 101, 103, and 104 (including the amendments made by those sections) on demand for health care services from the Department of Veterans Affairs by veterans described in paragraphs (1), (2), and (3) of section 1710(a) of title 38, United States Code, as amended by section 101;

(2) any differing patterns of demand on the part of such veterans relating to such factors as relative distance from Department facilities and prior experience, or lack of experience, as recipients of care from the Department;

(3) the extent to which the Department has met such demand for care; and

(4) changes in health-care delivery patterns in Department facilities and the fiscal impact of such changes.

(c) MATTERS TO BE INCLUDED.—The report under subsection (b) shall include detailed information with respect to fiscal year 1997 regarding the following:

(1) The number of veterans enrolled for care at each Department medical facility and, of such veterans, the number enrolled at each such facility who had not received care from the Department during the preceding three fiscal years.

(2) With respect to the veterans who had not received care from the Department during the three preceding fiscal years, the total cost of providing care to such veterans, shown in total and separately (A) by level of care, and (B) by reference to whether care was furnished in Department facilities or under contract arrangements.

(3) With respect to the number of veterans described in paragraphs (1), (2), and (3) of section 1710(a) of title 38, United States Code, as amended by section 101, who applied for health care from the Department during fiscal year 1997—

(A) the number who applied for care (shown in total and separately by facility);

(B) the number who were denied enrollment (shown in total and separately by facility); and

(C) the number who were denied care which was considered to be medically necessary but not of an emergency nature (shown in total and separately by facility).

(4) The numbers and characteristics of, and the type and extent of health care furnished to, veterans enrolled for care (shown in total and separately by facility).

(5) The numbers and characteristics of, and the type and extent of health care furnished to, veterans not enrolled for care (shown separately by reference to each class of eligibility, both in total and separately by facility).

(6) The specific fiscal impact (shown in total and by geographic health-care delivery areas) of changes in delivery patterns instituted under the amendments made by this title.

TITLE II—CONSTRUCTION AUTHORIZATION

SEC. 201. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.

(a) AMBULATORY CARE ADDITION PROJECTS.—The Secretary of Veterans Affairs may carry out the following ambulatory care addition major medical facility

projects, with each project to be carried out in the amount specified for that project:

(1) Construction of an ambulatory care facility and renovation of ''E'' wing, Tripler Army Hospital, Honolulu, Hawaii, $43,000,000.

(2) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Brockton, Massachusetts, $13,500,000.

(3) Addition of ambulatory care facilities for outpatient improvements at the Department of Veterans Affairs medical center in Shreveport, Louisiana, $25,000,000.

(4) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Lyons, New Jersey, $21,100,000.

(5) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Tomah, Wisconsin, $12,700,000.

(6) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Asheville, North Carolina, $26,300,000.

(7) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Temple, Texas, $9,800,000.

(8) Addition of ambulatory care facilities at the Department of Veterans Affairs medical center in Tucson, Arizona, $35,500,000.

(9) Construction of an ambulatory care facility at the Department of Veterans Affairs medical center in Leavenworth, Kansas, $27,750,000.

(b) ENVIRONMENTAL IMPROVEMENT PROJECTS.—The Secretary may carry out the following environmental improvement major medical facility projects, with each project to be carried out in the amount specified for that project:

(1) Environmental improvements for the renovation of nursing home facilities at the Department of Veterans Affairs medical center in Lebanon, Pennsylvania, $9,500,000.

(2) Environmental improvements at the Department of Veterans Affairs medical center in Marion, Illinois, $11,500,000.

(3) Environmental improvements for ward renovation for patient privacy at the Department of Veterans Affairs medical center in Omaha, Nebraska, $7,700,000.

(4) Environmental improvements at the Department of Veterans Affairs medical center in Pittsburgh, Pennsylvania, $17,400,000.

(5) Environmental improvements for the renovation of various buildings at the Department of Veterans Affairs medical center in Waco, Texas, $26,000,000.

(6) Environmental improvements for the replacement of psychiatric beds at the Department of Veterans Affairs medical center in Marion, Indiana, $17,300,000.

(7) Environmental improvements for the renovation of psychiatric wards at the Department of Veterans Affairs medical center in Perry Point, Maryland, $15,100,000.

(8) Environmental enhancement at the Department of Veterans Affairs medical center in Salisbury, North Carolina, $18,200,000.

(c) SEISMIC CORRECTION PROJECT.—The Secretary may carry out seismic corrections to Building Number 324 at the Department of Veterans Affairs medical center in Palo Alto, California, in the amount of $20,800,000.

(d) PROJECT AUTHORIZATION WHEN PARTIAL FUNDING PROVIDED.—If the amount of funds appropriated for fiscal year 1997 or 1998 for design and partial construction of a major medical facility project that is authorized in this section is less than the amount required to complete the construction of that project as authorized and if the Secretary obligates funds for such construction, such project shall be deemed to be fully authorized. Any such authorization shall cease to have effect at the close of fiscal year 2001.

SEC. 202. AUTHORIZATION OF MAJOR MEDICAL FACILITY LEASES.

The Secretary of Veterans Affairs may enter into leases for medical facilities as follows:

(1) Lease of a satellite outpatient clinic in Allentown, Pennsylvania, in an amount not to exceed $2,159,000.

(2) Lease of a satellite outpatient clinic in Beaumont, Texas, in an amount not to exceed $1,940,000.

(3) Lease of a satellite outpatient clinic in Boston, Massachusetts, in an amount not to exceed $2,358,000.

(4) Lease of a parking facility in Cleveland, Ohio, in an amount not to exceed $1,300,000.

(5) Lease of a satellite outpatient clinic and Veterans Benefits Administration field office in San Antonio, Texas, in an amount not to exceed $2,256,000.

(6) Lease of a satellite outpatient clinic in Toledo, Ohio, in an amount not to exceed $2,223,000.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Veterans Affairs for fiscal year 1997 and fiscal year 1998—

(1) for the Construction, Major Projects, account, a total of $358,150,000 for the projects authorized in section 201; and

(2) for the Medical Care account, a total of $12,236,000 for the leases authorized in section 202.

(b) LIMITATION.—The projects authorized in section 201 may only be carried out using—

(1) funds appropriated for fiscal year 1997 or fiscal year 1998 consistent with the authorization of appropriations in subsection (a);

(2) funds appropriated for Construction, Major Projects for a fiscal year before fiscal year 1997 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects for fiscal year 1997 or fiscal year 1998 for a category of activity not specific to a project.

SEC. 204. STRATEGIC PLANNING.

Section 8107 is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking out subsection (a) and inserting in lieu thereof the following new subsections:

''(a) In order to promote effective planning for the efficient provision of care to eligible veterans, the Secretary, based on the analysis and recommendations of the Under Secretary for Health, shall submit to each committee an annual report regarding long-range health planning of the Department. The report shall be submitted each year not later than the date on which the budget for the next fiscal year is submitted to the Congress under section 1105 of title 31.

''(b) Each report under subsection (a) shall include the following:

''(1) A five-year strategic plan for the provision of care under chapter 17 of this title to eligible veterans through coordinated networks of medical facilities operating within prescribed geographic service-delivery areas, such plan to include provision of services for the specialized treatment and rehabilitative needs of disabled veterans (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) through distinct programs or facilities of the Department dedicated to the specialized needs of those veterans.

''(2) A description of how planning for the networks will be coordinated.

''(3) A profile regarding each such network of medical facilities which identifies—

''(A) the mission of each existing or proposed medical facility in the network;

''(B) any planned change in the mission for any such facility and the rationale for such planned change;

''(C) the population of veterans to be served by the network and anticipated changes over a five-year period and a ten-year period, respectively, in that population and in the health-care needs of that population;

''(D) information relevant to assessing progress toward the goal of achieving relative equivalency in the level of resources per patient distributed to each network, such information to include the plans for and progress toward lowering the cost of care-delivery in the network (by means such as changes in the mix in the network of physicians, nurses, physician assistants, and advance practice nurses);

''(E) the capacity of non-Federal facilities in the network to provide acute, long-term, and specialized treatment and rehabilitative services (described in section 7305 of this title), and determinations regarding the extent to which services to be provided in each service-delivery area and each facility in such area should be provided directly through facilities of the Department or through contract or other arrangements, including arrangements authorized under sections 8111 and 8153 of this title; and

''(F) a five-year plan for construction, replacement, or alteration projects in support of the approved mission of each facility in the network and a description of how those projects will improve access to care, or quality of care, for patients served in the network.

''(4) A status report for each facility on progress toward—

''(A) instituting planned mission changes identified under paragraph (3)(B);

''(B) implementing principles of managed care of eligible veterans; and

''(C) developing and instituting cost-effective alternatives to provision of institutional care.''; and

(3) by adding at the end the following new subsection:

''(d)(1) The Secretary shall submit to each committee, not later than January 31 of each year, a report showing the current priorities of the Department for proposed major medical construction projects. Each such report shall identify the 20 projects, from within all the projects in the Department's inventory of proposed projects, that have the highest priority and, for those 20 projects, the relative priority and rank scoring of each such project and the projected cost of such project (including the projected operating costs, including both recurring and nonrecurring costs). The 20 projects shall be compiled, and their relative rankings shall be shown, by category of project (including the categories of ambulatory care projects, nursing home care projects, and such other categories as the Secretary determines).

''(2) The Secretary shall include in each report, for each project listed, a description of the specific factors that account for the relative ranking of that project in relation to other projects within the same category.

''(3) In a case in which the relative ranking of a proposed project has changed since the last report under this subsection was submitted, the Secretary shall also include in the report a description of the reasons for the change in the ranking, including an explanation of any change in the scoring of the project under the Department's scoring system for proposed major medical construction projects.''.

SEC. 205. REVISION TO PROSPECTUS REQUIREMENTS.

(a) ADDITIONAL INFORMATION.—Section 8104(b) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

''(b) Whenever the President or the Secretary submit to the Congress a request for the funding of a major medical facility project (as defined in subsection (a)(3)(A)) or a major medical facility lease (as defined in subsection (a)(3)(B)), the Secretary shall submit to each committee, on the same day, a prospectus of the proposed medical facility. Any such prospectus shall include the following:'';

(2) in paragraph (1)—

(A) by striking out ''a detailed'' and inserting in lieu thereof ''A detailed''; and

(B) by striking out the semicolon at the end and inserting in lieu thereof a period;

(3) in paragraph (2)—

(A) by striking out ''an estimate'' and inserting in lieu thereof ''An estimate''; and

(B) by striking out ''; and'' and inserting in lieu thereof a period;

(4) in paragraph (3), by striking out ''an estimate'' and inserting in lieu thereof ''An estimate''; and

(5) by adding at the end the following new paragraphs:

''(4) Demographic data applicable to such facility, including information on projected changes in the population of veterans to be served by the facility over a five-year period and a ten-year period.

''(5) Current and projected workload and utilization data regarding the facility.

''(6) Current and projected operating costs of the facility, including both recurring and non-recurring costs.

''(7) The priority score assigned to the project or lease under the Department's prioritization methodology and, if the project or lease is being proposed for funding before a project or lease with a higher score, a specific explanation of the factors other than the priority score that were considered and the basis on which the project or lease is proposed for funding ahead of projects or leases with higher priority scores.

''(8) In the case of a prospectus proposing the construction of a new or replacement medical facility, a description of each alternative to construction of the facility that was considered.''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to any prospectus submitted by the Secretary of Veterans Affairs after the date of the enactment of this Act.

SEC. 206. CONSTRUCTION AUTHORIZATION REQUIREMENTS.

(a) DEFINITION OF MAJOR MEDICAL FACILITY PROJECT.—Paragraph (3)(A) of section 8104(a) is amended by striking out ''$3,000,000'' and inserting in lieu thereof ''$4,000,000''.

(b) APPLICABILITY OF CONSTRUCTION AUTHORIZATION REQUIREMENT.—(1) Subsection (b) of section 301 of the Veterans' Medical Programs Amendments of 1992 (Public Law 102–405; 106 Stat. 1984) is repealed.

(2) The amendments made by subsection (a) of such section shall apply with respect to any major medical facility project or any major medical facility lease of the Department of Veterans Affairs, regardless of when funds are first appropriated for that project or lease, except that in the case of a project for which funds were first appropriated before October 9, 1992, such amendments shall not apply with respect to amounts appropriated for that project for a fiscal year before fiscal year 1998.

(c) LIMITATION ON OBLIGATIONS FOR ADVANCE PLANNING.—Section 8104 is amended by adding at the end the following new subsection:

''(f) The Secretary may not obligate funds in an amount in excess of $500,000 from the Advance Planning Fund of the Department toward design or development of a major medical facility project (as defined in subsection (a)(3)(A)) until—

''(1) the Secretary submits to the committees a report on the proposed obligation; and

''(2) a period of 30 days has passed after the date on which the report is received by the committees.''.

SEC. 207. TERMINOLOGY CHANGES.

(a) DEFINITION OF ''CONSTRUCT''.—Section 8101(2) is amended—

(1) by striking out ''working drawings'' and inserting in lieu thereof ''construction documents''; and

(2) by striking out ''preliminary plans'' and inserting in lieu thereof ''design development''.

(b) PARKING FACILITIES.—Section 8109(h)(3)(B) is amended by striking out ''working drawings'' and inserting in lieu thereof ''construction documents''.

TITLE III—HEALTH CARE AND ADMINISTRATION

Subtitle A—Health Care Sharing and Administration

SEC. 301. REVISION OF AUTHORITY TO SHARE MEDICAL FACILITIES, EQUIPMENT, AND INFORMATION.

(a) STATEMENT OF PURPOSE.—The text of section 8151 is amended to read as follows:

''It is the purpose of this subchapter to strengthen the medical programs at Department facilities and improve the quality of health care provided veterans under this title by authorizing the Secretary to enter into agreements with health-care providers in order to share health-care resources with, and receive health-care resources from, such providers while ensuring no diminution of services to veterans.''.

(b) DEFINITIONS.—Section 8152 is amended—

(1) by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following new paragraphs (1) and (2):

''(1) The term 'health-care resource' includes hospital care and medical services (as those terms are defined in section 1701 of this title), any other health-care service, and any health-care support or administrative resource.

''(2) The term 'health-care providers' includes health-care plans and insurers and any organizations, institutions, or other entities or individuals who furnish health-care resources.''; and

(2) by redesignating paragraph (4) as paragraph (3).

(c) AUTHORITY TO SECURE HEALTH-CARE RESOURCES.—Section 8153 is amended as follows:

(1) Subsection (a) is amended—

(A) in paragraph (1)—

(i) by striking out ''certain specialized medical resources'' and inserting in lieu thereof ''health-care resources'';

(ii) by striking out ''other medical resources'' and inserting in lieu thereof ''other health-care resources''; and

(iii) by striking out ''of—'' and all that follows through ''section 1742(a) of this title'' and inserting in lieu thereof ''of health-care resources between Department health-care facilities and any health-care provider, or other entity or individual'';

(B) in paragraph (2), by striking out ''only'' and all that follows through ''are not'' and inserting in lieu thereof ''if such resources are not, or would not be,''; and

(C) by adding at the end the following:

''(3)(A) If the health-care resource required is a commercial service, the use of medical equipment or space, or research, and is to be acquired from an institution affiliated with the Department in accordance with section 7302 of this title, including medical practice groups and other entities associated with affiliated institutions, blood banks, organ banks, or research centers, the Secretary may make arrangements for acquisition of the resource without regard to any law or regulation that would otherwise require the use of competitive procedures for acquiring the resource.

''(B)(i) If the health-care resource required is a commercial service or the use of medical equipment or space, and is not to be acquired from an entity described in subparagraph (A), any procurement of the resource may be conducted without regard to any law or regulation that would otherwise require the use of competitive procedures for procuring the resource, but only if the procurement is conducted in accordance with the simplified procedures prescribed pursuant to clause (ii).

''(ii) The Secretary, in consultation with the Administrator for Federal Procurement Policy, may prescribe simplified procedures for the procurement of health-care resources under this subparagraph. The Secretary shall publish such procedures for public comment in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b). Such procedures shall permit all responsible sources to submit a bid, proposal, or quotation (as appropriate) for the resources to be procured and provide for the consideration by the Department of bids, proposals, or quotations so submitted.

''(iii) Pending publication of the procedures under clause (ii), the Secretary shall (except as provided under subparagraph (A)) procure health-care resources referred to in clause (i) in accordance with all procurement laws and regulations.

''(C) Any procurement of health-care resources other than those covered by subparagraph (A) or (B) shall be conducted in accordance with all procurement laws and regulations.

''(D) For any procurement to be conducted on a sole source basis other than a procurement covered by subparagraph (A), a written justification shall be prepared that includes the information and is approved at the levels prescribed in section 303(f) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)).

''(E) As used in this paragraph, the term 'commercial service' means a service that is offered and sold competitively in the commercial marketplace, is performed under standard commercial terms and conditions, and is procured using firm-fixed price contracts.''.

(2) Subsection (b) is amended by striking out ''reciprocal reimbursement'' in the first sentence and all that follows through the period at the end of that sentence and inserting in lieu thereof ''payment to the Department in accordance with procedures that provide appropriate flexibility to negotiate payment which is in the best interest of the Government.''.

(3) Subsection (d) is amended by striking out ''preclude such payment, in accordance with—'' and all that follows through ''to such facility therefor'' and inserting in lieu thereof ''preclude such payment to such facility for such care or services''.

(4) Such section is further amended—

(A) by redesignating subsection (e) as subsection (g); and

(B) by inserting after subsection (d) the following new subsections:

''(e) The Secretary may make an arrangement that authorizes the furnishing of services by the Secretary under this section to individuals who are not veterans only if the Secretary determines—

''(1) that veterans will receive priority under such an arrangement; and

''(2) that such an arrangement—

''(A) is necessary to maintain an acceptable level and quality of service to veterans at that facility; or

''(B) will result in the improvement of services to eligible veterans at that facility.

''(f) Any amount received by the Secretary from a non-Federal entity as payment for services provided by the Secretary during a prior fiscal year under an agreement entered into under this section may be obligated by the Secretary during the fiscal year in which the Secretary receives the payment.''.

(d) CLERICAL AMENDMENTS.—(1) The heading of section 8153 is amended to read as follows:

''§ 8153. Sharing of health-care resources''.

(2) The item relating to section 8153 in the table of sections at the beginning of chapter 81 is amended to read as follows:

''8153. Sharing of health-care resources.''.

SEC. 302. IMPROVED EFFICIENCY IN HEALTH CARE RESOURCE MANAGEMENT.

(a) TEMPORARY EXPANSION OF AUTHORITY FOR SHARING AGREEMENTS.—Section 201 of the Veterans Health Care Act of 1992 (Public Law 102–585; 38 U.S.C. 8111 note) is amended—

(1) by inserting ''(a) AUTHORITY.—'' before ''The Secretary of Veterans Affairs''; and

(2) by adding at the end thereof the following new subsection:

''(b) USE OF FUNDS.—Any amount received by the Secretary from a non-Federal entity as payment for services provided by the Secretary during a prior fiscal year under an agreement entered into under this section may be obligated by the Secretary during the fiscal year in which the Secretary receives the payment.''.

(b) REPEAL OF SUNSET PROVISION.—(1) Section 204 of such Act (38 U.S.C. 8111 note) is repealed.

(2) Any services provided pursuant to agreements entered into under section 201 of such Act (38 U.S.C. 8111 note) during the period beginning on October 1, 1996, and ending on the date of the enactment of this Act are hereby ratified.

(c) COST RECOVERY.—Title II of such Act is further amended by adding at the end the following new section:

''SEC. 207. AUTHORITY TO BILL HEALTH-PLAN CONTRACTS.

''(a) RIGHT TO RECOVER.—In the case of a primary beneficiary (as described in section 201(a)(2)(B)) who has coverage under a health-plan contract, as defined in section 1729(i)(1)(A) of title 38, United States Code, and who is furnished care or services by a Department medical facility pursuant to this title, the United States shall have the right to recover or collect charges for such care or services from such health-plan contract to the extent that the beneficiary (or the provider of the care or services) would be eligible to receive payment for such care or services from such health-plan contract if the care or services had not been furnished by a department or agency of the United States. Any funds received from such health-plan contract shall be credited to funds that have been allotted to the facility that furnished the care or services.

''(b) ENFORCEMENT.—The right of the United States to recover under such a beneficiary's health-plan contract shall be enforceable in the same manner as that provided by subsections (a)(3), (b), (c)(1), (d), (f), (h), and (i) of section 1729 of title 38, United States Code.''.

SEC. 303. PERSONNEL FURNISHING SHARED RESOURCES.

Section 712(b)(2) is amended—

(1) by striking out ''the sum of—'' and inserting in lieu thereof ''the sum of the following:'';

(2) by capitalizing the first letter of the first word of each of subparagraphs (A) and (B);

(3) by striking out ''; and'' at the end of subparagraph (A) and inserting in lieu thereof a period; and

(4) by adding at the end the following new subparagraph:

''(C) The number of such positions in the Department during that fiscal year held by persons involved in providing health-care resources under section 8111 or 8153 of this title or under section 201 of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4949; 38 U.S.C. 8111 note).''.

SEC. 304. WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATIONS.

Section 510(b) is amended—

(1) in the second sentence, by striking out ''a 90-day period of continuous session of Congress following the date of the submission of the report'' and inserting in lieu thereof ''a 45-day period following the date of the submission of the report, not less than 30 days of which shall be days during which Congress shall have been in continuous session''; and

(2) in the third sentence, by striking out ''such 90–day period'' and inserting in lieu thereof ''any period of continuity of session''.

SEC. 305. REPEAL OF LIMITATIONS ON CONTRACTS FOR CONVERSION OF PERFORMANCE OF ACTIVITIES OF DEPARTMENT HEALTH-CARE FACILITIES AND REVISED ANNUAL REPORTING REQUIREMENT.

Subsection (c) of section 8110 is amended to read as follows:

''(c) The Secretary shall include in the materials submitted to Congress each year in support of the budget of the Department for the next fiscal year a report on activities and proposals involving contracting for performance by contractor personnel of work previously performed by Department employees. The report shall—

''(1) identify those specific activities that are currently performed at a Department facility by more than 10 Department employees which the Secretary proposes to study for possible contracting involving conversion from performance by Department employees to performance by employees of a contractor; and

''(2) identify those specific activities that have been contracted for performance by contractor employees during the prior fiscal year (shown by location, subject, scope of contracts, and savings) and shall describe the effect of such contracts on the quality of delivery of health services during such year.''.

Subtitle B—Care of Women Veterans

SEC. 321. MAMMOGRAPHY QUALITY STANDARDS.

(a) IN GENERAL.—(1) Subchapter II of chapter 73 is amended by adding after section 7318 the following new section:

''§ 7319. Mammography quality standards

''(a) A mammogram may not be performed at a Department facility unless that facility is accredited for that purpose by a private nonprofit organization designated by the Secretary. An organization designated by the Secretary under this subsection shall meet the standards for accrediting bodies established under subsection (e) of section 354 of the Public Health Service Act (42 U.S.C. 263b).

''(b) The Secretary, in consultation with the Secretary of Health and Human Services, shall prescribe quality assurance and quality control standards relating to the performance and interpretation of mammograms and use of mammogram equipment and facilities of the Department of Veterans Affairs consistent with the requirements of section 354(f)(1) of the Public Health Service Act. Such standards shall be no less stringent than the standards prescribed by the Secretary of Health and Human Services under section 354(f) of the Public Health Service Act.

''(c)(1) The Secretary, to ensure compliance with the standards prescribed under subsection (b), shall provide for an annual inspection of the equipment and facilities used by and in Department health care facilities for the performance of mammograms. Such inspections shall be carried out in a manner consistent with the inspection of certified facilities by the Secretary of Health and Human Services under section 354(g) of the Public Health Service Act.

''(2) The Secretary may not provide for an inspection under paragraph (1) to be performed by a State agency.

''(d) The Secretary shall ensure that mammograms performed for the Department under contract with any non-Department facility or provider conform to the quality standards prescribed by the Secretary of Health and Human Services under section 354 of the Public Health Service Act.

''(e) For the purposes of this section, the term 'mammogram' has the meaning given such term in paragraph (5) of section 354(a) of the Public Health Service Act.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7318 the following new item:

''7319. Mammography quality standards.''.

(b) DEADLINE FOR PRESCRIBING STANDARDS.—The Secretary of Veterans Affairs shall prescribe standards under subsection (b) of section 7319 of title 38, United States Code, as added by subsection (a), not later than the end of the 120-day period beginning on the date of the enactment of this Act.

(c) IMPLEMENTATION REPORT.—The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the Secretary's implementation of section 7319 of title 38, United States Code, as added by subsection (a). The report shall be submitted not later than 120 days after the date of the enactment of this Act.

SEC. 322. PATIENT PRIVACY FOR WOMEN PATIENTS.

(a) IDENTIFICATION OF DEFICIENCIES.—The Secretary of Veterans Affairs shall conduct a survey of each medical center under the jurisdiction of the Secretary to identify deficiencies relating to patient privacy afforded to women patients in the clinical areas at each such center which may interfere with appropriate treatment of such patients.

(b) CORRECTION OF DEFICIENCIES.—The Secretary shall ensure that plans and, where appropriate, interim steps to correct the deficiencies identified in the survey conducted under subsection (a) are developed and are incorporated into the Department's construction planning processes and, in cases in which it is cost-effective to do so, are given a high priority.

(c) REPORTS TO CONGRESS.—The Secretary shall compile an annual inventory, by medical center, of deficiencies identified under subsection (a) and of plans and, where appropriate, interim steps, to correct such deficiencies. The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives, not later than October 1, 1997, and not later than October 1 each year thereafter through 1999 a report on such deficiencies. The Secretary shall include in such report the inventory compiled by the Secretary, the proposed corrective plans, and the status of such plans.

SEC. 323. ASSESSMENT OF USE BY WOMEN VETERANS OF DEPARTMENT HEALTH SERVICES.

(a) REPORTS TO UNDER SECRETARY FOR HEALTH.—The Center for Women Veterans of the Department of Veterans Affairs (established under section 509 of Public Law 103–446), in consultation with the Advisory Committee on Women Veterans, shall assess the

use by women veterans of health services through the Department of Veterans Affairs, including counseling for sexual trauma and mental health services. The Center shall submit to the Under Secretary for Health of the Department of Veterans Affairs a report not later than April 1, 1997, and April 1 of each of the two following years, on—

(1) the extent to which women veterans described in paragraphs (1) and (2) of section 1710(a) of title 38, United States Code, fail to seek, or face barriers in seeking, health services through the Department, and the reasons therefor; and

(2) recommendations, if indicated, for encouraging greater use of such services, including (if appropriate) public service announcements and other outreach efforts.

(b) REPORTS TO CONGRESSIONAL COMMITTEES.—Not later than July 1, 1997, and July 1 of each of the two following years, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing—

(1) the most recent report of the Center for Women Veterans under subsection (a);

(2) the views of the Under Secretary for Health on such report's findings and recommendations; and

(3) a description of the steps being taken by the Secretary to remedy any problems described in the report.

SEC. 324. REPORTING REQUIREMENTS.

(a) EXTENSION OF ANNUAL REPORT REQUIREMENT.—Section 107(a) of the Veterans Health Care Act of 1992 (Public Law 102–585; 106 Stat. 4947) is amended by striking out ''Not later than January 1, 1993, January 1, 1994, and January 1, 1995'' and inserting in lieu thereof ''Not later than January 1 of 1993 and each year thereafter through 1998''.

(b) REPORT ON HEALTH CARE AND RESEARCH.—Section 107(b) of such Act is amended—

(1) in paragraph (2)(A), by inserting ''(including information on the number of inpatient stays and the number of outpatient visits through which such services were provided)'' after ''facility''; and

(2) by adding at the end the following new paragraph:

''(5) A description of the actions taken by the Secretary to foster and encourage the expansion of such research.''.

Subtitle C—Readjustment Counseling and Mental Health Care

SEC. 331. EXPANSION OF ELIGIBILITY FOR READJUSTMENT COUNSELING AND CERTAIN RELATED COUNSELING SERVICES.

(a) EXPANSION OF ELIGIBILITY.—Subsection (a) of section 1712A is amended to read as follows:

''(a)(1)(A) Upon the request of any veteran referred to in subparagraph (B), the Secretary shall furnish counseling to the veteran to assist the veteran in readjusting to civilian life. Such counseling may include a general mental and psychological assessment of the veteran to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

''(B) Subparagraph (A) applies to the following veterans:

''(i) Any veteran who served on active duty—

''(I) in a theater of combat operations (as determined by the Secretary in consultation with the Secretary of Defense) during the Vietnam era; or

''(II) after May 7, 1975, in an area at a time during which hostilities occurred in that area.

''(ii) Any veteran (other than a veteran covered by clause (i)) who served on active duty during the Vietnam era who seeks or is furnished such counseling before January 1, 2000.

''(2)(A) Upon the request of any veteran (other than a veteran covered by paragraph (1)) who served in the active military, naval, or air service in a theater of combat operations (as so determined) during a period of war, or in any other area during a period in which hostilities (as defined in subparagraph (B)) occurred in such area, the Secretary may furnish counseling to the veteran to assist the veteran in readjusting to civilian life.

''(B) For the purposes of subparagraph (A), the term 'hostilities' means an armed conflict in which the members of the Armed Forces are subjected to danger comparable to the danger to which members of the Armed Forces have been subjected in combat with enemy armed forces during a period of war, as determined by the Secretary in consultation with the Secretary of Defense.''.

(b) REPEAL OF REFERRAL PROVISIONS.—Subsection (c) of such section is repealed.

SEC. 332. REPORTS RELATING TO VET CENTERS.

(a) REPORT ON COLLOCATION OF VET CENTERS AND DEPARTMENT OUTPATIENT CLINICS.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the feasibility and desirability of providing for the collocation of Vet Centers and outpatient clinics (including rural mobile clinics) of the Department of Veterans Affairs as current leases for such centers and clinics expire.

(2) The report shall include an assessment of the following:

(A) The results of any collocation of Vet Centers and outpatient clinics carried out by the Secretary before the date of the enactment of this Act, including the effects of such collocation on the quality of care provided at such centers and clinics.

(B) The effect of such collocation on the capacity of such centers and clinics to carry out their primary mission.

(C) The extent to which such collocation will impair the operational independence or administrative integrity of such centers and clinics.

(D) The feasibility of combining the services provided by such centers and clinics in the course of such collocation.

(E) The advisability of the collocation of centers and clinics of significantly different size.

(F) The effect of the locations (including urban and rural locations) of the centers and clinics on the feasibility and desirability of such collocation.

(G) The amount of any costs savings to be achieved by Department as a result of such collocation.

(H) Any other matter that the Secretary considers appropriate.

(b) REPORT ON PROVISION OF LIMITED HEALTH CARE SERVICES AT READJUSTMENT COUNSELING CENTERS.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the feasibility and desirability of providing a limited battery of health care services (including ambulatory services and health care screening services) to veterans at Department of Veterans Affairs readjustment counseling centers.

(2) The report shall include a discussion of the following:

(A) The effect on the advisability of providing health care services at readjustment counseling centers of the geographic location of such centers, including the urban location and rural location of such centers and the proximity of such centers to Department of Veterans Affairs medical facilities.

(B) The effect on the advisability of providing such services at such centers of the type and level of services to be provided, and the demographic characteristics (including age, socio-economic status, ethnicity, and sex) of veterans likely to be provided the services.

(C) The effect of providing such services at such centers on the readjustment counseling center program in general and on the efficiency and autonomy of the clinical and administrative operations of the readjustment counseling centers in particular.

(D) Any other matter that the Secretary considers appropriate.

(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to preclude the Secretary, during the period before the submission of the reports under this section, from providing limited health care services at Vet Centers.

SEC. 333. ADVISORY COMMITTEE ON THE READJUSTMENT OF VETERANS.

(a) IN GENERAL.—(1) Subchapter III of chapter 5 is amended by inserting after section 544 the following new section:

''§ 545. Advisory Committee on the Readjustment of Veterans

''(a)(1) There is in the Department the Advisory Committee on the Readjustment of Veterans (hereinafter in this section referred to as the 'Committee').

''(2) The Committee shall consist of not more than 18 members appointed by the Secretary from among individuals who—

''(A) have demonstrated significant civic or professional achievement; and

''(B) have experience with the provision of veterans benefits and services by the Department.

''(3) The Secretary shall seek to ensure that members appointed to the Committee include individuals from a wide variety of geographic areas and ethnic backgrounds, individuals from veterans service organizations, individuals with combat experience, and women.

''(4) The Secretary shall determine the terms of service and pay and allowances of the members of the Committee, except that a term of service may not exceed two years. The Secretary may reappoint any member for additional terms of service.

''(b)(1) The Secretary shall, on a regular basis, consult with and seek the advice of the Committee with respect to the provision by the Department of benefits and services to veterans in order to assist veterans in the readjustment to civilian life.

''(2)(A) In providing advice to the Secretary under this subsection, the Committee shall—

''(i) assemble and review information relating to the needs of veterans in readjusting to civilian life;

''(ii) provide information relating to the nature and character of psychological problems arising from service in the Armed Forces;

''(iii) provide an on-going assessment of the effectiveness of the policies, organizational structures, and services of the Department in assisting veterans in readjusting to civilian life; and

''(iv) provide on-going advice on the most appropriate means of responding to the readjustment needs of veterans in the future.

''(B) In carrying out its duties under subparagraph (A), the Committee shall take into special account the needs of veterans who have served in a theater of combat operations.

''(c)(1) Not later than March 31 of each year, the Committee shall submit to the Secretary a report on the programs and activities of the Department that relate to the readjustment of veterans to civilian life. Each such report shall include—

''(A) an assessment of the needs of veterans with respect to readjustment to civilian life;

''(B) a review of the programs and activities of the Department designed to meet such needs; and

''(C) such recommendations (including recommendations for administrative and legislative action) as the Committee considers appropriate.

''(2) Not later than 90 days after the receipt of a report under paragraph (1), the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a copy of the report, together with any comments and recommendations concerning the report that the Secretary considers appropriate.

''(3) The Committee may also submit to the Secretary such other reports and recommendations as the Committee considers appropriate.

''(4) The Secretary shall submit with each annual report submitted to the Congress pursuant to section 529 of this title a summary of all reports and recommendations of the Committee submitted to the Secretary since the previous annual report of the Secretary submitted pursuant to that section.

''(d)(1) Except as provided in paragraph (2), the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the activities of the Committee under this section.

''(2) Section 14 of such Act shall not apply to the Committee.''.

(2) The table of sections at the beginning of chapter 5 is amended by inserting after the item relating to section 544 the following new item:

''545. Advisory Committee on the Readjustment of Veterans.''.

(b) ORIGINAL MEMBERS.—(1) Notwithstanding subsection (a)(2) of section 545 of title 38, United States Code (as added by subsection (a)), the members of the Advisory Committee on the Readjustment of Vietnam and Other War Veterans on the date of the enactment of this Act shall be the original members of the advisory committee recognized under such section.

(2) The original members shall so serve until the Secretary of Veterans Affairs carries out appointments under such subsection (a)(2). The Secretary of Veterans Affairs shall carry out such appointments as soon after such date as is practicable. The Secretary may make such appointments from among such original members.

SEC. 334. CENTERS FOR MENTAL ILLNESS RESEARCH, EDUCATION, AND CLINICAL ACTIVITIES.

(a) IN GENERAL.—(1) Subchapter II of chapter 73 is amended by adding after section 7319, as added by section 321(a)(1), the following new section:

''§ 7320. Centers for mental illness research, education, and clinical activities

''(a) The purpose of this section is to provide for the improvement of the provision of health-care services and related counseling services to eligible veterans suffering from mental illness (especially mental illness related to service-related conditions) through—

''(1) the conduct of research (including research on improving mental health service facilities of the Department and on improving the delivery of mental health services by the Department);

''(2) the education and training of health care personnel of the Department; and

''(3) the development of improved models and systems for the furnishing of mental health services by the Department.

''(b)(1) The Secretary shall establish and operate centers for mental illness research, education, and clinical activities. Such centers shall be established and operated by collaborating Department facilities as provided in subsection (c)(1). Each such center shall function as a center for—

''(A) research on mental health services;

''(B) the use by the Department of specific models for furnishing services to treat serious mental illness;

''(C) education and training of health-care professionals of the Department; and

''(D) the development and implementation of innovative clinical activities and systems of care with respect to the delivery of such services by the Department.

''(2) The Secretary shall, upon the recommendation of the Under Secretary for Health, designate the centers under this section. In making such designations, the Secretary shall ensure that the centers designated are located in various geographic regions of the United States. The Secretary may designate a center under this section only if—

''(A) the proposal submitted for the designation of the center meets the requirements of subsection (c);

''(B) the Secretary makes the finding described in subsection (d); and

''(C) the peer review panel established under subsection (e) makes the determination specified in subsection (e)(3) with respect to that proposal.

''(3) Not more than five centers may be designated under this section.

''(4) The authority of the Secretary to establish and operate centers under this section is subject to the appropriation of funds for that purpose.

''(c) A proposal submitted for the designation of a center under this section shall—

''(1) provide for close collaboration in the establishment and operation of the center, and for the provision of care and the conduct of research and education at the center, by a Department facility or facilities in the same geographic area which have a mission centered on care of the mentally ill and a Department facility in that area which has a mission of providing tertiary medical care;

''(2) provide that no less than 50 percent of the funds appropriated for the center for support of clinical care, research, and education will be provided to the collaborating facility or facilities that have a mission centered on care of the mentally ill; and

''(3) provide for a governance arrangement between the collaborating Department facilities which ensures that the center will be established and operated in a manner aimed at improving the quality of mental health care at the collaborating facility or facilities which have a mission centered on care of the mentally ill.

''(d) The finding referred to in subsection (b)(2)(B) with respect to a proposal for designation of a site as a location of a center under this section is a finding by the Secretary, upon the recommendation of the Under Secretary for Health, that the facilities submitting the proposal have developed (or may reasonably be anticipated to develop) each of the following:

''(1) An arrangement with an accredited medical school that provides education and training in psychiatry and with which one or more of the participating Department facilities is affiliated under which medical residents receive education and training in psychiatry through regular rotation through the participating Department facilities so as to provide such residents with training in the diagnosis and treatment of mental illness.

''(2) An arrangement with an accredited graduate program of psychology under which students receive education and training in clinical, counseling, or professional psychology through regular rotation through the participating Department facilities so as to provide such students with training in the diagnosis and treatment of mental illness.

''(3) An arrangement under which nursing, social work, counseling, or allied health personnel receive training and education in mental health care through regular rotation through the participating Department facilities.

''(4) The ability to attract scientists who have demonstrated achievement in research—

''(A) into the evaluation of innovative approaches to the design of mental health services; or

''(B) into the causes, prevention, and treatment of mental illness.

''(5) The capability to evaluate effectively the activities of the center, including activities relating to the evaluation of specific efforts to improve the quality and effectiveness of mental health services provided by the Department at or through individual facilities.

''(e)(1) In order to provide advice to assist the Secretary and the Under Secretary for Health to carry out their responsibilities under this section, the official within the central office of the Veterans Health Administration responsible for mental health and behavioral sciences matters shall establish a peer review panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the designation of centers under this section.

''(2) The panel shall consist of experts in the fields of mental health research, education and training, and clinical care. Members of the panel shall serve as consultants to the Department.

''(3) The panel shall review each proposal submitted to the panel by the official referred to in paragraph (1) and shall submit to that official its views on the relative scientific and clinical merit of each such proposal. The panel shall specifically determine with respect to each such proposal whether that proposal is among those proposals which have met the highest competitive standards of scientific and clinical merit.

''(4) The panel shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

''(f) Clinical and scientific investigation activities at each center established under this section—

''(1) may compete for the award of funding from amounts appropriated for the Department of Veterans Affairs medical and prosthetics research account; and

''(2) shall receive priority in the award of funding from such account insofar as funds are awarded to projects and activities relating to mental illness.

''(g) The Under Secretary for Health shall ensure that at least three centers designated under this section emphasize research into means of improving the quality of care for veterans suffering from mental illness through the development of community-based alternatives to institutional treatment for such illness.

''(h) The Under Secretary for Health shall ensure that information produced by the research, education and training, and clinical activities of centers established under this section that may be useful for other activities of the Veterans Health Administration is disseminated throughout the Veterans Health Administration. Such dissemination shall be made through publications, through programs of continuing medical and related education provided through regional medical

education centers under subchapter VI of chapter 74 of this title, and through other means. Such programs of continuing medical education shall receive priority in the award of funding.

''(i) The official within the central office of the Veterans Health Administration responsible for mental health and behavioral sciences matters shall be responsible for supervising the operation of the centers established pursuant to this section and shall provide for ongoing evaluation of the centers and their compliance with the requirements of this section.

''(j)(1) There are authorized to be appropriated to the Department of Veterans Affairs for the basic support of the research and education and training activities of centers established pursuant to this section amounts as follows:

''(A) $3,125,000 for fiscal year 1998.

''(B) $6,250,000 for each of fiscal years 1999 through 2001.

''(2) In addition to funds appropriated for a fiscal year pursuant to the authorization of appropriations in paragraph (1), the Under Secretary for Health shall allocate to such centers from other funds appropriated for that fiscal year generally for the Department of Veterans Affairs medical care account and the Department of Veterans Affairs medical and prosthetics research account such amounts as the Under Secretary for Health determines appropriate to carry out the purposes of this section.''.

(2) The table of sections at the beginning of chapter 73 is amended by inserting after the item relating to section 7319, as added by section 321(a)(2), the following new item:

''7320. Centers for mental illness research, education, and clinical activities.''.

(b) ANNUAL REPORTS.—Not later than February 1 of each of 1999, 2000, 2001, and 2002, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the status and activities during the previous fiscal year of the centers for mental illness research, education, and clinical activities established pursuant to section 7320 of title 38, United States Code (as added by subsection (a)). Each such report shall include the following:

(1) A description of the activities carried out at each center and the funding provided for such activities.

(2) A description of the advances made at each of the participating facilities of the center in research, education and training, and clinical activities relating to mental illness in veterans.

(3) A description of the actions taken by the Under Secretary for Health pursuant to subsection (h) of that section (as so added) to disseminate information derived from such activities throughout the Veterans Health Administration.

(4) The Secretary's evaluations of the effectiveness of the centers in fulfilling the purposes of the centers.

(c) IMPLEMENTATION.—The Secretary of Veterans Affairs shall designate at least one center under section 7320 of title 38, United States Code, not later than January 1, 1998.

SEC. 335. COMMITTEE ON CARE OF SEVERELY CHRONICALLY MENTALLY ILL VETERANS.

(a) ESTABLISHMENT.—Subchapter II of chapter 73 is amended by adding after section 7320, as added by section 334(a)(1), the following new section:

''§ 7321. Committee on Care of Severely Chronically Mentally Ill Veterans

''(a) The Secretary, acting through the Under Secretary for Health, shall establish in the Veterans Health Administration a Committee on Care of Severely Chronically Mentally Ill Veterans. The Under Secretary shall appoint employees of the Department with expertise in the care of the chronically mentally ill to serve on the committee.

''(b) The committee shall assess, and carry out a continuing assessment of, the capability of the Veterans Health Administration to meet effectively the treatment and rehabilitation needs of mentally ill veterans whose mental illness is severe and chronic and who are eligible for health care furnished by the Department, including the needs of such veterans who are women. In carrying out that responsibility, the committee shall—

''(1) evaluate the care provided to such veterans through the Veterans Health Administration;

''(2) identify systemwide problems in caring for such veterans in facilities of the Veterans Health Administration;

''(3) identify specific facilities within the Veterans Health Administration at which program enrichment is needed to improve treatment and rehabilitation of such veterans; and

''(4) identify model programs which the committee considers to have been successful in the treatment and rehabilitation of such veterans and which should be implemented more widely in or through facilities of the Veterans Health Administration.

''(c) The committee shall—

''(1) advise the Under Secretary regarding the development of policies for the care and rehabilitation of severely chronically mentally ill veterans; and

''(2) make recommendations to the Under Secretary—

''(A) for improving programs of care of such veterans at specific facilities and throughout the Veterans Health Administration;

''(B) for establishing special programs of education and training relevant to the care of such veterans for employees of the Veterans Health Administration;

''(C) regarding research needs and priorities relevant to the care of such veterans; and

''(D) regarding the appropriate allocation of resources for all such activities.

''(d)(1) Not later than April 1, 1997, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the implementation of this section. The report shall include the following:

''(A) A list of the members of the committee.

''(B) The assessment of the Under Secretary for Health, after review of the initial findings of the committee, regarding the capability of the Veterans Health Administration, on a systemwide and facility-by-facility basis, to meet effectively the treatment and rehabilitation needs of severely chronically mentally ill veterans who are eligible for Department care.

''(C) The plans of the committee for further assessments.

''(D) The findings and recommendations made by the committee to the Under Secretary for Health and the views of the Under Secretary on such findings and recommendations.

''(E) A description of the steps taken, plans made (and a timetable for their execution), and resources to be applied toward improving the capability of the Veterans Health Administration to meet effectively the treatment and rehabilitation needs of severely chronically mentally ill veterans who are eligible for Department care.

''(2) Not later than February 1, 1998, and February 1 of each of the three following years, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing information updating the reports submitted under this subsection before the submission of such report.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 is amended by inserting after the item relating to section 7320, as added by section 334(a)(2) the following new item:

''7321. Committee on Care of Severely Chronically Mentally Ill Veterans.''.

Subtitle D—Other Provisions

SEC. 341. HOSPICE CARE STUDY.

(a) STUDY REQUIRED.—The Secretary of Veterans Affairs shall conduct a research study to determine the desirability of the Secretary furnishing hospice care to terminally ill veterans and to evaluate the most cost effective and efficient way to do so. The Secretary shall carry out the study using resources and personnel of the Department.

(b) CONDUCT OF STUDY.—In carrying out the study required by subsection (a), the Secretary shall—

(1) evaluate the programs, and the program models, through which the Secretary furnishes hospice care services within or through facilities of the Department of Veterans Affairs and the programs and program models through which non-Department facilities provide such services;

(2) assess the satisfaction of patients, and family members of patients, in each of the program models covered by paragraph (1);

(3) compare the costs (or range of costs) of providing care through each of the program models covered by paragraph (1); and

(4) identify any barriers to providing, procuring, or coordinating hospice services through any of the program models covered by paragraph (1).

(c) PROGRAM MODELS.—For purposes of subsection (b)(1), the Secretary shall evaluate a variety of types of models for delivery of hospice care, including the following:

(1) Direct furnishing of full hospice care by the Secretary.

(2) Direct furnishing of some hospice services by the Secretary.

(3) Contracting by the Secretary for the furnishing of hospice care, with a commitment that the Secretary will provide any further required hospital care for the patient.

(4) Contracting for all required care to be furnished outside the Department.

(5) Referral of the patient for hospice care without a contract.

(d) REPORT.—Not later than April 1, 1998, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the research study. The report shall set forth the Secretary's findings and recommendations. The Secretary shall include in the report information on the extent to which the Secretary advises veterans concerning their eligibility for hospice care and information on the number of veterans (as of the time of the report) who are in each model of hospice care described in subsection (c) and the average cost per patient of hospice care for each such model.

SEC. 342. PAYMENT TO STATES OF PER DIEM FOR VETERANS RECEIVING ADULT DAY HEALTH CARE.

(a) PAYMENT OF PER DIEM FOR VETERANS RECEIVING ADULT DAY CARE.—Section 1741 is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following new paragraph (2):

''(2) The Secretary may pay each State per diem at a rate determined by the Secretary

for each veteran receiving adult day health care in a State home, if such veteran is eligible for such care under laws administered by the Secretary.''.

(b) ASSISTANCE TO STATES FOR CONSTRUCTION OF ADULT DAY CARE FACILITIES.—(1) Section 8131(3) is amended by inserting ''adult day health,'' before ''or hospital care''.

(2) Section 8132 is amended by inserting ''adult day health,'' before ''or hospital care''.

(3) Section 8135(b) is amended—

(A) in paragraph (2)(C), by inserting ''or adult day health care facilities'' after ''domiciliary beds''; and

(B) in paragraph (3)(A), by inserting ''or construction (other than new construction) of adult day health care buildings'' before the semicolon.

SEC. 343. RESEARCH CORPORATIONS.

(a) RENEWAL OF AUTHORITY.—Section 7368 is amended by striking out ''December 31, 1992'' and inserting in lieu thereof ''December 31, 2000''.

(b) CLARIFICATION OF TAX-EXEMPT STATUS.—Sections 7361(b) and 7363(c) are amended by striking out ''section 501(c)(3) of''.

(c) PERIODIC AUDITS.—Subsection (b) of section 7366 is amended by striking out ''The corporation'' in the second sentence and all that follows through ''shall include that report'' and inserting in lieu thereof the following: ''A corporation with revenues in excess of $300,000 for any year shall obtain an audit of the corporation for that year. A corporation with annual revenues between $10,000 and $300,000 shall obtain an independent audit of the corporation at least once every three years. Any audit under the preceding sentences shall be performed by an independent auditor. The corporation shall include the most recent such audit''.

(d) COMPLIANCE WITH CONFLICT OF INTEREST LAWS AND REGULATIONS.—Subsection (c)(2) of section 7366 is amended by striking out ''an annual statement signed by the director or employee certifying that the director or'' and inserting in lieu thereof ''a statement signed by the executive director of the corporation certifying that each director and''.

(e) REVISED REPORTING REQUIREMENT.—Subsection (d) of section 7366 is amended to read as follows:

''(d) The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives an annual report on the corporations established under this subchapter. The report shall set forth the following information:

''(1) The location of each corporation.

''(2) The amount received by each corporation during the previous year, including—

''(A) the total amount received;

''(B) the amount received from governmental entities;

''(C) the amount received from all other sources; and

''(D) if the amount received from a source referred to in subparagraph (C) exceeded $25,000, information that identifies the source.

''(3) The amount expended by each corporation during the year, including—

''(A) the amount expended for salary for research staff and for salary for support staff;

''(B) the amount expended for direct support of research; and

''(C) if the amount expended with respect to any payee exceeded $35,000, information that identifies the payee.''.

SEC. 344. VETERANS HEALTH ADMINISTRATION HEADQUARTERS.

Section 7306 is amended by adding at the end the following new subsection:

''(f) In organizing the Office and appointing persons to positions in the Office, the Under Secretary shall ensure that—

''(1) the Office is staffed so as to provide the Under Secretary, through a designated clinician in the appropriate discipline in each instance, with expertise and direct policy guidance on—

''(A) unique programs operated by the Administration to provide for the specialized treatment and rehabilitation of disabled veterans (including blind rehabilitation, care of spinal cord dysfunction, mental illness, and long-term care); and

''(B) the programs established under section 1712A of this title; and

''(2) with respect to the programs established under section 1712A of this title, a clinician with appropriate expertise in those programs is responsible to the Under Secretary for the management of those programs.''.

SEC. 345. DISBURSEMENT AGREEMENTS RELATING TO MEDICAL RESIDENTS AND INTERNS.

Section 7406(c) is amended—

(1) by striking out ''Department hospital'' each place it appears and inserting in lieu thereof ''Department facility furnishing hospital care or medical services'';

(2) by striking out ''participating hospital'' in paragraph (4)(C) and inserting in lieu thereof ''participating facility''; and

(3) by striking out ''hospital'' both places it appears in paragraph (5) and inserting in lieu thereof ''facility''.

SEC. 346. AUTHORITY TO SUSPEND SPECIAL PAY AGREEMENTS FOR PHYSICIANS AND DENTISTS WHO ENTER RESIDENCY TRAINING PROGRAMS.

Section 7432(b)(2) is amended—

(1) by inserting ''(A)'' after ''(2)''; and

(2) by adding at the end the following:

''(B) The Secretary may suspend a special pay agreement entered into under this section in the case of a physician or dentist who, having entered into the special pay agreement, enters a residency training program. Any such suspension shall terminate when the physician or dentist completes, withdraws from, or is no longer a participant in the program. During the period of such a suspension, the physician or dentist is not subject to the provisions of paragraph (1).''.

SEC. 347. REMUNERATED OUTSIDE PROFESSIONAL ACTIVITIES BY VETERANS HEALTH ADMINISTRATION PERSONNEL.

(a) AUTHORITY.—Subsection (b) of section 7423 is amended—

(1) by striking out paragraph (1); and

(2) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended in the matter preceding paragraph (1) by striking out ''subsection (b)(6)'' and inserting in lieu thereof ''subsection (b)(5)''.

SEC. 348. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, MILWAUKEE COUNTY, WISCONSIN.

(a) MODIFICATION OF REVERSIONARY INTEREST.—The Secretary of Veterans Affairs is authorized to execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order—

(1) to permit Milwaukee County, Wisconsin, to grant all or part of such land to another party with a condition on such grant that the grantee use such land only for civic and recreational purposes; and

(2) to provide that the conditions under which title to all or any part of such land reverts to the United States are stated so that any such reversion would occur at the option of the United States.

(b) DESCRIPTION OF LAND.—The land covered by this section is the tract of 28 acres of land, more or less, conveyed to Milwaukee County, Wisconsin, pursuant to the Act entitled ''An Act authorizing the Administrator of Veterans' Affairs to convey certain property to Milwaukee County, Wisconsin'', approved August 27, 1954 (68 Stat. 866).

(c) GENERAL AUTHORITIES.—The Secretary may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Secretary considers necessary to protect the interests of the United States. In carrying out this section, the Secretary may eliminate any existing covenant or restriction with respect to the tract of land described in subsection (b) which the Secretary determines to be no longer necessary to protect the interests of the United States.

SEC. 349. MODIFICATION OF RESTRICTIONS ON REAL PROPERTY, CHEYENNE, WYOMING.

(a) MODIFICATION OF REVERSIONARY INTEREST.—The Secretary of Veterans Affairs of Veterans Affairs is authorized to execute such instruments as may be necessary to modify the conditions under which the land described in subsection (b) will revert to the United States in order to permit the City of Cheyenne, Wyoming, to grant all or part of such land to the First Cheyenne Federal Credit Union (formerly known as the Cheyenne VAF Federal Credit Union) with a condition on such grant that the First Cheyenne Federal Credit Union use such land only for the purpose of constructing a building to house its operations.

(b) DESCRIPTION OF LAND.—The land covered by this section is the tract of 27 acres of land, more or less, conveyed to the City of Cheyenne, Wyoming, pursuant to the Act entitled ''An Act authorizing the Administrator of Veterans' Affairs to convey certain property to the City of Cheyenne, Wyoming'', approved November 8, 1965 (79 Stat. 1304).

(c) TERMS OF REVERSIONARY INTEREST.—In carrying out this section, the Secretary may cause the statement of the conditions under which title to all or any part of the land described in subsection (b) reverts to the United States to be revised so that any such reversion would occur at the option of the United States.

(d) GENERAL AUTHORITIES.—The Secretary may carry out this section subject to such terms and conditions (including reservations of rights for the United States) as the Secretary considers necessary to protect the interests of the United States. In carrying out this section, the Secretary may eliminate any existing covenant or restriction with respect to the tract of land described in subsection (b) which the Secretary determines to be no longer necessary to protect the interests of the United States.

SEC. 350. NAME OF DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER, JOHNSON CITY, TENNESSEE.

(a) NAME.—The Mountain Home Department of Veterans Affairs Medical Center in Johnson City, Tennessee, shall after the date of the enactment of this Act be known and designated as the ''James H. Quillen Department of Veterans Affairs Medical Center''. Any reference to such medical center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the James H. Quillen Department of Veterans Affairs Medical Center.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997.

SEC. 351. REPORT ON HEALTH CARE NEEDS OF VETERANS IN EAST CENTRAL FLORIDA.

(a) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the health care needs of

veterans in east central Florida. In preparing the report, the Secretary shall consider the needs of such veterans for psychiatric and long-term care. The Secretary shall include in the report the Secretary's views, based on the Secretary's determination of such needs, as to the best means of meeting such needs using the amounts appropriated pursuant to the authorization of appropriations in this Act and Public Law 103–452 for projects to meet the health care needs of such veterans. The Secretary may, subject to the availability of appropriations for such purpose, use an independent contractor to assist in the determination of such health care needs.

(b) LIMITATION.—The Secretary may not obligate any funds, other than for design work, for the conversion of the former Orlando Naval Training Center Hospital in Orlando, Florida (now under the jurisdiction of the Secretary of Veterans Affairs), to a nursing home care unit until 45 days after the date on which the report required by subsection (a) is submitted.

SEC. 352. EVALUATION OF HEALTH STATUS OF SPOUSES AND CHILDREN OF PERSIAN GULF WAR VETERANS.

(a) EXTENSION OF AUTHORITY.—Subsection (b) of section 107 of the Persian Gulf War Veterans' Benefits Act (title I of Public Law 103–446; 108 Stat. 4652; 38 U.S.C. 1117 note) is amended by striking out ''September 30, 1996'' and inserting in lieu thereof ''December 31, 1998''.

(b) RATIFICATION OF ACTIONS.—Any diagnostic testing and medical examinations undertaken by the Secretary of Veterans Affairs for the purpose of the study required by subsection (a) of such section during the period beginning on October 1, 1996, and ending on the date of the enactment of this Act is hereby ratified.

POLICY AND CONSERVATION ACT EXTENSION ACT OF 1996

MURKOWSKI AMENDMENT NO. 5415

Mr. LOTT (for Mr. MURKOWSKI) proposed an amendment to the bill (H.R. 3868) to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS.

The Energy Policy and Conservation Act is amended—

(1) by amending section 166 (42 U.S.C. 6246) to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 166. There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to implement this part.'';

(2) in section 181 (42 U.S.C. 6251) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1997'';

(3) by striking ''section 252(l)(1)'' in section 251(e)(1) (42 U.S.C. 6271(e)(1)) and inserting ''section 252(k)(1)'';

(4) in section 252 (42 U.S.C. 6272)—

(A) in subsections (a)(1) and (b), by striking ''allocation and information provisions of the international energy program'' and inserting ''international emergency response provisions'';

(B) in subsection (d)(3), by striking ''known'' and inserting after ''circumstances'' ''known at the time of approval'';

(C) in subsection (e)(2) by striking ''shall'' and inserting ''may'';

(D) in subsection (f)(2) by inserting ''voluntary agreement or'' after ''approved'';

(E) by amending subsection (h) to read as follows:

''(h) Section 708 of the Defense Production Act of 1950 shall not apply to any agreement or action undertaken for the purpose of developing or carrying out—

''(1) the international energy program, or

''(2) any allocation, price control, or similar program with respect to petroleum products under this Act.'';

(F) in subsection (i) by inserting ''annually, or'' after ''least'' and by inserting ''during an international energy supply emergency'' after ''month'';

(G) in subsection (k) by amending paragraph (2) to read as follows—

''(2) The term ''international emergency response provisions'' means—

''(A) the provisions of the international energy program which relate to international allocation of petroleum products and to the information system provided in the program, and

''(B) the emergency response measures adopted by the Governing Board of the International Energy Agency (including the July 11, 1984, decision by the Governing Board on ''Stocks and Supply Disruptions'') for—

''(i) the coordinated drawdown of stocks of petroleum products held on controlled by governments; and

''(ii) complementary actions taken by governments during an existing or impending international oil supply disruption''; and

(H) by amending subsection (l) to read as follows—

''(l) The antitrust defense under subsection (f) shall not extend to the international allocation of petroleum unless allocation is required by chapters III and IV of the international energy program during an international energy supply emergency.'';

(5) by adding at the end of section 256(h), ''There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to carry out this part.''

(6) by adding at the end of section 256(h) (42 U.S.C. 6276(h)) ''There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to carry out this part.'';

(7) in section 281 (42 U.S.C. 6285) by striking ''June 30, 1996'' both places it appears and inserting in lieu thereof ''September 30, 1997'';

(8) in section 365(f)(1) (42 U.S.C. 6325(f)(1)) by striking ''not to exceed'' and all that follows through ''fiscal year 1993'' and inserting in lieu thereof ''for fiscal year 1997 such sums as may be necessary'';

(9) by amending section 397 (42 U.S.C. 6371f) to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 397. For the purpose of carrying out this part, there are authorized to be appropriated for fiscal year 1997 such sums as may be necessary,''; and

(10) in section 400BB(b) (42 U.S.C. 6374a(b)) by amending paragraph (1) to read as follows:

''(1) There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary for fiscal year 1997, to remain available until expended.''.

SEC. 2. ENERGY CONSERVATION AND PRODUCTION ACT AMENDMENT.

Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended to read as follows:

''AUTHORIZATION OF APPROPRIATIONS

''SEC. 422. For the purpose of carrying out the weatherization program under this part, there are authorized to be appropriated for fiscal year 1997 such sums as may be necessary.''.

THE HEALTH PROFESSIONS EDUCATION CONSOLIDATION AND REAUTHORIZATION ACT OF 1996

KASSEBAUM AMENDMENT NO. 5416

Mr. LOTT (for Mrs. KASSEBAUM) proposed an amendment to the bill (S. 555) to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, and for other purposes; as follows:

On page 116, lines 18 and 19, strike ''With'' and all that follows through ''the'' and insert ''The''.

On page 116, line 21, strike ''such''.

On page 122, line 22, strike '', and'' and all that follows through ''dentists'' on line 24.

On page 116, strike lines 16 through 23.

On page 126, line 24, strike ''(c)'' and insert ''(b)''.

On page 128, line 9, strike ''(d)'' and insert ''(c)''.

On page 128, line 18, strike ''(e)'' and insert ''(d)''.

On page 140, line 3, strike ''tion 747'' and insert ''tions 747 and 750''.

On page 170, line 1, insert ''dentistry,'' after the comma.

On page 170, line 2, insert ''dentists,'' after the comma.

On page 196, strike lines 4 through 11, and insert the following:

(a) LOAN PROGRAM.—Section 702(a) of the Public Health Service Act (42 U.S.C. 292a(a)) is amended—

(1) by striking ''$350,000,000'' and all that follows through ''1995'' and inserting ''$260,000,000 for fiscal year 1996, $160,000,000 for fiscal year 1997, and $80,000,000 1998'';

(2) by striking ''obtained prior loans insured under this subpart'' and inserting ''obtained loans insured under this subpart in fiscal year 1996 or in prior fiscal years''; and

(3) by adding at the end thereof the following new sentence: ''The Secretary may establish guidelines and procedures that lenders must follow in distributing funds under this subpart.''.

Beginning on page 212, strike line 10 and all that follows through line 14 on page 220.

On page 220, line 15, strike ''303'' and insert ''302''.

On page 221, line 6, strike ''304'' and insert ''303''.

On page 222, line 12, strike ''305'' and insert ''304''.

NOTICE

Incomplete record of Senate proceedings.

Senate proceedings for today will be continued in the next issue of the Record.

EXTENSIONS OF REMARKS

TRIBUTE TO KHI SERVICES, INC.

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to KHI Services, Inc., based in Rockville, MD, on the occasion of the corporation's 25th anniversary. Over the past quarter century, KHI Services, a community-based, residential, therapeutic treatment program has allowed over 1,600 people to confront their problems and set realistic goals to improve their lives.

In 1971, concerned private citizens with financial assistance from Montgomery, and the State government, and the Federal Law Enforcement Assistance Administration, created KHI Services as a nonprofit corporation to facilitate the work of the Karma Academies. Since its establishment, KHI Services has developed a number of programs, including Karma Academies for Boys and Girls, the Howard Academy, the Thomas O'Farrell Youth Center, and a counseling and community services program.

KHI Services has never deviated from the concept of family involvement to provide ongoing emotional support to adolescents in times of crisis. A primary goal of the corporation is to maintain the family's active involvement while the child is in residence, wherever possible, to promote the necessary changes in family functioning crucial to that child's successful return home.

I am proud to pay tribute to KHI Services, Inc., and I am honored to add my voice to the praises of the many friends and family who gather to salute this fine corporation.

NATIONAL ANIMAL SHELTER APPRECIATION WEEK

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SCHAEFER. Mr. Speaker, I rise today to ask my colleagues to join me in saluting America's animal shelters and the tens of thousands of caring individuals who are employed by or volunteer in these facilities. Just like other essential services our communities depend on, animal shelters and the people who work in them are services we often take for granted.

The Humane Society of the United States, which has provided training and support to local animal shelters and humane organizations for over 40 years, has declared November 3–9, 1996, as National Animal Shelter Appreciation Week. They are asking for us to take a minute of our time to show our appreciation for what shelters do to help animals and people in their communities.

The idea for a national week of recognition and appreciation for animal shelters is supported by numerous animal shelter and humane society directors, including the Denver Dumb Friends League, that serves my community. Bob Rohde, the executive director of the Denver Dumb Friends League is one of those individuals who has made a difference in making animal care and control the life saving profession it has now become.

I ask that you and all Americans join me, the Humane Society of the United States and local animal shelters like the Denver Dumb Friends League, in celebrating National Animal Shelter Appreciation Week during the first week of November this year.

AMERICAN LEADERSHIP IN GOLF CLUB MANUFACTURING NEEDS FAIRNESS IN NEW TRADE REGULATIONS

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CUNNINGHAM, Mr. Speaker, golf was not invented in the United States. But the United States leads the world in the manufacturing of quality golf clubs. Golfers know that most of these manufacturers are headquartered in California, predominantly in Carlsbad in my congressional district. They dominate this $2 billion industry because they lead in research and development of new materials that improve the performance, durability, and appearance of golf clubs. Major American investment have been made in the research, development, design, and manufacture of golf clubs, components, and their materials.

To remain competitive, these companies at times source components, such as golf club heads, offshore. Their high-paying research and design and final manufacturing operations remain here in the United States. Modern quality domestic golf clubs undergo precision operations involving many skilled U.S. technicians, using leading edge assembly and test equipment here in the United States.

Unfortunately, the prosperity of American employer is threatened and disrupted by country of origin marking rules and regulations. These have been adopted and proposed by the U.S. Customs Service. They include the NAFTA marking regulations, the proposed marking regulations, and ultimately the Uruguay round country of origin changes scheduled for implementation in several years. The U.S. golf club industry has been able to cope with U.S. Customs regulations prior to implementation of the NAFTA marking rules. But the new country of origin marking requirements have become real trade and economic barriers. Contrary to their stated purpose, the new requirements are less understandable, more subjective, and more burdensome that previous marking requirements.

The marking problems can be resolved by recognizing that the process of final manufacturing of golf clubs in the United States is clearly a substantial transformation. Unlike golf clubs of the past, the final manufacturing of modern golf clubs is a high-precision, multistep process by skilled U.S. technicians requiring significant attention to detail. They use laser guided equipment and highly sensitive scales to determine the weights of individual components and final clubs. Any slight variance causes the rejection of a club that does not meet company of industry swingweight standards.

The U.S. golf club manufacturing industry is a significant domestic employer that deserves to be treated fairly by trade laws. New and proposed country of origin marking requirements simply fail to recognize the technological progress this industry has made, at the demand of golfers everywhere. By enacting legislation that reflects current industry practices, we restore trade fairness to the U.S. golf club industry, preserve good American jobs, and enhance our trade competitiveness.

GOVERNMENT-SPONSORED ENTERPRISE PRIVATIZATION ACT OF 1996

SPEECH OF

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1996

Mr. WILLIAMS. Mr. Speaker, I rise in support of H.R. 1720 to privatize the Student Loan Marketing Association—Sallie Mae—and the College Construction Loan Insurance Association—Connie Lee—and am pleased to see this bill finally coming up for floor consideration. I understand that privatization language may also be included in the CR, and I hope we can do all we can to ensure the enactment of this legislation this year.

As my colleagues know, the bill in front of us today was part of the Careers Act that passed this House more than a year ago. Unfortunately, that legislation was weighed down in conference by repeated objections from the far right, and I'm somewhat disappointed that after more than 2 years, this is all that can be salvaged.

The time to privatize Sallie Mae and Connie Lee has come. There is little doubt that both of these Government-sponsored enterprises have fulfilled their intended purpose, and no longer need Federal subsidies to support the secondary loan market. Back in 1972, when Sallie Mae was established, there was a need to generate capital in the student loan market. However, there are now more than 45 different participants in the secondary market, and it makes sense for the Government to reduce the burden on taxpayers by releasing these entities from governmental control. Both Sallie Mae and Connie Lee want to be privatized and have spent many hours negotiating with us to make this separation a reality.

I urge my colleagues to support privatization on this bill or any other legislation that may contain it.

H.R. 1720 also contains provisions establishing the Library Services and Technology Act. This authority creates a new Institute for Museum and Library Services that will integrate our Federal library and museum programs to consolidate funds and promote increased cooperation between libraries and museums across the Nation. This new partnership will focus funds on assisting libraries in acquiring new technologies and increasing access to library services for individuals with special needs, including children. This new merger was developed in cooperation with, and strongly supported by, the American Library Association, the U.S. Commission on Libraries and Information Science, and the Institute of Museum Services.

THE LOOMING THREAT OF BROWN CITRUS APHID

HON. DAN MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. MILLER of Florida. Mr. Speaker, last fall, an unwanted invader landed in Broward and Dade Counties in south Florida. An infestation was quickly identified and confirmed by the U.S. Department of Agriculture's Animal and Plant Health Inspection Service: the brown citrus aphid has arrived in the United States.

The brown citrus aphid is a very effective host and transmitter of the dreaded citrus tristeza virus [CTV]. The combination of the aphid and the CTV virus have devastated citrus groves across the globe—according to the National Citrus Research Council, CTV has killed over 40 million trees worldwide. Certain types of rootstocks of trees are particularly vulnerable, and are wiped out by virulent strains of CTV. For example, the popular sour orange tree stock is no longer viable in South America because of the citrus tristeza virus. More resilient rootstocks don't die, but suffer from stem pitting. Sadly, thus far the most resistant breeds have succumbed to another disease, citrus blight.

After wiping out Brazilian and Argentine groves in the 1930's and 1940's, the brown citrus aphid and the CTV virus began an inexorable march northward. Outbreaks in Venezuela over the past 15 years have hampered their production, killing over 80 percent of their trees from 1980–87. In 1989, the brown citrus aphid was spotted in Costa Rica, and in Jamaica in 1993.

Obviously, the deadly combination of the aphid and CTV pose a serious threat to the U.S. citrus industry and the national economy. There are over 1.2 million acres of citrus in the United States, and the citrus industry exceeds over $19 billion in gross revenue. The U.S. Government and the citrus industry need to combat this threat on three fronts: First, gain a better understanding of the different strains of CTV and their relationship with the brown citrus aphid; second, develop more resistant rootstocks; and third, develop and embark upon a comprehensive control strategy. Citrus tristeza virus and the brown citrus aphid will not go away, but with early identification and action we can limit the damage of this scourge.

TRIBUTE TO THE 85TH ANNIVERSARY OF THE FOUNDING OF THE REPUBLIC OF CHINA

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SCARBOROUGH, Mr. Speaker, I rise today to pay tribute to a beacon of freedom on the far shores of the Pacific. A nation that has, in its own way and in its own part of the world, come to symbolize freedom and defiance of tyranny much in the same way that our own Nation has come to be seen as a city of hope. The many twists and turns of history have obscured it, but when 85 years ago the forces of Dr. Sun Yat-sen's Koumintang triumphed over the decrepit and decaying Ch'ing dynasty, a whole new epoch in the history of not only China, but Asia itself, began.

Mr. Speaker viewed through the prism of this turbulent and terrible century, the establishment of the Republic of China can be seen for the significance it held. Few are alive today who can remember the importance that the United States attached to the revolution that brought the Republic to power. For our Nation, it was proof that China was committed to establishing itself as a free and great nation, in partnership with the other democracies of the world. From the founding of the Republic, a practical, at times difficult, but ultimately sturdy relationship was built between the United States and China, a relationship that has endured through two world wars, a second Chinese revolution whose outcome was not as hopeful as the first, and the vicissitudes of the cold war.

It does no dishonor to the Republic whose establishment I pay tribute to today to note that, sadly, the first half of the Republic's history did not live up to expectations. Dr. Sun Yat-sen proclaimed for his supporters a unique blend of confucianism and Western nationalism that promised a new dawn of democracy for China, and that today has underwritten the Republic's prosperity. Unfortunately, at the time that philosophy was put to the test during democracy's darkest hour. In 1914, just several years after the founding of the republic and the premature death of its founder, World War I began and China saw itself used as a battlefield by foreign powers. Then came the Second World War and an even more trying time for the people of China, who now found themselves caught in both a bloody international war and a civil war. Finally, there came the defeat of the Axis Powers, only to see the rise of an even more monstrous tyranny led by a megalomaniacal madman, Mao Zedong.

By the unfortunate happenstance of history. By an unhappy turn of events. By an inexorable tide that only in the 1980's began to recede, the Communists triumphed, drove the nationalists to an island then called Formosa, and today we refer to the Republic as the Republic of China on Taiwan. I submit, however, Mr. Speaker, that such an appellation is a temporary aberration. The tyrants in what is called in appropriate Orwellian parlance, the People's Republic of China, are living on borrowed time. The so-called People's Republic is a corpse that does not yet know enough to fall down.

We hear today in all the learned journals that China is the superpower of the future. Well it is, but not that China. Beijing lives on the belief that economic prosperity is the key to the preservation of the regime. The Communists lay claim to a false god to which no one any longer bows, and sit atop the powderkeg, hoping to keep the economic engine going in order to save the regime. That is a fools gamble, and all right thinkers know that the future lay across the Straits of Taiwan.

On that island there is also prosperity—wealth that would have seen unimaginable but 30 years ago. Indeed, the second half of the Republic's history has been marked by prosperity and freedom unlike almost anything known anywhere but in a few fortunate corners of Asia. Yet that is not what makes the regime in Taipei great and insures its longevity. Wealth is merely the reward. The Republic survives, and will endure, not because it can make radios, VCR's, and MTV entertainment, but because it is founded on human dignity, on liberty in law, and on honor. Economic prosperity is ephemeral. It cannot last forever. Sooner or later the lean times must come, and when they do, Beijing will come crashing down, while the Republic, a government that is truly a people's Republic, will endure.

So, Mr. Speaker, I congratulate President Lee Teng-hui, the first elected leader in Chinese history, and the 21 million hard-working men and women of the Republic of China, who stand as a stirring example of courage, hard work and dedication. They prove by their exertions the triumph of the human spirit. So, on the 85th anniversary of the founding of the Republic of China, Mr. Speaker, I pay tribute to this lamp of liberty across the sea. I encourage our Government to similarly pay tribute by granting to the Republic that which it has earned, representation among the nations of the world at the United Nations Organization, and I am sure I speak for all of my colleagues when I say that we salute this brave and honorable government and its people.

30TH ANNIVERSARY OF THE ARAPAHOE LIBRARY DISTRICT

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. HEFLEY. Mr. Speaker, the first amendment of the Constitution guarantees citizens the right to the free flow of information—and it is our country's libraries that provides the public with access to such information.

Libraries also serve as community meeting places for events and public forums. Groups of folks can gather and share ideas at libraries.

Since 1966 the Arapahoe Library District in my home State of Colorado has provided library services to residents of all ages—from pre-school children to senior adults—and it has supplied communities with endless information through books, periodicals, newspapers, recordings, and on-line internet searches.

Public libraries are the backbones of close-knit communities—and the Arapahoe Library District of Colorado is to be highly commended for 30 years of service to its State and to its neighborhoods. I would like to offer my hearty congratulations to this fine organization for their actions to create and support a well-informed populace.

TRIBUTE TO MONSANTO CO.

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. TALENT. Mr. Speaker, I rise today in recognition of Monsanto Co. of St. Louis, MO. Awarded the first National Watershed Award, Monsanto was honored for Operation Greenstripe, a voluntary partnership to protect the quality of America's watersheds.

Developed in 1992, Operation Greenstripe combats the problem of surface water runoff of soil sediment, the No. 1 threat to stream quality in the United States. Monsanto works with the students in Future Farmers of America [FFA] to encourage farmers to plant and maintain grassy buffer strips along waterways. Seed retailers join the partnership and donate wildlife-compatible grass seed for farmers to plant to lessen runoff and nurture wildlife habitat areas. The result has been to encourage farmers to adopt stream-protecting practices, teach future farmers the benefits of good stewardship, and to begin to make a difference in stream quality.

Since its inception, the program has been expanded from 1 test location, to acceptance in 14 States with partnerships involving State and Federal agencies and with support from organizations and private groups. It's an excellent example of a voluntary, private initiative that makes a difference.

The Watershed Award was established by CF Industries and is administered by the Conservation Fund. The award is given to those programs that safeguard fresh water through innovative, nonregulatory methods. It is truly an honor for Monsanto to be included in the first group of those recognized for their efforts to protect one of our Nation's greatest natural resources.

Mr. Speaker, I hope you will join me in congratulating Monsanto on winning the Watershed Award and for their outstanding efforts to improve the quality of our Nation's waterways.

EPA'S CLUSTER RULE

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BISHOP. Mr. Speaker, the EPA's proposed cluster rule for the pulp and paper industry is something we in Congress need to take a look at. First proposed in 1993, it was the first time the EPA had ever attempted to cluster an air and a water rule for the same industry. The theory was that regulatory synergies could be achieved and a duplication cold be avoided if the regulatory decisions were made together. It was a good idea, and even the industry supports the concept.

Unfortunately, however, as is too often the case, theory and practice did not coincide. Instead of providing regulatory synergy, the cluster rule simply burdened industry and its workers with separate rules with nearly identical compliance deadlines. Some requirements of one rule would have created compliance problems with the other rule. And the rule would have had a devastating impact on the industry. Over 100,000 jobs would have been affected by the rule, and the compliance costs would have exceeded $11 billion.

The pulp and paper industry is very important to my district and my State of Georgia. According to the information compiled by the American Forest & Paper Association, the pulp and paper industry employ 33,000 people in Georgia, with another 38,000 workers in the forestry, lumber, and wood products sectors. Total payroll for this combined industry in Georgia is over $2 billion. Over 200 facilities in Georgia manufacture 7 million tons of paper and paperboard annually, with a value of $7½ billion.

I am pleased to report that since 1993, the industry and EPA have worked closely together to gather new information to fill data gaps in the Agency's information profile for the industry. The industry proposed an alternative compliance scheme which has comparable environmental benefits as the one proposed by EPA but at far less cost. EPA also worked closely with other stakeholders in the rulemaking process and in July of this year, published in the Federal Register a new notice for the cluster rule. In this notice, EPA acknowledges its receipt of the industry's alternative and outlines the choices it is facing. In August, I joined my colleagues in Georgia in encouraging EPA to adopt option A in the July notice. We also encouraged EPA to allow more flexibility in the best management practices [EMP's] provision and to modify the incentives program to make it truly meaningful. I remain cautiously optimistic that EPA will do the right thing.

I thank the EPA for its willingness to work with the industry, their workers, and other stakeholders, in making changes to the rulemaking procedure. If successful, the outcome of the cluster rule could serve as a model for future regulatory reform efforts.

TWO GRATUITOUS AND PROMINENTLY PUBLIC CRUELTIES

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. JACOBS. Mr. Speaker, the world can note that on September 26, 1996, two gratuitous and prominently public cruelties were perpetrated, one in Los Angeles, CA and the other in Washington, DC.

The first was a patently false and despicable allegation against a decent and grieving father. The second was a putridly partisan and singularly cruel hurt to the family of an already convicted and currently imprisoned former Member of the House. The theory in the second unkindness seems to be, ''never hit a man when he's up.''

Let the record show that high Federal officials of both parties have been convicted of felonies. And in the case of one high Federal official who was not convicted, only because he was pardoned by the President he handpicked to succeed himself, the assertion by his allies was, ''He has suffered enough''—suffered enough without serving so much as a day in prison.

Our colleague from Connecticut is to be commended for having the decency demonstrably to remove from the easel in the Well of the House the device by which salt was callously rubbed into the wound.

TRIBUTE TO GREG RICE

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. NEY. Mr. Speaker, I commend the following article to my colleagues:

Whereas, Greg Rice has won the International Auctioneers Championship; and,

Whereas, Greg Rice has brought the international title to Ohio for the first time in history; and,

Whereas, Greg Rice has demonstrated a steadfast commitment to auctioneering;

Whereas, Greg Rice should be recognized for his outstanding victory and persistence; and,

Be it resolved, the residents of Coshocton, with a real sense of pleasure and pride, join me in commending Greg Rice for his hard work and dedication to his occupation.

FIFTH ANNIVERSARY, EAST TIMOR DILI MASSACRE

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. DELLUMS. Mr. Speaker, I rise to address conditions in East Timor. November 12 will mark the fifth anniversary of the massacre at Santa Cruz cemetery, when Indonesian troops fired on a gathering of thousands of innocent people. A distinguished Californian, Bishop Melvin Talbert, presiding bishop of the California Nevada Annual Conference of the United Methodist Church and also the President of the National Council of Churches, has written a statement in connection with these events. It is my belief that the Congress should be vigilant during this crucial period in East Timor and Indonesia, and lend what weight we have to efforts to foster justice in these areas.

I take this opportunity to share Bishop Melvin G. Talbert's comments, ''Remembering East Timor'' with my distinguished colleagues:

For some time I have been concerned about the tragedy in the former Portuguese colony of East Timor. On November 12, 1996, it will be 5 years since Indonesian troops opened fire on peaceful East Timorese mourners and demonstrators at Sana Cruz cemetery in the East Timor capital of Dili, killing more than 250 innocent people. The Santa Cruz massacre drew considerable international attention to the plight of East Timor. As the fifth anniversary of this event approaches, we should bear in mind the conclusions of the United Nations special rapporteur on extrajudicial, summary, or arbitrary executions, Mr. Bacre Waly Ndiaye of Senegal. His report, based on a visit to the area, issued on November 1, 1994, remains relevant today and should be heeded by the international community, especially the United States. Among other things, Mr. Bacre concluded that ''conditions that allowed the Santa Cruz killings to take place are still present.''

''I strongly believe that the United States must use its influence with the Indonesian Government to prevent violence in East Timor, especially in light of the history of the conflict: Congressional testimony by State Department officials have made it clear that roughly 90

percent of the military equipment available to the Indonesian Armed Forces when they invaded East Timor in 1975 had been supplied by the United States. Shipments of American weaponary were stepped up in the later 1970's, when as much as a third of East Timor's population of less than 700,000 perished as a result of Indonesian military action. The Clinton administration put restrictions in 1994 on the transfer to Indonesia of certain small arms that could be used in places like East Timor and in recent weeks, has also placed restrictions on the transfer of armored personnel carriers. These are welcome steps but they can never erase the earlier history, in which American diplomacy and arms played a significant role in making the East Timor tragedy possible.

"The United States therefore has a special responsibility to help protect the East Timorese people in the 1990's. The world must be particularly vigilant as the fifth anniversary of the Santa Cruz massacre approaches. The United States must also be alert to opportunities to support East Timor's international law and democratic principles. The continued denial of these rights led to the Santa Cruz tragedy in 1991 and is the root of the sorry situation that exists at present. In addition to taking diplomatic action to protect the people of East Timor from further violence, the United States must do whatever is possible to foster an authentic, peaceful solution to the conflict that is based on the wishes of the East Timorese people themselves."

INDIA DENIES RELIGIOUS FREEDOM

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CUNNINGHAM. Mr. Speaker, an editorial from the March 1996 issue of the Sikh Review was recently brought to my attention. This editorial details reports showing India's ongoing efforts to crush the Sikh religion. In India the Sikhs and other religious minorities are subjected to the same brutal policies.

The article, which I will introduce into the RECORD, discusses the Indian regime's effort to "normalize" the Sikh people. That is, as the article puts it, "a term that has become a euphemism for destroying their culture and lifestyle, in cynical disregard of the democratic principles of plurality and coexistence." This kind of ethnic cleansing was our justification for our involvement in the Bosnian conflict. Why are we continuing to look the other way when India is involved?

I am introducing the March 1996 editorial from the Sikh Review into the RECORD.

A DANGEROUS SLANT

This is not a parable. Recently, a group of distinguished intellectuals, motivated by ordinary humanity, wrote to the President of India pleading for the release of several hundred Sikh youth detained without trial for as long as ten years. The silence in Rashtrapati Bhavan was deafening. In disgust, the memorandum was released to the Press coinciding with Human Rights Day, Dec. 11, 1995. The effect was even more silence.

Silence has its uses in statecraft. As the Indian poet, Vikram Seth has said: "Ten hostages is terrorism; A million, and it's strategy" (*The Golden Gate*).

Prolonged detention of the Sikhs is part of strategy. Nazi Germany had another name for it: The Final Solution.

How many of us have noticed that the government tourism department has, for over a decade, withdrawn all pictures and posters of the Golden Temple? Airport lounges, railway station waiting rooms, secretariat corridors, coaches of Rajdhani Express, even anterooms of Indian embassies abroad are singularly bereft of pictures of Sikh historical places. The model of the Golden Temple at Amritsar's rail terminal was smashed by Hindu zealots many years ago. This is apparently a part of the deep seated strategy to downplay the Sikh religion and culture. Those who attended the Vishwa Sikh Sammelan in Amritsar were struck by the weird black-*patka*-wearing commandos of the Punjab police crawling all over the holy city, not because India's textile mills have stopped manufacturing cloth for turbans—the ceremonial headgear!

In this grim strategy, the Press—vernacular as well as English—has become a willing tool of the government. Their method is simple: Do not project the Sikh in a positive light. Exaggerate every minor fracas. Underplay the Sikh identify. Depict the *patit* Sikh on the idiot box as the stereotype. Boost the un-Sikh practices. Highlight factional fights over gurdwaras. Deny *kirpan*-wearing passengers seats in airlines and railways. The list seems endless.

Thanks to economic liberalization, NRI is an honoured guest in India, a sort of prodigal son. Not so the Sikh NRI. He is earmarked by the Indian Embassies in the West for special treatment. No wonder so many of them dropped out of the Amritsar conference. The other day an Indian businessman was denied visa by Saudi Arabia to visit Riyadh on the ground that he professes Sikh religion. Government cannot be bothered with such petty aberations. Constitutional guarantees are, after all, so much paper.

The press in India, in most cases, owned by ultra-conservative Hindu businessmen often suffers from an overwearing sense of self-righteousness where the Sikh minority is concerned; How dare the Sikhs claim an independent religious identity? They must be taught a lesson. Simply brand them anti-national! No wonder these newspapers are natural allies of government and its gargantuan power machine. One good turn begets another. Unburdened by moral scruples, the newspapers lend all support to the government to undermine Sikh values.

We give, in this issue, a few instances of this insensitive attitude of the national Dailies, The Tribune, Chandigarh. The Hindustan Times, New Delhi and The Statesman, Calcutta. The malady has, however, become chronic and endemic. Readers will surely recall the disdainful manner in which the newly elected Parliament under Rajiv Gandhi on Jan 2, 1985 ignored the massacre of Sikhs in Delhi even as it mourned the dead of the Bhopal gas tragedy. Election posters of the party in power had then depicted the Sikh taxi driver as a potential terrorist—ignoring his reputation for honesty and bravery. Even the cartoonist Abu Abraham had, more in malice than satirical humour, made a caricature of a saintly Sikh holding a transistor bomb. The Doordarshan, which had blacked out the savagery of Oct. 1984 as a non-event, let its cameras linger balefully over the victims of transistor bombs which shadowy anti-socials had planted in Delhi bazars. When The Telegraph published, on May 5, 1986, a photo of a Sikh youth in police custody the caption proclaimed: "A terrorist being taken away", ignoring the elementary rule that no one can be so labelled except when convicted by due process. We had written to the Editor, Mr. M.J. Akbar, who did us the courtesy of a reply: "I accept your point. In fact, I had pointed out the error to our (The Telegraph) people. I hope you understand that there was not deliberate malice. . . ."

More recently, The Times of India was less penitent. It published on April 12, 1995, a report that the house of union home minister, Mr. S.B. Chavan, in Nanded had been "attacked by five men, four of them Sikhs." The ever-vigilant Rear Admiral (Retd.) Satyindra Singh lodged a protest with Press Council of India which drew the Times Editor's attention to the council "Guidelines" that the Press must avoid identifying the community of a person involved in crime. The newspaper took more than six months to publish a luke warm apology on Dec. 6, 1995. This is typical of a newspaper that had been known for its anti-Sikh slant dating back to Girilal Jain's vituperative writings that included his editorial "De-turbaning of Sikhs" in 1982.

As a minority religion, Sikhs have been under fierce pressure from the media and their mentor, the government. Far from showing an understanding and sympathy for their religious and cultural tradition, they have vowed to "to mainstream" the Sikhs—a term that has become a euphemism for destroying their culture and lifestyle, in cynical disregard of the democratic principles of plurality and co-existence.

Sikhs have no doubt survived challenges down the centuries. However, the ongoing challenge is far more insidious. It calls for what Guru Gobind Singh termed Gyaneh-ki-badhni, the scythe (sword) of wisdom. Our choice is clear. Let us stand up—not succumb—to the hostile machinations. Let us not abandon God and the Guru for the glittery tinsel of a modern state. Let us hold our head high in honour. Five hundred years ago Guru Nanak admonished the tyrannical rulers "Koorh phire pardhan, ve Lalo". The German philosopher, Emmanuel Kant later predicted that eventually a just world order would come about either through intellectual and moral insights or through the experience of chaos. Unless Indian polity makes the right choice, its slide into chaos is but a matter of time.

TRIBUTE TO JERRY WATERS

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ROBERTS. Mr. Speaker, yesterday in the Senate Foreign Relations room in our U.S. Capitol, I joined the many friends and colleagues of Dr. Jerry Waters in paying tribute to an outstanding public servant and to wish him well upon his retirement.

Jerry Waters, a native of St. Francis, KS, first came to Washington to work for Senator Jim Pearson. Prior to coming to our Nation's Capital, Jerry was a political science professor at Kansas State University. Jerry came to Washington with the intent of staying but 1 year but his devotion to and performance of duty was such that he stayed to his State's and Nation's benefit.

Serving as administrative assistant to Jim Pearson, Jerry was responsible for hiring quality staff and one such staffer was the daughter of our former Governor and Kansas political legend, Alf Landon. Yes, we can thank Jerry Waters, in part, for Senator NANCY KASSEBAUM's outstanding service. Another former Waters' staffer is the current Secretary of Agriculture, Dan Glickman.

In his capacity as administrative assistant, Jerry played a key role in ensuring that agricultural policy was commensurate with the needs of both Kansas and our Nation's farmers. During this time, Dr. Jerry Waters became a recognized expert in agriculture and transportation public policy.

After Senator Pearson retired, Jerry moved to the private sector as a consultant and has worked for the farmer-owned Farmland Industries System representing them and the farmers and consumers they serve in Washington. His expertise has resulted in sound agricultural policy accomplishment.

Part of the reason that Dr. Jerry Waters has achieved significant success in our Nation's capital has been the fact he has never lost touch with Kansas. Some 30 years after coming to Washington, he still owns a farm in his hometown of St. Francis.

Mr. Speaker, I also speak for many, many colleagues and friends—people who have in their own right achieved success in Washington in saying that we have been fortunate to have had Jerry as a mentor, advisor, and friend. I am reminded of the true adage that there are no self made men and women in public service, that it is your friends who make you what you are. In this regard, Jerry Waters is a man who has always kept his word and whose integrity and keen sense of purpose have been an example to us all. He is a man of great institutional memory and knowledge buttressed by his love and respect for the Congress and the people we serve.

On a personal note, Mr. Speaker, Jerry has been a close friend whose advice I have always solicited and from which I have always benefitted. I shall always remember with fondness and a sense of accomplishment the days when Jerry, Bill Kats of then-Congressman Bob Dole's office, Lester Rosen, of Congressman Garner Shriver's office and Charles Freburg of Congressman Mize's office and myself in Senator Frank Carlson's office, were the Kansas delegation administrative assistants.

Jerry showed me the ropes just as he has for so many others in government, in academia, in the business community and in public service. He remains one of my dearest, longtime friends. I speak for all of his friends and colleagues in wishing he and Jan the very best during their retirement years.

SUSTAINABLE DEVELOPMENT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. YOUNG of Alaska. Mr. Speaker, sustainable development is a catch phrase that is heard a lot in Washington, DC, these days. This is a resource management concept which recognizes that renewable resources can be harvested without endangering long-term survival of the resource.

While the concept is gaining support in this country and in Congress, there are still those who resist the sustainable harvest of some of our resources.

Another concept discussed a lot in management debates is wise-use. This concept is closely related to the idea of sustainable development. Proponents of the wise-use movement argue that resources of a nation can and should be used for the benefit of the nation and its people.

In order for our renewable natural resources to be managed for long-term sustainability, it is important to have three things: Good data, good science to interpret the data for making sound decisions, and good management and enforcement. Without any of these three, the long-term viability of the resource may be compromised.

The U.S. Congress is currently working to reauthorize the Magnuson Fishery Conservation and Management Act, the law which governs domestic fisheries. It is important, not only for the health of the resource, but also for the health of the commercial fishing industry and coastal fishing communities, to manage the Nation's fishery resources for the long term.

In recent years, the United States has experienced resource depletions in some fisheries, the most recent and most reported on is the situation with New England groundfish stocks. The cause of this resource depletion may be a number of things including loss of habitat, overfishing, increased predation, or changes in temperature and climate.

Fishery resources are vitally important to many regions of the country and the protection oft he stocks is important to keeping many coastal communities alive. The Magnuson Fishery Conservation and Management Act tries to maintain the balance of allowing the sustained harvest of our fishery resources as well as protecting the stocks from overfishing. These concepts are transferrable to other renewable natural resources; however, other domestic resource laws do not always recognize that development and conservation can coexist.

In the United States, bowhead whales are harvested by Alaskan Natives for subsistence purposes at a sustainable level. Care is taken to determine the population of the stocks being harvested, the level of acceptable harvest is carefully determined, and rigorous monitoring and enforcement measures are followed. The villages which participate in the hunt for the bowhead must and do continue to remain concerned about the long-term health of the stocks and treat the resource with the respect it requires.

This combination of good data, careful scientific use of the data, and rigorous monitoring have allowed the sustainable harvest for subsistence purposes for these Alaskan Natives in the same manner that has allowed fishermen to harvest fishery resources in most areas of the country without harming the long-term health of the resource.

The United States is working internationally to ensure the sustained development of marine fishery resources. An International Conference on the Sustainable Contribution of Fisheries to Food Security was held December 4–9, 1995 in Kyoto, Japan. The international delegates of this conference promoted the enhancement of subregional and regional cooperation in establishing conversation and management measures to protect marine fishery resources.

This conference followed up on concerns and ideas discussed at the 27th session of the Food and Agriculture Organization [FAO] held in November 1993 and detailed in the U.N. Agreement on Straddling Fish Stocks and Highly Migratory Fish Stocks in December 1995. The sustainable development of fishery resources will again be discussed this coming November at the world food summit which is being convened by the FAO of the United Nations.

The marine fishery resources of the United States and the world will obtain the protections they need when the United States and the international community work together to develop conservation and management measures that allow marine fishery resources to be harvested at a sustainable levels. Moreover, these sustainable harvest levels will also sustain the livelihoods of those individual dependent on marine fishery resources.

DEDICATION TO HON. RAY THORNTON

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. PACKARD. Mr. Speaker, I want to take this time to honor a dear friend and colleague of mine, RAY THORNTON. RAY will be leaving this body soon and before he goes, his dedication and fellowship deserves high praise. As chairman of the Legislative Branch Subcommittee on Appropriations, I would like to thank him for his assistance as ranking member.

RAY assumed the ranking member position this year with great enthusiasm and skill. I appreciated his input as well as his willingness to work in a friendly and bipartisan way. Together we accomplished a great deal. To date, the legislative branch is a full 12-percent leaner than it was 2 years ago and serves as the model for rightsizing the rest of Government.

RAY contributed tremendously to this effort. He supported and advanced our efforts to find additional opportunities to save dollars and increase efficiencies here in the legislative branch.

The legislative branch spending bill is primarily about people. RAY's administrative background, as a former University of Arkansas president, proved invaluable. As RAY and I worked together to rightsize this institution, time again he brought his management orientation to task.

Unfortunately, we may be losing RAY to another branch of government as he works to assume a judgeship on the Arkansas Supreme Court. His dedication and enormous talents will certainly continue to prove beneficial to the people of Arkansas. While I wish RAY well in his future endeavors, I will miss him as my colleague here in the House and on my subcommittee.

TRIBUTE TO MAGGIE KILDEE

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. LOFGREN. Mr. Speaker, I would like to take this opportunity to pay tribute to Maggie Kildee on the occasion of her impending retirement from the County of Ventura Board of Supervisors.

Supervisor Kildee is a native of California and a graduate of the University of Redlands

with a B.A. in education. She received her M.A. degree in public administration from California Lutheran University. Before her election to the Board of Supervisors, she was a teacher and an administrator with the Pleasant Valley School District.

First elected to the Ventura County Board of Supervisors in November 1980, Supervisor Kildee was one of the first two women elected to the Board and in 1982 served as its first woman chairperson.

Supervisor Maggie Kildee's leadership contributed to a number of important developments within Ventura County. Her various programs included the County's Greenbelt Agreements between cities, the first-in-the-state Agricultural Lands Preservation Program, the Ventura County Council on Economic Vitality, and the ''Beyond the Year 2000 Committee''. She also served as the chair for numerous committees such as the Ventura County Medical Center Oversight Committee, the Ventura County Jail Ad-Hoc Committee, and the Ventura County Waste Commission.

As the end of her term draws near, I would like to extend my gratitude and appreciation to Maggie Kildee for her dedication to both the County of Ventura, CA, and the Board of Supervisors.

TRIBUTE TO MIKE RHODE, JR.

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SKEEN. Mr. Speaker, I rise today to note the passing of and to pay tribute to Michael Rhode, Jr., of South Carolina.

Mike Rhode died earlier this year, in May, after a brave bout with cancer, only too briefly after he retired from his position as Secretary of the Panama Canal Commission. His wife, Lin, worked in my congressional office from 1981 until her retirement in 1995.

Mike Rhode was a close and valuable friend and a talented and dedicated public servant. He and Lin planned for an early retirement to spend more time with his daughter, Pamela Lister, and two sons, Michael and Randy.

Mike Rhode served as chief of the U.S. Army's Senate Legislative Liaison Office in the 1970's. His combat experience in Korea and Vietnam was of major help to the Members of Congress he worked with on his travels to Southeast Asia. Mike was extremely knowledgeable on issues affecting our country's membership to the North Atlantic Treaty Organization [NATO].

After 26 years of distinguished and dedicated service to our country in the Army, Mike retired to take the position of Secretary of the Panama Canal Commission in 1980. Mike was extraordinarily helpful to me and several Members of Congress in his position with the Panama Canal Commission. He was successful in explaining and analyzing proposed legislation and to suggest ways in which the laws governing the operation and maintenance of the Panama Canal could be modified over the years to ease the transition to Panamanian control by the year 2000.

Mike Rhode will be remembered by his family and friends for living a distinguished life on behalf of his family and our country. My thoughts and prayers remain with his family and friends on his passing. He will be sorely missed by us all.

INTRODUCTION OF THE REHABILITATION AND RETURN TO WORK OPPORTUNITY ACT OF 1996

HON. JIM BUNNING

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BUNNING of Kentucky. Mr. Speaker, today, in behalf of myself, ANDY JACOBS, CLAY SHAW, and other members of the Ways and Means Committee on both sides of the aisle, I am introducing the Rehabilitation and Return to Work Opportunity Act of 1996. This legislation will help Social Security and Supplemental Security Income disability recipients who want to work return to a life of financial independence and self-sufficiency.

We are all too familiar with the huge increases in the Social Security disability insurance and Supplemental Security Income disability rolls over the last decade. From 1986 to 1995 alone, the rolls grew almost 70 percent, to 7.5 million recipients. Unfortunately, there is no end to this alarming trend in sight. In fact, new disability awardees are, on average, becoming younger and younger. This means they will spend more of their lives dependent on Social Security or SSI unless Congress gives them the opportunity to obtain the tools and training they need to return to productive and self-sufficient lives.

The General Accounting Office recently reported that the Social Security Administration has placed little priority on helping disabled recipients return to productive employment. GAO found that SSA's rehabilitation programs don't focus on providing the support and assistance that many people with disabilities need to transition from the disability rolls back to work. In my view, SSA's record on rehabilitation is appalling.

Of the 6.6 million working-age people who were receiving Social Security or SSI benefits in 1995, only 4 percent were even referred for rehabilitation. Of these, only 6,238, or less than one-tenth of 1 percent, were successfully rehabilitated. This isn't fair to disabled recipients, who will otherwise face a life of dependency and denied opportunity. It is time we let Social Security and SSI recipients who are disabled know we care enough to invest in their future.

The Social Security Act requires that individuals applying for disability benefits be referred to State vocational rehabilitation agencies for services, but State agencies are reluctant to take on the more difficult cases. GAO estimates that if only an additional 1 percent of the 6.6 million working-age people receiving Social Security or SSI disability benefits were to leave the rolls by returning to work, an estimated $3 billion could be saved in subsequent years.

Under my legislation, Social Security and SSI disability recipients would no longer be limited to using State vocational rehabilitation agencies for services, but would be able to choose whether to receive rehabilitation services from private, nonprofit, or State rehabilitation providers. Disabled recipients would, for the first time, have a broad choice of certified providers from whom they could receive the rehabilitation services they need. It would be up to the individual with the disability to decide which rehabilitation provider best met his or her needs. The competition that would result would guarantee that persons with disabilities would be choosing from the highest quality services.

In addition, my bill would extend Medicare coverage for 5 years for disabled recipients who work, and Medicare would continue to be the primary insurer for employers with fewer than 100 employees. And employers who hire Social Security or SSI disability recipients would be eligible for a 1-year tax credit for the employer share of FICA taxes.

The legislation creates a commission of rehabilitation experts to oversee the implementation of a new out-come-based rehabilitation program designed to help recipients move from dependency to self-sufficiency. The program would create a competitive system utilizing networks of service providers; a straightforward incremental fee structure for providers that caps overall costs at certain milestones of service; criteria for SSA to contract out the administration of the new system; and a coucher-type system to maximize consumer choice and limit costs.

To ensure that disabled recipients receive the best quality services, the bill calls for standards, including review by consumer organizations, that rehabilitation providers must meet in order to serve Social Security or SSI disability recipients.

These are all features that persons with disabilities, rehabilitation providers, and small businesses agree are necessary for a successful return-to-work effort. I look forward to hearing comments from all of these constituencies so that in the next Congress we can take legislative action to provide real opportunity to persons with severe disabilities, enabling them to return to productive employment and self-sufficiency. I urge my colleagues on both sides of the aisle to join with me in this effort by supporting this legislation.

DYSTONIA AWARENESS WEEK

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. SEASTRAND. Mr. Speaker, thousands of people recognize the week of September 28 to October 5 as Dystonia Awareness Week. I have learned and urge other citizens to learn about this alarming neurological disorder that affects as many as 250,000 people in North America.

Dystonia is a neurological disorder which creates muscle spasms to all parts of the body. The muscle spasms are very painful and sometimes disabling. Unfortunately the cause of Dystonia is unknown and there is no cure. The Dystonia Medical Research Foundation has been formed to help those who suffer from Dystonia, along with their families and friends in finding the cause and cure of this neurological disorder. As we help those who suffer from Dystonia I hope and pray that a cure will be found to put an end to this disabling pain.

NEIGHBOR DAY

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. REED. Mr. Speaker, I rise today to urge my colleagues to support measures in their States to designate the Sunday before the Memorial Day Weekend each year as ''Neighbor Day.''

The neighborhoods we once knew as places of peace and harmony are now engaged in the fight against a rising tide of crime and violence. One of the saddest results of this increasing crime is that neighbors fear for their safety and become alienated from one another.

Four years ago, my constituents in Westerly, RI, came up with the idea of celebrating ''Neighbor Day'' as a way to reach out to one another, introduce themselves to new neighbors and renew old friendships. With parties and open house gatherings, Neighbor Day in Westerly gave people a sense of neighborhood pride and positive community spirit. Two years ago, the entire State celebrated this spirit of good will.

I believe that by celebrating ''Neighbor Day'' nationally, we can bring people closer together and overcome the atmosphere of fear and mistrust found too often in our neighborhoods. This effort is not solely confined to Rhode Island. Indeed, Boys Nation passed a resolution in July 1994 to make the Sunday before Memorial Day weekend each year ''National Neighbor Day.''

Mr. Speaker, I ask my colleagues to join me in this unique endeavor by supporting measures to create ''Neighbor Day'' in their States.

OBSERVATIONS ON BOSNIA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. HYDE. Mr. Speaker, please permit me to share with my colleagues the text of a report prepared by high school teacher Pat Feichter.

Pat, a teacher of American government at Maine South High School in Park Ridge, IL, recently returned from a humanitarian mission to Bosnia. He and other civics teachers from the United States and Western Europe organized and led seminars for Bosnians who teach government and civics.

The seminars, sponsored by the Center for Civic Education, are part of the center's ongoing mission—here at home and abroad—to advance our collective knowledge about the institutions of western-style democracy:

OBSERVATIONS ON BOSNIA

When the Center for Civic Education asked me to volunteer to teach in Bosnia this summer, I jumped at the opportunity. Many people thought I was crazy, but I knew it would be a unique experience and one in which I could make a positive contribution in promoting democratic values.

As one enters Bosnia, it does not take long to experience destruction. Our seven hour bus trip to Sarajevo passed through dozens of war ravaged villages and towns. Some were selectively damaged, with only certain areas felled by artillery shells, others were totally leveled. The once beautiful city of Mostar was one of the worst. Everywhere, in this Muslim-Croatian divided city, was evidence of war.

Sarajevo, once the proud host of the 1984 Winter Olympic Games, is a city of burnt-out hulks. Over 1,300,000 artillery shells have struck Sarajevo. The effects were extensive and devastating. The Holiday Inn, where we stayed while in Sarajevo, is still marked by the effects of war. There are elevators and guest rooms with bullet holes and a stairway being repaired from a direct artillery hit.

I was assigned to teach in the Canton of Travnik, 60 miles north of Sarajevo. I worked with one other American teacher from Minnesota and two Europeans, one from Germany and the other from Switzerland. This was the first time any of us had worked together. Flexibility and a willingness to compromise was a basic need. We were able to work together well.

Our class had thirty participants. These were teachers of Muslim, Croatian, and Serbian ancestry. We worked entirely through interpreters. Our facility was a Jesuit founded secondary school 114 years old.

Apprehension is the best way to describe our feelings going into this two week course. Would the class understand us? Would they like us? Would they be willing to participate in simulations and group projects? The answer to this was a resounding yes!

The Bosnian teachers, our students, were a joy to work with. They had a great sense of humor and an incredible interest in learning about democracy. Our mock trial and simulated election were two of the most popular activities. We became so close to members of our class that we were frequently invited to their apartments.

People often ask me if I was frightened being in Bosnia. The answer is no. As long as you use common sense, there was nothing to fear. I walked the streets of both Travnik and Sarajevo in the evenings without a worry. However, you could not plan picnics in the countryside. Landmines, as estimated 8 to 11 million, are a danger. You must stay on paved roads and sidewalks.

One of the saddest effects of the war is the huge number of refugees living in squalor. They have very little food to eat. One man showed me a small plate of goat cheese which was his only allotment of food for the day. These displaced people have in many cases been living in refugee centers for more than two years and often don't know where their loved ones are or even if they are alive. The most we could do for them was to offer clothes, some food, and a small amount of money.

Ethnic tensions do exist in Bosnia and are usually just below the surface. One evening on the streets of Travnik, I was approached by an irate group of Croatians. They were very upset because the person who selected the Bosnian teachers to attend our program was a Muslim. They were concerned about bias in the selection process. From time to time, we would hear stories about churches and mosques being bombed. Yes, ethnic tensions are a fact of life in Bosnia.

Would I return? In a heartbeat! Working with the Bosnian teachers was one of the most rewarding experiences of may life. In a small way I feel I may have helped further democracy and peace in this troubled land.

HONORING MANUEL DE JESUS ALVARADO

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. PASTOR. Mr. Speaker, today I rise to honor the life of Manuel de Jesus Alvarado, a man who brought hope and laughter to all who knew him. His goodwill was contagious but he had a serious mission in life. Manny, as everyone knew him, was an educator and an activist. From his earliest days at the University of Arizona in Tucson, he worked aggressively to improve the educational and employment opportunities for minorities.

Manny's commitment to civil rights and educational activism is evidenced by the range and length of his community and volunteer work: Board of Directors for Southern Arizona Legal Aid—22 years; Tucson Dropout Prevention Collaborative—15 years. The list goes on.

Manny was often recognized for his immeasurable contributions. Among the awards he was most proud of were the Tucson Association for Bilingual Education Award, the Chicano Student Leader Award, the TUSD Dropout Prevention Award, the Pima Community College Award for Dedicated Service.

This award from Pima College best exemplifies his love for his work and his students as talent search program director at Pima Community College. His compassion and his enthusiasm found their outlet through this work with Tucson's youth. Manny recognized that many academically talented Hispanic and native American youth were not prepared to go on to college. Working through Pima College, Manny created the talent search program in 1988 to monitor junior high and high school students. Those students with academic potential were recruited and many have gone on to complete their college education.

Above all, Manny was a ''doer''. He created, built, and energized people, groups, and communities. Although Manny can never be replaced, the legacy he left is strong. He was a role model and achieved all the worthwhile things of life: a loving, close, and supportive family; devoted friends; the respect of the community; a meaningful life's work, the trust of his students; a deep and abiding faith in God.

Again, I would like to pay tribute to the lifetime of accomplishments of Manuel de Jesus Alvarado, and extend to his family, his wife, Theresa, his daughters Angela and Monica, and of his step-son, Fred Medina, my condolences on the loss of a great and honorable man.

INTRODUCTION OF LEGISLATION

HON. WALTER B. JONES, JR.

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. JONES. Mr. Speaker, today I am reintroducing legislation to correct the unintended reclassification of pharmaceutical-grade, FDA-approved egg yolk phospholipid by the Harmonized Tariff Classification System [HTS]. HTS is a world-wide standardized classification of items for duty. The implementation

of HTS in 1988 was not supposed to change the duty on any item. However, unintentionally, HTS more than tripled the duty on this phospholipid, which is a unique component that must be imported by a North Carolina manufacturer.

Pharmacia is a U.S. company located in Clayton, NC. The main product Pharmacia manufactures is Intralipids, a unique intravenous feeding solution. Pharmacia must import a key Intralipid ingredient because it is made only by Pharmacia's parent in Sweden.

The duty on Pharmacia's phospholipid was set at 1.5 percent when Pharmacia began operations in North Carolina in the 1970's. Beginning in March 1991, the unintentional HTS reclassification of the phospholipid more than tripled this duty.

My legislation would return the rate on the phospholipid to 1.5 percent for the period from March 29, 1991 until January 1, 1995, when the duty for Pharmacia's phospholipid and other pharmaceutical components and products became zero under the GATT Agreement. The unintended duty increase that was paid in the interim, $396,779.16, would be refunded.

Mr. Speaker, there has been no disagreement that the duty increase on Pharmacia's phospholipid was unintended. The issue is a matter of equity. Congress should be very concerned whenever a growing company like Pharmacia is unintentionally taxed without equitable redress. I hope that a way can be found very soon to enact the legislation necessary to correct the unintended duty the North Carolina company has paid.

AMERICAN WINE DELEGATION CONTRIBUTES TO IMPROVED UNITED STATES-CHINA TRADE DIALOG

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. RADANOVICH. Mr. Speaker, Government colleagues and friends in the United States wine industry, earlier this year, at the invitation of the People's Republic of China, the first official American delegation of viticulturists and enologists since 1949 completed a 2-week consultative tour of the Chinese wine industry.

The trip, under the sponsorship of the People to People Citizen Ambassador Program, has resulted in broadening the scope of business and market contacts in China and in identifying new opportunities for trade and joint venture activities.

As I was consulted during the planning stages of this trip, I was able to lend it my full support and would have joined the delegation had scheduling permitted.

The delegation report, I feel, will serve as a valuable source of information for anyone in the United States business community who is interested in doing business in China now or in the future.

I wish to commend the delegation, led by Gordon Murchie, president of the Vinifera Wine Growers Association, for its professionalism in representing our country in this important factfinding and trade relations trip.

It gives me great pleasure in making excerpts of the delegation's trip report a part of the CONGRESSIONAL RECORD:

WINE BUSINESS AND DIPLOMACY

China, a nation of 1.2 billion people, has a history of grape growing dating back to the Han Dynasty (121–136 BC) and of grape winemaking dating from the Tang Dynasty (618–907 AD). Vitis Vinifera wine production, however, is a more recent 20th-century innovation.

While only about one-fifth of China's current grape harvest is made into wine, the potential for wine production and consumption is enormous. Importing and exporting wine is gaining the attention of the newly emerging economic structures of China and foreign investors and partnerships. Both Chinese government and private-sector wine interests are eager to welcome and learn from American viticulture and enology techniques and methodologies.

Thus, with an invitation from the Government of the People's Republic of China and through the sponsorship of the Citizen Ambassador Program of People to People International, our Viticulture and Enology Delegation of one French and eleven American wine experts, representing all sectors of the wine industry, visited China, April 14 to 27, 1996.

This was the first official U.S. wine Delegation to travel to China since 1949. A previous Viticulture and Enology Delegation was cancelled the day before departure in June of 1989 due to the Tiananman Square incident.

the mission of the Delegation was to meet with counterpart contacts at all levels of the Chinese wine industry; exchange information; discuss topics of mutual interest such as vineyard management, winemaking technology, viticulture-enology research and training, sales and marketing strategies, government regulatory oversight, foreign investment and joint venture opportunities, import and export potentials, and tariff rate issues; establish ongoing professional and business relationships; and, generally, assess the status of development and growth potential of the wine industry in the People's Republic of China.

The tip itinerary, which included site visits in Beijing, Tianjin, Yantai and Shanghai, provided the Delegation an opportunity to make contacts throughout the whole of the alcohol beverage industry in China. It included meeting the leadership of the PRC Government's oversight ministry, product control and distribution organizations, research and educational facilities, import and export companies, and visits to government, quasi-government, and joint venture wineries and distilleries, and farm vineyard sites.

As wine is truly an international language, the Delegation feels that an overall objective of the Citizen Ambassador Program to make friends and promote greater understanding among professional and concerned individuals internationally, in this case between the wine communities of the United States and the People's Republic of China, was in a good measure achieved.

The Delegation wishes to express its collective appreciation to all the American and Chinese organizations and individuals which contributed to the planning, arranging, conducting, hosting and support of what the Delegation views as a successful professional exchange experience for all concerned.

Our thanks go to the Citizen Ambassador Program People to People International, United States Congressman George P. Radanovich, His Excellency Li Daoyu, Ambassador of the People's Republic of China in Washington, D.C., the U.S. Embassy in Beijing, China National Council of Light Industry, China National Research Institute of Food & Fermentation Industries, China National Cereals, Oils & Foodstuffs Import & Export Corp., the Tianjin, Yantai and Shanghai Foodstuffs Import & Export Corporations, Shanghai Sugar, Cigarette & Wine Corp., Beijing Agriculture University, Shanghai Academy of Agricultural Sciences, Beijing Pernod Ricard/Dragon Seal Winery, Tianjin Remy Martin/Dynasty Winery, Yantai Chang Yu Winery, Shanghai Remy Martin/Shenma Winery, Mr. Wang Kefa, Town Leader for Longkou vineyards (Penglai), Mr. Scott R. Reynolds, Director, U.S. Agricultural Trade Office, Shanghai, Mr. Peter Chang of Mandarin International Travel and his colleagues (program arrangers), Mr. Jiang in Yantai, Mr. Yan in Shanghai, and especially Mr. Zhao Ying Kong who was the Delegation's guide and mentor throughout the entire trip.

Finally, our special thanks go to Anita Murchie who recorded and maintained additional notes on all Delegation meetings and site visits, transcribed the hours of tapes, and typed and edited this 75-page journal report. The full report is available by contacting by VWGA, P.O. Box 10045, Alexandria, Virginia 22310.

DOING WINE BUSINESS IN CHINA

The following is a general list of pluses, minuses, and other considerations that any individual, winery, wine consortium or allied business interested in doing business in China should take into consideration.

They are not intended to be conclusive, but to serve as a basic check list to be used in developing any business strategy to establish trade, investment, joint venture and/or production and marketing relations with the People's Republic of China.

American Products have edge:

+Historical and cultural connections.

+Chinese view of U.S. on world stage is that it remains a major international economic and political power.

−Continuing political contentions between the U.S. and the PRC.

−Established and growing foreign competition.

Market potential is there (1.2 billion population):

+Western products and styles have appeal.

+Youth and young business classes are change-minded and looking for a more prosperous and comfortable life style.

+Whole nation is undergoing a building-construction boom, further promoting change. More wage earning employment is increasing public desire for more consumer gods.

−Established cultural identification with tastes of traditional products, i.e., sweeter, heavy bodied, high alcohol content and flavored wines.

−Higher prices and limited availability of foreign products.

Lessening of PRC government's monopoly control of distribution systems of major products, i.e., grains, oil, sugar and alcohol:

+Government entities are freer to establish direct business contacts with foreign companies.

+Small private sector businesses are present everywhere, adding a stimulus to the development of alternative distribution and marketing systems within the country.

−Government bureaucracy, out of date regulations, paperwork, etc.

Business and trade considerations:

Patience and long-term commitment are necessary.

Include overseas Chinese connection in PRC business arrangement.

Joint venture connection with government or government connected organization best for near future.

Establishment of dependable distribution and warehousing system is key.

Capital investment is offset by inexpensive labor costs.

Targeted advertising strategy is essential, building product identification and product appeal.

Networking international hotels and restaurants.

Developing wine expos and other public wine education/appreciation events.

Current alcohol beverage market:

Distilled spirits traditional, brandies and cognacs are king.

Beer is being brewed locally in all cities. Beer popularity and consumption is growing rapidly throughout the country.

Wine: Table grapes and vineyards for 6,000 yards. Wine grapes and wine for 2,000 years, but always in limited quantity. Rice, plum and other fruit flavored, sweet and heavy-bodied wines are traditional and remain popular. Late 1800s and early 1900s began foreign influence and production of European styled dry wines. 1892 Chang Yu Winery was the establishment of the first commercial plant in Yantai, China.

Bottom line: If there is money to be made by Chinese involved individuals and/or businesses in marketing and selling an American product (wine), success will eventually happen!

SUGGESTIONS FOR AN ONGOING DIALOG BETWEEN THE WINE INDUSTRIES OF THE PEOPLE'S REPUBLIC OF CHINA AND THE UNITED STATES

Plan and conduct a series of Chinese wine expos in several American cities with large Chinese populations. Hold trade and public wine tasting events to improve the marketing and sale of Chinese dry wines in the U.S.

Establish a cost sharing exchange program between the PRC and the U.S. agricultural universities and institutions for viticulturists and enologists—short term teaching, study and research grants.

Recommended American consultants for short working assignments with China's alcohol beverage industry:

1. Alcohol beverage trade association consultant.

2. Alcohol beverage consultant on warehousing, distribution systems and marketing strategies.

3. Consultant team from the U.S. Bureau of Alcohol, Tobacco & Firearms to advise on: (a) Establishing national regulations and standards for the Chinese alcohol beverage industry; (b) Label and formula approval; (c) Compliance matters; (d) Laboratory research and testing procedures; and (e) Product taxing and collection.

Increase incentive for foreign wine importation and joint venture activity by further lowering the tariff on wine considerably below the present 70% level. Increased sales of American dry wines in China will correspondingly increase the popularity and sale of Chinese dry wines.

MEMBERS OF THE DELEGATION

Gordon W. Murchie, Delegation Leader and President, Vinifera Wine Growers Association, Alexandria, Virginia; Anita J. Murchie, Delegation Reporter, VWGA; Albert A. and Donna M. Oliveira, Basport Vineyard, King City, California; Tony K. Wolf, State Viticulturist, Virginia; Wilbert E. Rojewski, President, Alasco Rubber & Plastics Corp., Belmont, California; John R. Pramaggiore, Director of Fine Wines, Service Liquor Distributors, Inc., Schenectady, New York; Tomas F. Rodriguez, President, La Provencale Cellars, Reston, Virginia; Stephen D. Reiss, Buyers & Cellars Wine Consultants, Aspen, Colorado; Anne V. and Roger W. Webb, Apponagansett Bay Vineyard, South Dartmouth, Massachusetts; and Robert J. Boidron, Director, E.N.T.A.V., France.

TRIBUTE TO POLISH-AMERICANS

HON. MARK ADAM FOLEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FOLEY. Mr. Speaker, I rise today, Pulaski Day, to pay tribute not only to Kazimierz Pulaski but to all men and women of Polish descent who have helped to make this Nation the greatest in the world.

Kazimierz Pulaski was an energetic and fiery soldier who, in July 1777, came to America to offer his services in the Revolutionary War. As a cavalry general he fought courageously and won distinction in several campaigns.

Pulaski was to the American Revolution what Patton was to World War II. Though he was mortally wounded in the Battle of Savannah, he left behind a cavalry unit that earned him the title ''Father of the American Cavalry.''

Mr. Speaker, Kasimierz Pulaski knew, just as the following famous Polish-Americans, that freedom isn't free and that America is a great nation because it provides an opportunity for every person regardless of ethnicity:

FAMOUS POLISH-AMERICANS

Mieczyslaw G. Bekker—scientist; built the first vehicle used on the moon (moon rover used by Apollo 15 in 1971).

Zbigniew Brzezinski—professor of political science; National Security Advisor in President Carter Administration (1977–1981).

Stanislaw Burzynski—physician, cancer specialist.

Adam Didur—opera singer; at the beginning of the 20th century was for 25 years principal bass of the Metropolitan Opera.

Mieczyslaw Haiman—historian; the first curator of the Polish Museum of America in Chicago.

Bronislaw Kaper—composer; composed for nearly 150 Hollywood movies, won Oscar for ''Lili.''

Jan Karski—diplomat and professor of political science; author of the report concerning conditions in the Warsaw Ghetto and concentration camps in the early World War II, who tried to bring to the attention of unwilling-to-listen Allied governments and societies the atrocities committed by Germans in Europe.

Jan Kiepura—opera singer; star of the Metropolitan Opera and Broadway.

Tadeusz Kosciuszko—political leader and philosopher; brilliant military strategist, a Revolutionary War hero, built West Point.

Jerzy Kosinski—writer; author of ''The Painted Bird.''

Jan Krol—the first Polish-American cardinal (from Philadelphia).

Wladimir B. Krzyzanowski—soldier; organized Polish Legion that fought in the Civil War; the first Governor of Alaska.

Bronislaw Malinowski—anthropologist; a founder of cultural anthropology; famous for his research in Trobriand Islands.

Czeslaw Milosz—poet and writer; won Nobel prize for literature (1980).

Helena Modrzejewska—actress; famous in the 19th century America for her appearances in Shakespeare's plays.

Ralph Modjeski—engineer; specialized in building bridges (Themes Bridge over Mississippi, Delaware River Bridge, Trans-Bay Bridge in San Francisco, Blue Water Bridge in Michigan).

Stan Musial—baseball player (St. Louis Cardinals); Sportsman of 1957, Baseball Player of the Decade, 1946–56.

Edmund Muskie-Marciszewski—U.S. Senator from Maine; Democratic candidate in the presidential elections of 1968 and 1972.

Pola Negri—actress; star of many films in the early era of Hollywood.

Ignacy Jan Paderewski—pianist, composer and statesman; loved by the American audience, played an important role in establishing free Poland after the World War I, Prime Minister.

Ed Paschke—contemporary painter; representative of the Chicago Abstract Imagists.

Roman Polanski—film director; famous for ''Rosemary's Baby,'' ''Chinatown'' and other movies.

Tadeusz Sendzimir—engineer; author of over 50 inventions in mining and metallurgy.

Leopold Stokowski—conductor.

Leopold Tyrmand—writer, editor of ''Chronicles of Culture.''

Stanislaw Ulam—mathematician, cocreator of the atomic and H-bombs.

Korczak Ziolkowski—sculptor, creator of the statue of Crazy Horse in the Dakota Black Hills; member of the team of artists that carved head of presidents in Mt. Rushmore.

Florian Znaniecki—sociologist; coauthor of ''The Polish Peasant in Europe and America, 1918–1920; considered the foundation of modern empirical sociology.

TRIBUTE TO THE FRANCIS CHILD DEVELOPMENT INSTITUTE AND THE FRANCIS FAMILIES FOUNDATION

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. McCARTHY. Mr. Speaker, I rise today to salute the Francis Families Foundation in Kansas City, for their dedication to improving the quality of child care for thousands of families in our community.

The Francis Institute is a major program at Penn Valley Community College, one of the metropolitan community colleges, whose mission is to provide high-quality training and education to child care providers and students seeking careers in early childhood development. In its short 6-year history, the Francis Institute has become a national leader and advocate for the profession of child care. It is also changing the way Kansas City views child care facilities—not as babysitting services, but as enriching places for children to go for learning and development.

Today, thanks to a $6.5 million grant from the Francis Families Foundation, the Francis Institute is breaking ground on an exciting state-of-the-art facility. This building will provide exciting new benefits to the community, including a comprehensive resource library, a model child development center, facilities for community workshops and seminars on child care and more.

Since 1990, the Francis Families Foundation has worked quietly behind the scenes providing leadership in the area of child care education and training. As one of the founders of the Francis Institute, it has helped establish a unique public-private partnership with the metropolitan community colleges. The outcome is accessible education and professional development opportunities to urban child care providers.

The Francis Institute's success and impact are built upon a foundation of community partnerships and collaborative programs. Working

with local, State, and national organizations to provide academic courses, workshops, consultation, entrepreneurial training, mentoring, and more, the Francis Institute has improved the skills of thousands of child care providers and students. At the same time, its qualified staff fosters a lifelong love for learning and personal growth.

It is common for people to talk about the problems our children face today. It is rare for organizations such as the Francis Families Foundation and the Francis Child Development Institute to work hand in hand toward a common goal with so much success in such a short period of time.

Mr. Speaker, I congratulate the Francis Families Foundation of its vision and tremendous generosity, and I wish the Francis Child Development Institute great success in its efforts to change the way we think about child care to the benefit of families.

40TH ANNIVERSARY OF THE HUNGARIAN REVOLUTION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SMITH of New Jersey. Mr. Speaker, 40 years ago, on October 23, 1956, students in Hungary protested against the Russian and Marxist-Leninist classes which had been imposed by the Soviet Union. The Hungarian Revolution had begun. Students and the Writers' Union then publicly supported the Polish anti-Soviet movement, and workers joined them in calling to reinstate as Premier the Communist Party reformer Imre Nagy. Within days, despite hard-liner Premier Hegedus' plea to the Soviet Union for assistance, the Communist Party reinstated Nagy and his reform efforts were allowed to resume. The Hungarian people wanted more, and pushed for an end to the dominance of the Communist system itself. With Soviet troops and tanks entering Budapest, a new government was formed as fighting spread across the country. Revolutionary workers' councils and local national committees demanded attention be given to political and economic demands, including calls for free elections, free speech, press, assembly, and worship.

Imre Nagy, siding with the people, announced the end of the one-party system, and called for free elections. He even criticized the Warsaw Pact and indicated his intention to make Hungary a neutral state. The Soviet Union quickly reacted to this secession with a crushing military advance on strategic locations throughout Hungary in mid-November. Imre Nagy was ousted from office. For his loyalty to his people and to their revolution, he was executed by the Soviets in 1958.

Mr. Speaker, despite courageous efforts, the revolutionaries were ruthlessly and bloodily suppressed while a sympathetic but ineffective international community stood by. In the end thousands were killed in the fighting, and hundreds of thousands fled the country to avoid imprisonment and repression after the revolution. Many settled in the United States.

The 40th anniversary of the Hungarian Revolution is an appropriate time to reflect upon the historical contribution made by those who valiantly fought for freedom. Although the revolution did not succeed in freeing the Hungarian people, its influence on Hungarian life has been strong. To Hungarians, East and Central Europeans, and the rest of the world, the Revolution served as a reminder that the Soviet Communist bloc was an artificial edifice which would crumble without the support of Soviet military strength.

Hungary and Poland led the way in 1989 to cast off Communist rule, and Hungary remains in the forefront of those East European nations working to consolidate democracy and build market economies. In 1990, Hungary was the first East European country to become a member of the Council of Europe, reflecting Hungary's advances in human rights. Indicative of the country's progress in establishing a democracy, Hungary is currently among the first-tier countries to be considered for membership in an expanded NATO.

In fact, acknowledging the need for security and cooperation with their European neighbors, the Hungarian Government—led by Gyula Horn—made a significant step toward historic reconciliation with Romania by signing a bilateral treaty just a few weeks ago. Hopefully this treaty will be a useful mechanism for handling future concerns peacefully and in a constructive manner. In its ongoing transition, Hungary continues to face the complex tasks of sustaining newly-developed democratic institutions, furthering the growth of civil society, and managing the hardships associated with privatization and economic reforms following decades of Soviet domination and centralization.

Hungary's commitment to a free and democratic system are deeply rooted in the legacy of those who valiantly fought in 1956. With history as a measure, Hungary has great staying power. This year, Hungary commemorates not only the 40th anniversary of the 1956 Revolution, but also the 1100th anniversary of Hungary as a nation. Mr. Speaker, in this 40th anniversary year we honor Hungary's legacy of a love for freedom.

GIRL SCOUT GOLD AWARD

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. COBLE. Mr. Speaker, since 1980, the Girl Scout Gold Award has been the highest award that a Senior Girl Scout can earn. In the Sixth District North Carolina, we are proud to announce that 88 members of the Tarheel Triad Girl Scout Council have earned this prestigious honor.

The Gold Award is the most highly valued honor in Girl Scouting. The potential honoree must spend 2 to 3 years committing herself to hard work in order to obtain a Gold Award. Her efforts must express a special dedication to personal growth, helping her community and her world, and to her future.

To receive the award, a Girl Scout must earn four Interest Project Patches, the Career Exploration Pin, the Senior Leadership Award, and the Girl Scout Senior Challenges. She must also design and implement a Girl Scout Gold Award project that takes a minimum of 50 hours to complete. A plan for fulfilling these requirements is created by the Senior Girl Scout, an adult advisor, and the community in which she lives.

We are pleased to state that the following Girl Scouts from the Tarheel Triad Girl Scout Council of North Carolina have achieved the ultimate success—the Gold Award.

GOLD AWARD RECIPIENTS—1995–96 Troop Year

Kathryn Abel, Anna Antonowicz, Kendall Bain, Anne Beatty, Renee Blackburn, Kerstin Blomquist, Jennifer Bowman, Dana Braddy, Karen Bright, Hana Brown, JoNelle Bruff, Anna Bulluck, Melissa Burgess, Hillary Craven, Jocelyn Crawford, Aarika Cupp, Janet Dawson, Jennifer Dickson, Kristen Dowler, Jennifer Duncan, Anne Duquette, Danette Farmer, Kristin Felts, Ashley Finn, Erin Florence, Christianna Floyd, Jillian Fulbright, Leta Jo Gardner, Heather Gillaspie, Elizabeth Grabasky, Jessica Grandon, Nyia Gravely, Sikia Gravely, Lara Hensley, Robin Huckabee, Mary Kathryn Jester, Julie Johnson, Laurie Jones, Emily Knott, Heather Lloyd, Heather Long, Katherine Love, Kelly Lowry, Erin Lutz, Whitley Maner, Kara Marcus, Kelly McBrayer, Tonia McCaslin, Erin McClure, Jennifer McGinnis, Amber McKinnon, Rowena McNairy, Hawanya Miller, Kristina Miller, Charita Moore, Lindsey Moxley, Erin Murphy, Carrie Navey, Meredith Newlin, Lauren Pate, Amanda Patty, Monica Pedelty, Katie Potts, Katie Raines, Katherine Redding, Kate Roskelly, Mary Kathryn Ross, Elizabeth Rowland, Jerilyn Shaw, Valerie Smith, Drema Snedeker, Dawn Sneed, Dawn Snider, Katherine Spencer, Meredith Stewart, Lindsey Strickland, Aisha Taylor, Jinger Thies, Margaret Tilley, Mary Elizabeth Waddell, Wellsley Wallace, Mary Weatherly, Anna West, Dana Wiley, Valerie Williams, Vachelle Willis, Meredith Wood, and Patty Yu.

We often hear about the negative achievements of today's youth. I am pleased to share with my colleagues the positive developments of a group of young women in my district. On behalf of the Sixth District of North Carolina, we offer our congratulations to every recipient of the Girl Scout Gold Award.

INDIA FINALLY PUNISHES MURDERER INVOLVED IN 1984 MASSACRE OF SIKHS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BURTON of Indiana. Mr. Speaker, the September 16 issue of the New York Times reported that, thanks to a personal crusade by a magistrate named Shiv Narain Dhingra, some of the people responsible for the 1984 Delhi massacre of Sikhs are being punished. Over 20,000 Sikhs died in those massacres following the assassination of Indira Ghandi. All the while, state radio and television called for more bloodshed and the Home Minister locked Sikh policemen in their barracks.

The New York Times called this ''one of the darkest chapters in the country's half-century of independence.''

According to the Times, ''despite evidence implicating politicians, police officers, and officials in the anti-Sikh rioting, not a single person had been convicted for the killings that followed the assassination,'' until this year. This year, a butcher who was involved in at least 150 of those murders, Kishori Lal, was sentence to death by Judge Dhingra. This crusading magistrate has also sentenced 89 people involved in the massacres to 5 years of ''rigorous imprisonment,'' the harshest punishment

in the Indian prison system. These moves constitute a first step toward justice, but they are not nearly enough.

Gurcharan Singh Babbar, a Sikh activist whose campaign on behalf of the victims of this government-inspired massacre caused him to be labeled a ''terrorist'' by the regime, reports that he has affidavits from the families of at least 5,000 victims. Clearly, the sentences imposed by Mr. Dhingra are just the tip of the iceburg. A Sikh woman named Satnami Bai, finally succeeded in getting a criminal indictment against former government minister H.K.L. Bhagat, who was involved in the murder of her husband, Mohan. It seems that Mohan Bai was pulled from his home, beaten with iron bars, and burned to death by a government-inspired mob. Unfortunately, Mohan Bai is just one of many. Despite the indictment against Mr. Bhagat, he has been allowed to stay in a government bungalow with the protection of the elite and brutal Black Cats security forces. After he was thrown out under pressure this past spring, the Government wrote off thousands of dollars in back rent that Mr. Bhagat owed.

The judge said the Government's belated effort to investigate the massacre is clearly a farce designed to cover up its own responsibility. As Mr. Dhingra points out, the government felt that ''the massacre was necessary to teach (the Sikhs) a lesson.'' This is further proof that the rights of Sikhs and other minorities have never been respected in ''the world's largest democracy.'' That is why we must raise our voices to force the Indian government to stop the atrocities in Punjab and Kashmir, and punish the criminals who are guilty of committing these crimes in the past. We must also do everything in our power to compel the Indian government to respect the rights of the Sikhs in Punjab and the Muslims in Kashmir to freedom from abuses, democracy, and self-determination.

I ask to enter the New York Times article on the massacres into the RECORD.

[From the New York Times, Sept. 16, 1996]

A DECADE AFTER MASSACRE, SOME SIKHS FIND JUSTICE

(By John F. Burns)

NEW DELHI, September 15.—A dismal air pervades the dank residential blocks of Tilak Vihar, a gloom that goes beyond the unpaved lanes turned to swamps by monsoons and the stench of human waste. In this quarter of New Delhi, the degration common in Indian slums is compounded by a blankness on the faces, a lack of the optimism and vitality that, against all odds, inspirits so many of India's poor.

The quarter's popular name is Widows' Colony. In these walk-up blocks live hundreds of women and children who lost their husbands, fathers, sons and brothers in the massacre of thousands of Sikhs that followed the assassination of Prime Minister Indira Gandhi in October 1984. Mrs. Gandhi was shot in the garden of her New Delhi home by Sikhns in her security detail, who acted to avenge hundreds of Sikhs killed in a crackdown by Mrs. Gandhi's Government on insurgents holed up in the holiest Sikh temple in India.

For many Indians, the massacre, and India's failure until recently to punish any of those responsible, has been one of the darkest chapters in the country's half-century of independence. Two men found guilty of Mrs. Gandhi's murder was hanged in 1988.

But despite evidence implicating politicians, police officers and officials in the anti-Sikh rioting, not a single person had been convicted for the killings that followed the assassination until a magistrate imposed a death sentence this week on a butcher found guilty of two of the Skih murders. Evidence presented in court indicated he was involved in at least 150 other killings.

The death sentence on the butcher, Kishori Lai, was the latest move in personal crusade by the magistrate, Shiv Narain Dinghra. Two weeks ago, Mr. Dinghra drew headlines across India by sentencing 89 of the 1984 rioters to jail terms of five years, to be served under the ''rigorous imprisonment'' regime that is the harshest imposed in Indian jails.

They were sentenced for crimes like arson, illegal use of exposives, rioting, looting and curfew-breaking. Last fall, Mr. Dinghra, a hitherto obscure figure, sentenced 44 others for their roles in the rioting, the first such action since 1984.

Although the Sikh insurgency in the Punjab was effectively crushed in the early 1990's, the legacy of 1984 has embittered many of India's 18 million Sikhs, whose culture and religion are closely linked to India's predominant faith, Hinduism, from which Sikhism, emerged in an 18th century schism.

India's failure until now to make any reckoning for the 1984 killings has also troubled many secular Indians who have taken the Government's inaction as a token of a growing tendency among Hindu politicians who dominate the major parties to pander to sectarian impulses.

Even Mr. Dinghra's efforts are discounted as tokenism by many Sikhs like Gurucharan Singh Babbar.

Mr. Babbar, a Sikh activist, has campaigned on behalf of the riot victims, causing him to be branded a ''terrorist'' by the Government of Rajiv Gandhi, who succeeded his mother as Prime Minister, and was assassinated himself in 1991. At his home in New Delhi, *Mr. Babbar has piles of affidavits from victims' families that prove, he says, that 5,015 Sikhs were killed, more than double the official figure of 2,300.*

But Mr. Dinghra is part of what many people see as a wider awakening of conscience among India's judiciary that many Indians believe could be the spur to wider changes in the way the country is governed.

The new judicial assertiveness first surfaced in rulings by the Supreme Court that swept aside efforts by the Government of Prime Minister P.V. Narasimha Rao to shield Mr. Rao and others from corruption investigations.The judges have accompanied many of their rulings with wider conclusions about the need to rein in the arrogance and criminality that, the judges have said, has become a trademark of Indian politics.

Mr. Dinghra picked up these themes last month in sentencing the 1984 rioters to jail terms. Calling the Government's show of investigating the killings over the years ''a farce,'' Mr. Dinghra said the attitude among top officials at the time was that ''the massacre was necessary to teach a lesson'' to India's Sikhs.

But the larger lesson of Government inaction in the case, he said, was that justice was available only to those with power.

''Cases against the rich and influential either do not reach the courts, or, if they do, they are seldom finalized, while the cries of the victims go unheard,'' he said.

A similar conclusion was reached long ago by Satnami Bai, a 36-year-old grandmother, who has waited years to get justice for her husband, Mohan, a 30-year-old driver of a motorized rickshaw who was among the Sikh men pulled from their homes in New Delhi by Hindu mobs, beaten, with staves and iron bars, then burned alive.

Earlier this year, Mrs, Bai successfully petitioned for a criminal indictment in her husband's killing to be drawn up against a former minister in Mrs. Gandhi's government, H.K.L. Bhagat.

Mr. Bhagat, 75, who has pleaded not guilty, was Mrs. Gandhi's Information Minister. He was named by several unofficial inquiries conducted immediately after the killings as being one of several powerful Congress Party politicians who instigated and led the 1984 killings.

Under Rajiv Gandhi's prime ministership, Mr. Bhagat prospered, holding four ministerial posts and heading the Congress Party in New Delhi. After Mr. Gandhi's Government fell in 1989, Mr. Bhagat stayed on in a luxurious Government bungalow, protected by an elite security force, the Black Cats. Only this spring, when Mrs. Bai's pressures prompted his indictment, was he forced out of the bungalow, and then only after Mr. Rao, the Congress Party leader and then Prime Minister, ordered housing officials to write off tens of thousands of dollars Mr. Bhagat owed in back rent.

The Congress Party has been in an accelerating decline, and its humiliation in a general election earlier this year has emboldened those who have long wanted a reckoning. For these people, Mrs. Bai is just as much a hero as Mr. Dinghra.

Now working as a $50-a-month cleaner in a Government-run dispensary, a job given to her under a program to compensate widows of the 1984 massacre, Mrs. Bai said powerful figures apparently still believed that people like her could be stopped in their efforts to secure justice.

After Mr. Bhagat was hauled into court for the first time, Mrs. Bai said, a woman who identified herself as a relative of Mr. Bhagat called Mrs. Bai at work and offered her 500,000 rupees, equivalent to $14,300, if she dropped the case against him. ''I said, 'Fine, we'll do a deal, but forget about the 500,000 rupees,'" Mrs. Bai recalled. ''Instead, I said, 'Just give me my husband back, and I'll drop the case.'"

DOUBLE SPEAK CLINTON TRADE POLICY

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. MANZULLO. Mr. Speaker, this week the Clinton administration released its annual National Export Strategy, as required by the 1992 Export Enhancement Act. The report contains many accolades for various initiatives within the administration to boost exports. Many of these initiatives are good. But what I found missing was the Clinton administration's record on the single largest export opportunity—its policy on killing sales of United States equipment and services to the Three Gorges Dam [TGD] project in the People's Republic of China.

Last summer, America was confronted by a new reality on the international scene. For the first time in history, the Census Bureau revealed that China has eclipsed Japan as the nation with which the United States has the largest trade deficit at $3.33 billion for the month of June. In fact, our trade deficit with China expanded even further to $3.8 billion in July. The United States could have a trade gap with China of over $40 billion for 1996 if this trend continues.

Many pundits have decried this growing trade deficit. Some argue that the United States should erect more trade barriers to

keep out imports from China. Yet, there is a consensus among free traders and protectionists that the United States should use every opportunity to sell products to China. In this case, there are willing customers in China who wish to buy over $1 billion in United States products for the TGD, but the Clinton administration has thus far effectively prevented these exports in order to please certain constituencies in the Democrat Party.

American exporters need the help of the Export-Import Bank of the United States [Ex-Im] in order to win the fierce competition for huge contracts associated with the TGD. Ex-Im can provide loans with lower interest rates—generally 3 to 6 percent less—so that our exporters will not be shut out of the bidding when our European and Japanese competitors secure similar loans from their home government export finance agencies. Already, Canada's export finance agency has provided some help to its exporters willing to sell to the TGD project.

Two years ago, Ex-Im asked the National Security Council [NSC] for advice on the TGD project. Because of its immense size, Ex-Im determined that they did not have sufficient expertise to deal with all the complex issues associated with this dam project. The NSC convened several meetings of 11 different agencies to come up with a series of recommendations for the project. In May 1995, all the agencies involved, including the usually pro-trade Department of Commerce and Ex-Im, recommended that the White House oppose the dam project at this point in time because of environmental issues and human rights concerns over the resettlement of 1.2 million Chinese. Many of the strongest voices against the TGD in this NSC interagency working group came from individuals who had previously worked for environmental lobbying groups prior to their service in the Clinton administration.

Since then, the Yangtze River has flooded twice. More than 3,200 people died in the flooding that occurred during the summers of 1995 and 1996. In fact, during the most recent flooding in July, more than 3 million were left stranded and 810,000 homes ere completely destroyed. Some cities were under 20 feet of water and 2.5 million acres of cropland were completely wiped out, costing China $11.3 billion in economic losses. And, southern China has been hit with five more typhoons, further compounding the flooding damage closer to the coastal areas. Thus, the flooding along the Yangtze in this year alone has done more environmental damage and relocated more Chinese than ever contemplated by the TGD project.

China has debated over the past 70 years a possible solution to this annual flooding problem along the Yangtze River. They fear a repeat of a massive 50 year flood, which last occurred in 1954 that killed 30,000 people and displaced 19 million others. China's leadership concluded that building a dam across the Yangtze at the Three Gorges area would be the best solution in terms of cost, engineering design, and least damage to the environment. While 80 percent of the project is expected to be designed, built, and funded by China itself, it has identified several high-quality foreign products China wishes to use in the dam construction such as hydroelectric power generators, earth moving and concrete placing equipment. The United States is in a unique position to sell these products but the Clinton administration has placed several hurdles in the way.

The most troubling aspect is that the supposedly independent Ex-Im agreed with the Clinton White House recommendation. A number of Members of Congress are very concerned about the independence and the future mission of Ex-Im in light of the May 30, 1996 board decision to indefinitely postpone further consideration of a letter of interest for American companies who want a level playing field against foreign firms competing to win contracts associated with the TGD. The way this decision was made was a diversion from Ex-Im's charter and Ex-Im's own internal environmental regulations.

Ex-Im has gone well beyond its statutory mandate contained in the charter and lost sight of its primary mission to ''arrange competitive and innovative financing for the foreign sales of United States exporters.'' According to Ex-Im's charter, environmental policy and procedures apply to any transaction involving the following three criteria:

First, the project requires more than $10 million of long-term support;

Second, Ex-Im's participation in the project would be ''critical to its implementation''; and

Third, the project ''may have significant environmental effects upon the global commons or any country not participating in the project, or may produce an emission, an effluent, or a principal product that is prohibited or strictly regulation pursuant to Federal environmental law.''

While the financing request for U.S. exporters to sell American goods and services to the TGD certainly fits the first criteria, it does not meet the other two tests. All foreign financing will form approximately 20 percent of the total cost of the final project. Thus, Ex-Im's participation in the project is not critical to the TGD implementation. The dam will be built with or without U.S. participation. The way events are unfolding, it appears that the real life consequence of the Clinton administration policy is to have the dam built, but only with foreign-made equipment.

Regarding the third environmental criteria mentioned in the charter, the TGD project is located in the heart of central China. The dam will only impact the internal environment of China. It will not affect China's neighbors in Russia, India, or Southeast Asia. As a ''clean'' hydropower project, the TGD will not produce an emission or a noxious effluent. Thus, Ex-Im was not forced by Congress in its charter to turn down these letters of interest.

In fact, Ex-Im has gone even beyond its own internal environmental procedures and violated its own guidelines, which clearly state that ''no environmental review will be conducted by Ex-Im Bank prior to issuance of a Letter of Interest.'' The guidelines also explain that ''no LI's will be issued * * * for projects that * * * involve potentially unacceptable environmental risks. As a result, such transactions must seek preliminary commitments or final commitments * * *.'' Yet American companies were repeatedly told to apply for a letter of interest from Ex-Im for the Three Gorges project even though the proper step should have been quick advancement to the preliminary commitment stage where environmental considerations would be taken into account. Ex-Im's response was that they were simply seeking a way to help the applicants avoid the substantial charge for processing a preliminary commitment application. So, American workers were denied a $1 billion export opportunity to willing buyers in China to save a few hundred bucks on an application fee.

If millions of exports and thousands of jobs weren't at stake, this might be an interesting academic exercise. But unfortunately, it isn't. One has to wonder if Ex-Im had already made up its mind months before their May decision, as evidenced by their concurrence with the NSC memorandum. This was the first major test case of Ex-Im's implementation of its new environmental guidelines since they were finalized last April. If this is any indication of future action, the United States will certainly surrender many export opportunities to our foreign competitors who have no similar prohibitions.

What adds insult to injury is that now the Clinton administration has begun to provide humanitarian aid to the Chinese suffering from this flood while, at the same time, refuses to revisit its failed policy on the TGD to provide a permanent solution to this annual tragedy. A wise man once said, ''Give a man a fish, he is fed for a day. Teach him to fish, he will be fed for a lifetime.''

Ex-Im still has one last opportunity to rescue themselves from this dilemma. China is working very hard to get substantive answers to the remaining questions asked by Ex-Im at their May 30 press conference dealing with water pollution, endangered species, relocation, and salvaging archeological treasures. If China fulfills their end of the bargain, I urge Ex-Im to use that opportunity to reissue letters of interest to United States exporters to keep them in the game. Our exporters lost out on $4 billion in export opportunities last April because Ex-Im kept delaying their decision. Let's not repeat that mistake because there are more contracts worth billions more up for bid later this fall. Let's use America's ingenuity and expertise to ''teach'' China to build the best, safest, and most environmentally benign dam to prevent the annual tragedy that occurs on the Yangtze and lower the trade deficit with China by supporting Ex-Im involvement with the Three Gorges Dam.

THE SPORTSMEN'S BILL OF RIGHTS

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CUNNINGHAM. Mr. Speaker, I rise today to support the Sportsmen's Bill of Rights (H.R. 4144), which was introduced by my dear friend and colleague BILL BREWSTER of Oklahoma.

From America's earliest days, hunting and fishing have been a part of the American experience. Today, over 36 million Americans enjoy fishing as a regular recreational activity, and over 16 million Americans enjoy hunting.

Hunting and fishing are essential components of effective wildlife management. They provide important incentives for the conservation of wildlife, and the habitat and ecosystems upon which wildlife depends. Funds raised from the sale of licenses, permits, and stamp purchases, as well as excise taxes on goods used by anglers and hunters,

are used for wildlife management and research. American's sportsmen are conservationists working to protect habitats and wildlife for the future.

As a member of the bipartisan Congressional Sportsmen's Caucus, I am proud to work with my colleagues to promote opportunities for sportsmen across America. The Sportsmen's Bill of Rights:

Requires Federal agencies managing Federal land and water resources to support promote, and enhance opportunities for fishing and hunting.

Amends the current land management process to include the promotion of hunting and fishing as a priority for Federal land use.

Raises the awareness of Federal land managers of the impact that their policy decisions have on hunting and fishing opportunities.

Ensures that our Nation's Federal lands will continue to be places where opportunities for hunting and fishing are promoted.

I would like to thank in Mr. BREWSTER for introducing the legislation. I also want to encourage all my colleagues to join us ensuring that all Americans have the opportunity to take part in America's sporting tradition.

BIRTH OF ALEXANDRA KATHRYN RANDALL

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. NEY. Mr. Speaker, I commend the following article to my colleagues:

Whereas, Alexandra Kathryn Randall was born on the twelfth day of August, 1996; and

Whereas, Alexandra's parents, David and Cortney Randall, are proud to welcome their first child into their home; and,

Whereas, I am sure that Alexandra Kathryn will bring her parents and family love and joy; and

Be it resolved, the parents of Alexandra Kathryn, with a real sense of pleasure and pride, join me in celebrating her birth and the happiness she brings to their family.

TRIBUTE TO POPE JOHN PAUL II IN HONOR OF HIS 50TH ANNIVERSARY OF ORDINATION

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SCHUMER. Mr. Speaker, I am proud to join all my friends and colleagues in honoring our Holy Father Pope John Paul II celebrating the 50th anniversary of his ordination. I truly believe that due to the tireless efforts of Pope John Paul II, the world has become a more unified and peaceful place to live.

In a time of need for the championing of human rights around the world, a strong moral leader who is widely and enormously respected emerged in the person of John Paul II. Pope John Paul II a warm, earthly figure, whose very presence wins the hearts of the millions who cheer him at every turn on his international pilgrimages. He is also a gifted philosopher, intellectual, and religious statesman.

As our society has grappled with serious social questions, Pope John Paul II has dealt with them in such a way as to maintain a peaceful and fair world order. Over the past 50 years, Pope John Paul II has been a dedicated servant to the world in his goals that include peace, disarmament, and the conquering of world hunger.

On this most joyous anniversary celebration, Pope John Paul II remains a beacon of strength and hope for every world citizen. For all these reasons and more I pay tribute to Pope John Paul II today and salute him as a true world hero. May he be blessed with the fortune of celebrating many more anniversaries well into the future.

TRIBUTE TO ILENE MUNETZ PACHMAN AND HER EFFORTS FOR THE RAOUL WALLENBERG POSTAGE STAMP

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LANTOS. Mr. Speaker, I rise today to pay tribute to Ilene Munetz Pachman—a Bucks County, PA, freelance writer, educator, and author of children's books—who spent 4 years of determined effort to convince the United States Postal Service to issue a commemorative stamp in honor of the Swedish Holocaust hero Raoul Wallenberg. On May 8 of this year, a number of my colleagues from the House and the Senate joined with me, Mrs. Pachman, Postmaster General Marvin Runyan, Postal Service Governor S. David Fineman, and my wife, Annette, in unveiling the design of the Wallenberg stamp. This stamp will be issued next year.

It is highly appropriate to have a U.S. stamp honoring Wallenberg. This Swedish businessman, a member of Sweden's most prominent banking and business family, went to Budapest, Hungary, at the request of the United States Government in 1944 in a desperate effort to save the lives of Jewish victims of the Nazi extermination machine. Through his incredible struggle, he saved the lives of tens of thousands.

Mrs. Pachman first learned about Wallenberg at her synagogue. Initially, she wrote articles about him. Even after the collapse of the Soviet Union, as his fate continues to be a mystery, she was determined to see that he continued to have a high profile. In continuing her efforts, Ilene said that she was inspired by the success of my wife, Annette, in bringing recognition to Raoul Wallenberg's extraordinary deeds.

Mr. Speaker, in 1992, about the time that a U.S. stamp was issued with Elvis Presley, Mrs. Pachman focused on the importance of honoring Raoul Wallenberg with a U.S. commemorative stamp. ''Our children need genuine heroes,'' she told me. ''With the precious name and likeness of Wallenberg coming into millions of American homes, via a stamp, his altruism will be discussed and, hopefully, his goodness emulated.''

Often squeezing as many as 40 hours a week for correspondence and telephone networking into the time left from her professional and family life, Mrs, Pachman enlisted the support of a broad spectrum of civil rights and human rights leaders, including Elie Wiesel, Coretta Scott King, Secretary of Education Richard W. Riley, Steven Spielberg, and president of the American Red Cross, Elizabeth Dole. Confident that the Wallenberg stamp would be supported by Americans of all faiths, she enlisted support from Cardinal Anthony Bevilacqua, the National Council of Churches, the U.S. Holocaust Memorial Council, Evangelical Lutheran Church in America, B'nai B'righ International, and other organizations. She also received the support of Senators CARL LEVIN and PAUL WELLSTONE and Mrs. Pachman's own representative, Congressman JIM GREENWOOD, in addition to the support of more than 100 other Members of Congress.

Mr. Speaker, I invite my colleagues to join me in paying tribute to Ilene Pachman for her efforts in winning support for the issuing of a stamp to honor Raoul Wallenberg and to perpetuate the memoray of that outstanding humanitarian.

IN HONOR OF THE 75TH ANNIVERSARY OF THE LEMOORE VOLUNTEER FIRE DEPARTMENT

HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. DOOLEY of California. Mr. Speaker, I rise before my colleagues today in order to pay tribute to the outstanding history of the Lemoore Volunteer Fire Department, which is celebrating its 75th anniversary this year.

This fine group of dedicated individuals first came together in 1921, and has been serving the Lemoore community continuously since its inception. Today, the members of the Lemoore Volunteer Fire Department provide an invaluable service to Lemoore by responding to nearly 200 fire alarm and over 600 medical calls each year.

I sometimes hear a sentiment of regret from people that our communities are suffering because of an unwillingness on the part of its members to become involved in service activities. The Lemoore volunteer fire fighters certainly defy this supposed trend. They have contributed to their community with an overwhelming spirit of generosity and caring, from the practical services they offer by way of fire fighting to the little extras, like providing the city with its annual Christmas tree.

I commend the dedicated individuals in the Lemoore Volunteer Fire Department for their remarkable 75 years of continuous service, and I hope that their fellow citizens will continue to support them with vigorous appreciation.

LET'S REALLY PROTECT AND STRENGTHEN OUR VETERANS' EMPLOYMENT PROGRAMS

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FILNER. Mr. Speaker, issues related to employment and training assistance for veterans have received a lot of attention in the

104th Congress. In fact, my colleagues on the other side of the aisle have talked endlessly about our national responsibility to support and assist veterans in their efforts to obtain employment and training. However, to quote the Bard, their rhetoric is largely ''much ado about nothing,'' and their legislative commitment to veterans in no way matches the passion of their words.

For over 50 years the House of Representatives deemed veterans' issues as near sacred—and far too important for partisan bickering and cynicism. Expecting that this bipartisan tradition would continue, I introduced three bills to protect, strengthen, and expand employment opportunities for our Nation's veterans. Unfortunately, the Republican chairman of the Veterans' Affairs Subcommittee on Education, Training, Employment, and Housing, which has jurisdiction over these measures, chose not to act on any of this legislation. H.R. 3538, the Veterans' Job Protection Act, H.R. 3938, the Veterans' Training and Employment Bill of Rights Act of 1996, and H.R. 4080, the Veterans' Entrepreneurship Promotion Act of 1996, are all significant bills that would make significant differences in the lives of thousands of veterans. These bills are serious business—they are not ''much ado about nothing''—and I hope that in the 105th Congress they will not fall victim to the hypocrisy surrounding veterans' matters we have experienced this year.

It is important that our veterans fully understand and appreciate what they have lost as a result of the destruction of the historical bipartisan support for veterans. Accordingly, I will briefly describe the bills which the Republican leadership chose not to support. First, I introduced H.R. 3538, the Veterans' Job Protection Act. This measure responded to a recent Supreme Court ruling which inadvertently eliminated job protections for veterans and members of the Selected Reserve whose civilian employment is with a State government. My bill would restore reemployment rights for these individuals. It would clarify that States must abide by the Federal law which requires employers to reestablish veterans in their former jobs when they return from military service. Because H.R. 3538 has not been enacted, members of the Selected Reserve who were activated for service in Bosnia could have problems when they return home and attempt to reclaim their civilian jobs if they are State employees. We hope and expect that the Selected Reservists now in Bosnia will soon return to the United States. It will be a dismal ''welcome home'' if their civilian jobs are not available to them because some in Congress chose not to protect them.

Under H.R. 3938, the Veterans' Training and Employment Bill of Rights Act of 1996, disabled veterans and veterans who have served in combat areas would have the opportunity, for the first time, for the first time, to fully participate in all federally funded training programs. Too often, veterans have been underserved by these national programs. For example, although veterans accounted for approximately 24 percent of all dislocated workers, only 14 percent of those trained under the Job Training Partnership Act [JTPA] program for dislocated workers were veterans. Veterans' service organizations have told us that some program managers mistakenly assume veterans receive similar services from the Department of Veterans' Affairs and discourage veterans from taking advantage of JTPA services. Additionally, we are in the midst of a major redesign of our national labor exchange and job training programs. My bill would ensure that our country's long-standing commitment to providing priority services to veterans seeking employment and training assistance would be protected and strengthened. H.R. 3938 would also establish, for the first time, an effective appeals process for veterans who believe their rights have been violated under certain veterans' employment-related programs.

Finally, I introduced H.R. 4080, the Veterans' Entrepreneurship Promotion Act of 1996. The purpose of this measure is to promote and assist the creation, development, and growth of small businesses owned by disabled veterans and other eligible veterans. Under this bill, a Governmentwide procurement program would be established to assist eligible veteran-owned small businesses to receive Federal Government contracts. For the first time, certain veteran-owned small businesses would have a real opportunity to become suppliers of needed goods and services through access to contract award opportunities in the multi-billion dollar Federal market. Additionally, because the availability of adequate capital for business startup and expansion can be an obstacle to the development and growth of veteran-owned small businesses, my bill would establish a guaranteed loan program for these concerns in the Small Business Administration [SBA]. H.R. 4080 would also provide eligible veteran small business owners with entrepreneurial training, counseling, and management assistance. I believe our Government has a responsibility to help the veterans of this country because of the sacrifices they have made in the service of their country. I also believe that the men and women who have served in our Armed Forces are a valuable national resource whose skills and abilities must be absorbed by, and integrated into, the civilian workforce. In order to facilitate this transfer of talent, however, we must provide our service members the tools, training, and job protection they need to reenter the nonmilitary workplace. Finally, I believe veterans are special and unique members of our American family. They have defended us all and have protected the freedoms we all value. I hope that in the next Congress we can work together as Americans, not as Republicans or Democrats, to develop responsible, effective, meaningful policies affecting our Nation's veterans.

FORMER YUGOSLAVIAN REPUBLIC OF MACEDONIA: NATION-BUILDING IN A HOSTILE NEIGHBORHOOD

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BEREUTER. Mr. Speaker, as the 104th Congress comes to its conclusion, this Member would take a moment to point out a major, unsung success story in American foreign policy. For 5 years the Former Yugoslav Republic has survived in a fragile and tenuous manner. Surrounded by adversaries and facing an embargo from Greece, the tiny Balkan State of Macedonia, which is formally recognized at this time in international fora as the Former Yugoslavian Republic of Macedonia [FYROM], has defied the odds and emerged as a viable state. FYROM has a democratically elected government, and with international assistance seems to have avoided much of the turmoil that has afflicted the rest of the former Yugoslavia.

The United States can justifiably take some pride in Macedonia's success. For the past 3 years, American troops have served in the international peacekeeping force that monitors the border with Serbia. Together with Danish and Swedish troops, these forces have served as an important deterrent to ensure that the Bosnian conflict did not migrate into the southern Balkans. American diplomats helped resolve, or at least dramatically reduce, the longstanding differences the Government of Greece has had with the Skopje government. American foreign aid and technical assistance, including assistance provided by the University of Nebraska-Lincoln College of Business Administration, has provided an important catalyst to develop entrepreneurs in Macedonia.

Many obstacles remain. Greeks and Macedonians continue to have a number of differences, including the final name of the country. Ethnic Albanians has serious concerns that their special needs are not always adequately considered. And, there always is the grave risk that a crisis in Kosovo would spill over into Macedonia.

These potential problems notwithstanding, Macedonia rightfully deserves praise. As Cord Meyer noted in a recent editorial, ''For the first time in many years, it is possible to look with some optimism at the future of the southern Balkans.'' This Member would ask that Mr. Meyer's editorial entitled ''Achieving Stability Macedonia's Way'' from the September 26, 1996, edition of the Washington Times be included in the RECORD.

[From the Washington Times, Sept. 26, 1996]

ACHIEVING STABILITY MACEDONIA'S WAY

(By Cord Meyer)

On September 8, Macedonia celebrated the fifth anniversary of its vote for an Independent and sovereign Macedonia, as opposed to remaining part of the Socialist Federal Republic of Yugoslavia. It is the only former member of the Yuguslav Republic that managed to declare independence peacefully and without bloodshed. Even Slovenia had 10 days of war before it broke free.

Having survived an attempt to assassinate him last October, the 79-year-old president, Kiro Gligurov, has made an extraordinary recovery from his serious wounds, is now back in full control of the presidency, and presides over a coalition government. Having survived the glancing blow of United Nations sanctions aimed at Serbia and a year's embargo on its trade with Greece, the Macedonian economy is beginning to feel results from the rigorous privatization program that Mr. Gligorov has insisted upon.

Mr. Gligoruv can also claim a large share of the credit for the timely deployment in 1993 of the U.N. peacekeeping forces in Macedonia's Northern border with Serbia. The assignment of 500 U.S. troops and 600 Nordic forces as an effective tripwire to discourage aggression remains a classic example of timely preventive diplomacy. It would be a serious mistake to withdraw these forces prematurely, as some of Congress are urging.

Another example of effective diplomacy was the agreement reached last September by Macedonia with its southern neighbor, Greece. By agreeing to change its flag and

modify its constitution, Macedonia with the help of Cyrus Vance as U.N. negotiator, managed to lift the damaging embargo on trade with Greece. The name issue was set aside for future negotiation and both countries claim to be enjoying profitable and peaceful relations.

Perhaps the most serious and difficult unresolved problem. Macedonia now faces is the status of its 23 percent Albanian minority. In addressing that issue, we are fortunate to have available a number of recommendations made this week by a working group appointed by the Council on Foreign Relations to promote stability in the Southern Balkans. They urge as the first priority maintaining the U.N. force on Macedonia's border with Serbia, as proof of U.S. commitment to Macedonia's territorial integrity and to minimize military expenditures by the Balkan states.

Second, the working group urges support of economic recovery in Macedonia, because no effort to reduce ethnic conflict is likely to succeed if economic conditions deteriorate. They recommend international support for ''construction of an East-West transportation corridor that would link Bulgaria to its Adriatic ports via Macedonia.'' They urge other efforts at economic integration of the region.

Thirdly, the group found two key areas where reforms could make a difference: education and the political system. They urge the Macedonian government to end its opposition to Tetovo University, where the Albanian language is taught, and the expansion of Albanian language instruction at Skopje University. They call on the United States ''to accompany efforts to facilitate the satisfaction of Albanian cultural needs with efforts to support Macedonian cultural development.''

Finally, the working group heard several conflicting arguments about the ethnic composition of public sector employment with the Albanian minority claiming discrimination. In the long run, the conclusion was that economic progress in Macedonia will depend on the growth of the private sector.

On the issue of electoral reform, they found a consensus that reforms should be designed ''to equalize the population of electoral districts and introduce some element of proportionality in the distribution of seats.'' The hope is that the probable increase in diversification of ethnic Albanian participation in parliament would encourage Albanian participation in coalition politics and legitimate the Macedonian political order in the Albanian community. The group suggested permitting the use of minority languages in the conduct of local business in state offices.

Finally, Macedonia's political stability is to some extent at the mercy of events in Kosovo on its northern border. The 90 percent Albanian majority in Kosov has been kept under a brutal suppression by the 10 percent Serbian minority, and the danger of a violent revolt has been real. However, on Sept. 3 Slobodan Milosevic, the president of Serbia, seems to have reached a deal with Ibrahim Rugova, the longtime leader of ethnic Albanians in Kosovo, to end the six-year Albanian boycott of state schools. Motivating Mr. Milosevic may have been the American warning to him that he could not expect to join the International Monetary Fund until he improved his treatment of the Albanian population.

For the first time in may years, it is possible to look with some optimism at the future of the Southern Balkans.

HONORING SAMMY YUKUAN LEE

HON. DAVID FUNDERBURK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FUNDERBURK. Mr. Speaker, I rise today to honor Sammy Yukuan Lee, a world renowned scholar of Chinese antiquities, who has been a United States citizen since June 28, 1984. Even in his youth Sammy Lee was strongly principled and highly disciplined. Gifted with extraordinary foresight, he was able to take advantage of the many opportunities he encountered. His accomplishments demonstrate that hard work and discipline can be a formula for success.

A native of Da Lao Wa village in Zhaoyuan county of Shandong province, China, Sammy Lee is the youngest of five sons in a rural farming family. Village life offered little chance of obtaining a higher education and few prospects for earning a good livelihood. Armed with a sixth-grade education, Sammy Lee who was then in his teens, was sent by his father, Lee Quande, to Beijing to learn a trade from Mr. Teng, the owner of Ji Zhen Xiang, an antique shop. There, Sammy Lee met a fellow apprentice, David Techun Wang, with whom he developed a life-long partnership and close friendship.

In China in the 1920's, most of the workers were illiterate. Sammy Lee and David Wang, fortunate enough to have a basic education, looked beyond their immediate environment. In Beijing, they saw the need for communicating with the many foreign residents to expand their business. Therefore, besides their daily work activities, they also taught themselves English, German, and Japanese from whatever books or methods they could obtain.

In the early 1930's, through his skill and knowledge in Chinese antiques, Sammy Lee met Dr. Hans Bidder, the First Secretary of the German Embassy; Dr. Grand, Chief of Staff of Peking Union Medical College Hospital; and Drs. Ecket and Huwer, who were on the staff of the German Hospital. They were all very much interested in Chinese antiques including carpets, bronzes, ceramics and furniture. Despite his limited command of foreign languages, Sammy Lee was able to interact well with his customers. He established an enduring friendship with each of them built upon mutual trust. His relationships with Europeans and Americans exposed him to Western culture and opened his mind to new opportunities.

Sammy Lee's quest for knowledge and his desire to satisfy his customers prompted him to travel throughout China in search of sources of antique carpets. In those days, any place outside of Beijing proper was beyond the reach of most Chinese merchants, who maintained a traditionally centric view of China. Sammy Lee endured considerable hardship during these days, but found his travels into adjacent provinces to be rewarding.

The most difficult time for Mr. Lee was probably the years between 1935 and 1938, when he was diagnosed with tuberculosis, a prevalent disease at that time. Before the development of the miracle drug for this infectious disease, most of its victims had little hope of recovery. Sammy Lee, true to his character, was determined to overcome this dreadful obstacle. Under the personal care of Dr. and Mrs. Grand in their home, he followed Dr. Grand's professional advice to the letter—total rest and inactivity. For an energetic and ambitious young man, the treatment was drastic. Fortunately, he completely recovered and was able to return to work in the antique shop.

After World War II, Sammy Lee and David Wang decided to expand the business to Nanjing and Shanghai; and, of course, Mr. Lee was always ready to take on new challenges. However, because of the political turmoil in China, Mr. Tenberg, a close friend, strongly advised him to leave China. in 1947, the Lee's and the Wang's moved from Shanghai to Hong Kong along with several friends and a few of their employees.

Relying upon their own resilience and determination, Sammy Lee and David Wang capitalized on their knowledge of Chinese art and became partners in a new enterprise, the Sammy Y. Lee and Wang's Company Limited, specializing in Chinese antiques and the manufacture of furniture.

Foreseeing an opportunity for expansion, Sammy Lee ventured to Tokyo, Japan, and established the Oriental House Limited, providing Chinese carpets, furniture, tablecloths, and artifacts to American Armed Forces stationed in Japan. Mr. Lee moved his family to Tokyo, while Mr. Wang and his family remained in Hong Kong to manage Sammy Y. Lee and Wang's Co.

During the mid-1950's, leaving his eldest son, King Tsi, in control of his interests in Tokyo, Sammy Lee eagerly explored new markets in Germany and America. Having a loving wife to take care of their home and four younger sons in Tokyo, Sammy Lee was free to travel throughout the world expanding his business contacts and searching for art objects. In 1957, he organized an exhibition and sale in Lempetz Gallery in Koln. In 1964, Mr. Lee held his first lacquer collection exhibition at the Royal Scottish Museum.

By this time, the Japanese economy was well on its way to recovery, enabling many Japanese to rekindle their love of collecting Chinese works of art. Oriental House was able to thrive by meeting the demands of the Japanese for art objects.

Sammy Lee devotes his spare time to researching and writing about Chinese antiquities. His knowledge of and experience with Chinese lacquer, blue and white porcelain, and carpets have been incorporated into one catalog, four books, and three articles and monographs, some of which are listed below.

Sammy Lee has always emphasized the importance of education because he felt the inadequacy of his own formal training. A forward thinker, he insisted that his children attend American schools. In the late 1980's, to honor their father, his five sons established and endowed the Sammy Yukuan Lee Foundation for the purposes of promoting the study of Chinese culture and providing financial assistance to qualified students of Chinese descent.

Sammy Lee lives in southern California with his youngest son, King Yang (John), near his second son King Hao (Howard), and third son King Sum (Sam). One of Sammy Yukuan Lee's sons, Dr. Sam K. Lee, taught International Relations and Government at Campbell University in North Carolina's Second District, and today works in my office as a foreign policy adviser.

At least twice a year, he travels to Tokyo to see his oldest son, King Tsi, and to Hong

Kong to visit his fourth son, King Kong. He enjoys the excitement provided by his five sons and daughters-in-law, nine grandchildren, and six great grandchildren, but still looks forward to new challenges. He currently divides his time between his latest research into Chinese archaic jades and his pursuit of the art of golfing.

PUBLICATIONS IN ENGLISH BY SAMMY YUKUAN LEE

''Catalogue of the Collection of Chinese Lacquer,'' Edinburgh, Scotland 1964.

''Preliminary Study of Chinese Ceramics in Blue and White (Ching Hau).'' Tokyo, 1971.

''Oriental Lacquer Art,'' Tokyo, 1972.

''Art Rugs from Silk Route and Great Wall Area,'' Tokyo, 1980.

''A Study of Sung Underglaze Blue and Red Porcelains,'' Tokyo, 1982.

''Some Problems of Yutu Yao, Shuidong Yao, Bohai Yao, Tingchou Yao, and Hengfeng Yao,'' Scientific and Technological Insights on Ancient Chinese Pottery and Procelain, Beijing, 1986.

TRIBUTE TO DR. MYRNA GOLDENBERG

HON. CONSTANCE MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MORELLA. Mr. Speaker, I rise to speak today in honor of an extraordinary woman, Dr. Myrna Goldenberg, I would like to pay tribute to her most recent accomplishment for which she will be presented the William H. Meardy Faculty Member Award on October 12. This highly competitive award annually recognizes one community college faculty member who personifies the concept of faculty excellence as the foundation of the success of the community college movement.

When Dr. Goldenberg joined Montgomery College in 1971 she began her cursade to raise awareness of the importance of diversity in education. Under her leadership, Montgomery College received a $280,000 Ford Foundation Grant to lead community colleges in multicultural currilculum transformation. The year-long project focused on changing the curriculum to include feminist and minority scholarship in representative community colleges, including historically black and American Indian colleges. Goldenberg is also the creator and former host of a popular campus cable television show on women's issues titled ''Pandora's Box.''

Dr. Goldenberg is credited with developing the college's Women's Studies Program, which the American Association of Women in Community Colleges named No. 1 in the Nation. In recognition of Goldenberg's success with the Women's Studies Program, her colleagues created a scholarship award in her honor last year.

Not only is she a college leader, she is a community activist, and a consultant to Montgomery County Public Schools. She taught two summer institutes for over 50 secondary school teachers to help develop a broad and holistic perspective of American society. Also, she is a mentor to high school students in the National Endowment for the Humanities Younger Scholars Program that studies immigrant women.

Mr. Speaker, I am pleased to once again have the opportunity to bring the many accomplishments of this distinguished educational leader, Dr. Myrna Goldenberg, to the attention of my colleagues. I applaud the choice of the William H. Meardy faculty members for selectig her this year's honoree.

RECOGNIZING TAIWAN'S NATIONAL DAY

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CHABOT. Mr. Speaker, I just wanted to take a moment before the Congress adjourns for the year to congratulate our friends and allies in the Republic of China as they prepare to celebrate their National Day on October 10.

As my colleagues know, the Taiwanese people recently made history as they successfully and peacefully held the first Democratic elections in over 4,000 years of Chinese history. President Lee Teng Hui and the people of the Republic of China are to be commended for that landmark achievement.

I join with my colleagues in the Congress and my many Taiwanese-American friends in Cincinnati and around the country in congratulating the people of the Republic of China on this, the 85th anniversary of their National Day.

TRIBUTE TO BISHOP CHARLES HENRY McCOY

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. QUINN. Mr. Speaker, I rise today in memory of Bishop Charles Henry McCoy.

Throughout his life, Bishop McCoy tirelessly dedicated himself to the enhancement of our western New York community.

On September 22, 1996, the Buffalo community lost one of its true leaders. A man whose dedicated and charitable community service, commitment to God and family, and strong principles serve as an inspiration to us all.

A gospel preacher for over 60 years, Bishop McCoy dedicated himself to his ministry and to service to his community. On May 28, 1926, Charles McCoy was licensed to the ministry. From that time until the day he died, Bishop McCoy served the Church of God in Christ. Whether it was as pastor, district superintendent, executive secretary, elder, or jurisdictional bishop, Charles McCoy's church building skills were demonstrated clearly.

Under that leadership, the second jurisdiction has grown to include 53 churches. Further, through the McCoy Center, a brilliant facility built under the direction of Bishop McCoy, the Church of God in Christ has been able to make a significant contribution to the development of our community with emerging housing projects.

Mr. Speaker, today I would like to join with the city of Buffalo, western New York second jurisdiction of the Church of God in Christ, and indeed, our entire western New York community, to honor Bishop Charles Henry McCoy, who is survived by his stepson, Douglas; seven grandchildren, Tyrone, Delores, Douglas, Stacy, Cheryl, Eric, and Trent; and nine great-grandchildren for his dedicated service to our western New York community. To that end, I would like to convey to the Bishop's family my deepest sympathies, and ask my colleagues in the House of Representatives to join with me in a moment of silence.

IN RECOGNITION OF MIKE GUIGNO FOR 56 YEARS OF PUBLIC SERVICE

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. PALLONE. Mr. Speaker, on September 30 of this year, Mr. Mike Guigno, special projects officer for the directorate of public works at Fort Monmouth, NJ, will be retiring after 56 years of distinguished and exemplary public service. I am proud to have the opportunity to commend Mr. Guigno for this service and congratulate him on his retirement.

As all of those who know Mike Guigno are aware, his record is truly an outstanding one. Having joined the National Guard in 1939 and served his country in World War II as part of Headquarters Company, 114th Intelligence and Reconnaissance, he established himself as a public servant in the earliest days of this professional life—a fact which the Fort Monmouth community would discover a few years after the war when he was transferred to the post engineers in October 1950.

Since that time, Mr. Guigno's career has been nothing short of a model of excellence. He has worked tirelessly to improve Fort Monmouth and his work, which included a 1970 visit with President Nixon to discuss problems affecting the fort's community, will never be forgotten. The numerous letters, certificates and awards he has received in recognition of this service—most notably selection as the 1989 Fort Monmouth Civilian Employee of the Year and 1995 U.S. Army Material Command Public Works Support Executive of the Year—ensure the Fort Monmouth community will forever be in his debt. Indeed as a co-chair of the Save Our Fort Committee, a grassroots organization committed to improving Fort Monmouth, it is with great pleasure that I express both the public's gratitude, and my own, for all he has done.

Mr. Guigno's family, wife Marguerite, son and daugther-in-law Victor and Cyndee, and sister Theresa are surely proud of him as well. Undoubtedly the road he has paved to get to his final position of special projects office of the directorate of public works—including that outside of professional life, which led to frequent participation in local church parish activities—has undoubtedly enriched their lives.

Mr. Speaker, as this long and honorable list of accomplishments indicates, Mike Guigno's life has been full and his record of public service stellar. In short, he has set an example of citizenry that all should follow.

In closing, I once again, congratulate Mike Guigno and thank him for a lifetime dedicated to improving the life of his fellow citizen.

CHILDREN'S INN GALA

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GINGRICH. Mr. Speaker, the following remarks were made to at the Children's Inn Gala on September 26, 1996. I thought my colleagues would find this touching and inspiring.

Introduction by Mrs. Debbie Dingell: It is my pleasure to introduce Kathy Schwanfelder. Kathy has been a member of the Children's Inn Board of Directors since 1994. She brings something very special to the board, a parent's perspective of how the Inn can best help its guests. Kathy has experienced the Inn first hand. She and her family stayed at the Inn with her daughter Lizzie while Lizzie was being treated at NIH. Kathy can tell you better than I can what the Inn means to her. I just thank Kathy for her tremendous support on the board and her for being here this evening.

Remarks by Mrs. Kathy Schwanfelder: I've wanted to thank the supporters and friends of the children's Inn NIH since 1:00 in the morning of a cold February night 3 years ago. It was the moment my daughter Liz and I walked through the doors—to a cup of tea and a warm bed.

At the same time that I share my gratitude with you I share my grief and the grief of the other families who have passed through the doors of the Inn. A horror surrounds us—a horror that our children are facing life threatening illnesses, that their days and nights are filled with painful medical procedures at a time when they should be filled with birthday parties and that is how I know the Inn—as a home away from home—a place that celebrates life, a place that helped my daughter Lizzie celebrate her short life.

When children are ill, they are isolated—but not at the Inn. Here they are surrounded by others in the same boat. There need be no explanations for bald heads and feeble bodies.

At the Inn my 17 year old could ''hang out'' with others her age. She was buoyed up by fighters and survivors. She could ask questions about what she was to face next—of people who knew because they had been there.

Meanwhile, I could sit and have a cup of coffee with other parents who were also finding it hard to swallow—who knew my nightmares. No explanations were necessary. At the same time we could smile together at the Children's Inn as we watched our children take a step out of the misery that illness had inflicted on them and play in the playroom, watch a movie together in the family room, play a game in the library or just lounge on the couches and share stories about their friends back home in that other world where some of them would never really return.

I want to thank you for having the vision and the continuing desire to support the Inn. I want you to picture a feeble-faced bald kid saying from her hospital bed up in Building 10: I feel strong enough to go home to the Inn tonight, could we sleep there so I can take a bath in my own bathroom—very important to 17-year-olds—and talk to Victoria and Chris, anyway I promised Marilyn a story next time I see her. And maybe more you could cook me up some nachos. I want you to picture an otherwise sophisticated, reserved young lady painting her whole bald head and face orange so she could be a jack-o-lantern at the Inn Halloween party. Picture her folding herself into a cubby in the little kids playhouse because they wanted her to be the mother. Know that when a child is painting her face and playing with others she is taking a break from disease and pain—sunlight shines if only for a moment.

Picture being away from home for your 18th birthday when all your friends are back home shopping for senior prom dresses and instead of moaning and groaning because you've already learned that life can only be lived in the moment because that's all you have, you smile and plan your birthday in the Inn. Your guests include mostly 6-to-10-year-old boys because they happened to be there.

Picture Liz saying to me: I think I've learned everything I know about living in this place. How can we pay them back mom?

Well my precious child—this is the best I can do for you—and for all the children.

TRIBUTE TO YEOMAN FIRST CLASS PETTY OFFICER TIMOTHY JOHN POLLARD

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. FOWLER. Mr. Speaker, it is a pleasure for me to pay tribute today to a truly outstanding gentleman: Yeoman First Class Petty Officer Timothy John Pollard, who will soon be completing his assignment as the Office Manager for the Navy's Office of Legislative Affairs in the Rayburn House Office Building. Petty Officer Pollard's professionalism, kindness, and wonderful personality have endeared him to many of us on the Hill, and we shall miss him very much.

A native of Philadelphia, PA, Tim Pollard enlisted in the Navy in 1981. After basic training and Yeoman ''A'' School, he was assigned to Patrol Squadron 46. In 1985, he was assigned to the Office of the Chief of Naval Operations on the liaison staff for all Joint Chief of Staff matters. In 1989, he was assigned as Leading Petty Officer of the Plans and Exercise Department for the Commander 6th Fleet aboard the USS *Belknap* (CG–26) homeported in Gaeta, Italy.

Returning to Washington, DC, in 1992, Petty Officer Pollard served as Administrative Officer for the Communication Department for the Armed Forces Inaugural Committee. In 1993, he was assigned to the Chief of Naval Personnel, assisting in the initial assignments of women to combatant ships; the transfer of personnel from decommissioned ships; and the reassignment of personnel from numerous fleet ships executing homeport changes.

Petty Officer Pollard reported to the Navy Legislative Affairs Office in November 1994. Since that time, he has efficiently and effectively managed the Rayburn HOB Office, handling countless inquiries relating to naval personnel and assisting in the organization of many Navy orientation trips which have been beneficial to Members and staff alike.

During Tim Pollard's 15-year naval career, he and his family have made many sacrifices for this Nation. I would like to thank them all—Tim, his lovely wife, Veronica, and their three children, Taviona, Nadia, and Tim, Jr.—for their contributions to the Navy and to our national security. We owe all of our Navy families a great debt of gratitude.

Mr. Speaker, Yeoman First Class Petty Officer Pollard is a great credit to the U.S. Navy and the country he so proudly serves. As he prepares to depart for yet another new challenge, I know that my colleagues on both sides of the aisle join me in wishing him every success, as well as fair winds and following seas always.

REFORM THE AAPCC PAYMENT FORMULA FOR GREATER MEDICARE EQUITY AND FAIRNESS

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. RAMSTAD. Mr. Speaker, throughout the 104th Congress, many Medicare concerns have been raised that have a significant impact on access to health care throughout Minnesota and ultimately to the health and well-being of our Nation's health care system.

Today, I rise to share some thoughts on an issue which knows no distinct, definable boundary. It is an issue of great importance to Medicare beneficiaries and health car providers in my disrict—reforming the payment for Medicare risk-based managed care plans.

But, before I delve into my statement, I want to take a moment to salute and thank my good friend and colleague from western Wisconsin, STEVE GUNDERSON. I commend him for his tireless commitment to improving access to and delivery of quality health care in rural communities. During this Congress, as cochair of the Rural Health Care Coalition, STEVE literally took the bull by the horns to respond to a variety of health care issues, especially the need to reform the payment formula for Medicare risk-based managed care plans.

Currently, Medicare payments to risk-based health care plans are calculated on the basis of Medicare spending in each county's fee-for-service section—medical care outside of managed care plans. The variation in the adjusted average per capita cost [AAPCC] formula reflects different utilization of health care services.

Dr. John E. Wennberg, director of the Center for the Evaluative Clinical Studies at the Dartmouth Medical School recently published ''The Dartmouth Atlas of Health Care.'' The Atlas definitely documents that the rates of hospital beds and physicians per 1,000 residents determines how much car Medicare beneficiaries use. Revising the highly variable AAPCC payment formula will result in greater equity for Medicare beneficiaries regardless of where they live, allowing choices among plans and more equitable distribution of out of pocket costs and additional benefit packages.

Because of the need to correct the inequity in the AAPCC payment formula for millions of Medicare beneficiaries, I strongly supported changes to the formula during the Ways and Means Committee consideration of the Medicare Preservation Act. Regrettably, progress may be by this Congress to reform our Medicare Program, including the geographic disparity and inequities in the AAPCC formula, was vetoed by the President.

Since that time, I have continued to be concerned about this issue and am an original cosponsor of Mr. GUNDERSON's H.R. 3753, the Rural Health Improvement Act. This legislation incorporates a number of rural health care reforms including improvements to the AAPCC payment formula.

Title I of this legislation narrows the AAPCC payment gap between rural and urban areas by ending the practice of basing the formula on utilization rates, and it does so in a budget neutral fashion. At a minimum a county would receive 80 percent of the national input-price-adjusted capitation rate. This change helps reflect the true cost of doing business—uncontrollable factors, such a wage rates or supply costs. The language also implements a 3-year average for the baseline rather than 1 year, which was in the Balanced Budget Act of 1995. This change gives greater representation of historical health care costs for an area. This provision of H.R. 3753 is based on the Physician Payment Review Commission's ''1996 Annual Report to Congress.''

Realizing reforms to the AAPCC formula are not doable in the remaining days of this Congress, it is helpful to know where the debate will begin in the 105th Congress.

About a week before this hearing, the Health Care Financing Administration [HCFA] released the 1997 payment rates for Medicare managed car plans. What HCFA told us was nationally Medicare risk payments will increase an average of 5.9 percent as of January 1, 1997—lower than the 1996 national average increase of 10.1 percent.

In terms of the solvency of the Medicare trust fund this is good news—slowing the growth of Medicare. The bad news is that this average increase reflects wide variation in percentage increases from county to county. Four counties: Valencia, NM; and three New York State counties, Bronx, Monroe, and New York, actually will receive negative percentage decreases. Because the actual dollar variations are also extreme, many low-payment areas get a double whammy—lower percentage increases off of a lower base.

This situation continues a trend which is inherent in the flawed payment formula. The table below illustrates the vast variation between counties across the country. I believe it is important to point out that even through the 1996 AAPCC payment increased an average of 10.1 percent, not all counties shared in the bounty of that increase. The same is also true for the 1997 AAPCC payments.

Counties that typically lost ground were those in efficient markets and rural counties with historically lower reimbursement rates. Because of these lower payment rates and lower annual increases these regions will continue to lack the ability to attract managed case options to their area or offer enhanced health care benefits often found in higher payment communities.

MONTHLY PAYMENTS RATES TO MEDICARE MANAGED CARE PLANS

Area/County	1995 payment	1995 increase (percent)	1996 payment	1996 increase (percent)	1997 payment	1997 increase (percent)
National Average	$400.52	5.9	$440.90	10.1	$466.95	5.9
Richmond, NY	668.48	6.2	758.53	13.4	767.35	1.1
Kern, CA	439.15	5.8	478.33	8.9	512.08	7.0
Hennepin, MN	359.33	2.0	386.77	7.6	405.63	4.8
Tulare, CA	333.96	2.9	360.38	7.9	390.78	8.4
Vernon, WI	209.28	6.6	237.09	13.2	250.30	5.5

The payment rates also illustrate the overall instability and unpredictability of AAPCCs—factors that discourage health plans from entering new markets and remaining in other markets.

If there is a silver lining to HCFA's release of the 1997 risk-based managed care payment rates it was in Dr. Vladeck's remarks:

> The formula used to set HMO payment rates is flawed. It shortchanges rural areas and markets where care is delivered more efficiently, and may limit beneficiary choice.

Dr. Vladeck's comments indicate HCFA's understanding of the inequity in the current AAPCC formula and the need for change if we are to offer all Medicare beneficiaries true choices in the type and form of health care they want to receive. I see this as a signal that in the future we can work in a bipartisan, pragmatic way to improve the AAPCC payment formula.

Mr. Speaker, correcting the AAPCC payment formula is vital. In this Congress, we have come a long way to improve our understanding the many dimensions of the AAPCC payment issue and the need to make the formula more equitable. I look forward to working with you and my colleagues on the Committee on Ways and Means in the future to make the needed changes to the AAPCC payment formula. The longer we continue to use our payment current formula, the longer efficient health care markets will be penalized and rural areas will lag behind leaving many Medicare beneficiaries with fewer choices.

JUSTICE ON TIME ACT OF 1996

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GOODLING. Mr. Speaker, today, I am pleased to introduce the Justice on Time Act of 1996, legislation which would address the profound concern expressed by several of my constituents who have experienced long delays in the processing of their cases by the National Labor Relations Board [NLRB]. The Justice on Time Act of 1996 would require the NLRB to issue a final decision within 1 year on all unfair labor practice complaints where it is alleged that an employer has discharged an employee in an attempt to encourage or discourage union membership.

The Justice on Time Act recognizes that the lives of employees and their families, wondering whether and when they will get their jobs back, are hanging in the balance during the long delays associated with the National Labor Relations Board's processing of unfair labor practice charges. The act also recognizes that the discharge of an employee who engages in union activity has a particularly chilling effect on the willingness of fellow employees to support a labor organization or to participate in the types of concerted action protected by the National Labor Relations Act [NLRA].

Thus, the legislation requires the Board to resolve discharge cases in a timely manner to send a strong message to both employers and employees that the NLRA can provide effective and swift justice. The Justice on Time Act ensures that employees who are entitled to reinstatement will quickly get their jobs back and employers will not be saddled with liability for large backpay awards.

The median time for National Labor Relations Board processing of all unfair labor practice cases in fiscal year 1995 was 546 days and has generally been well over 500 days since 1982. This length of time is a disservice to the hardworking men and women who seek relief from the Board for unfair treatment in their workplaces. The Justice on Time Act tells the National Labor Relations Board that, at least when it comes to employees who may have wrongly lost their jobs, it must do better and must give employees a final answer on whether they are entitled to their jobs back within 1 year.

NINTH ANNIVERSARY OF KHALISTAN'S DECLARATION OF INDEPENDENCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SOLOMON. Mr. Speaker, on October 7, 1987, the Sikh Nation declared its independence from India, calling their new country Khalistan. Since we will be in recess on October 7, I would like to take this opportunity to salute the Sikhs of Khalistan on this important anniversary.

The Sikhs have every reason to want freedom from oppression. Since 1984, over 150,000 Sikhs have been murdered by the Indian regime. Another 70,000 or more languish in Indian prisons under the very repressive Terrorist and Disruptive Activities Act, which expired in March 1995. According to respected Justice Ajit Singh Bains, who has testified before the Congressional Human Rights Caucus before the regime prohibited him from leaving the country, more than 50,000 Sikhs disappeared or were killed from 1992 to 1995. If this happened in any other country, we would call it repression. In India, however, it is called democracy.

The Sikhs of Khalistan showed their clear demand for freedom in February 1992 when, according to India Abroad, only 4 percent of the Sikhs voted in the Punjab state elections held under the Indian Constitution, which no Sikh ever signed. The Sikhs have a history of freedom and independence. The Sikhs ruled Punjab from 1710 to 1716 and from 1765 to 1849. When India achieved independence, the Sikhs were one of three nations that were to

be granted sovereign power. They stayed with India on the promise that they would enjoy freedom and autonomy in Punjab. As India's record of repression shows, that promise has never been kept. Yet when the Sikhs embarked on a peaceful struggle to free themselves from the chains of repression, the Indian regime responded by increasing the reign of terror in Punjab and enforcing it with over 500,000 troops. The British colonists never stationed 500,000 troops in the entire subcontinent.

Mr. Speaker, India is one of the most anti-American countries in the world. Although it is a major recipient of United States aid, India votes against the United States at the U.N. more than any other country except Cuba. I might add by the way, that this aid has been an economic debacle as well as having failed to buy any good faith from India. After 50 years on the international dole, India remains a highly impoverished land, shackled by a statist and corrupt government bureaucracy. Given India's anti-Americanism and its aggressive nuclear weapons drive, I must wonder out loud why we continue to drop our money into this black hole.

As to the Sikhs, Mr. Speaker, all they are asking for is just a chance to determine their future, free from this severe repression. Is this too much too ask?

TRIBUTE TO WILLIAM BROWER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. KAPTUR. Mr. Speaker, I rise today to note the recent retirement from the Blade newspaper of Toledoan William Brower, a well-known veteran journalist of more than 50 years. He became one of the first African-Americans to work for a daily Ohio newspaper. He was officially recognized this year by the National Association of Black Journalists for its Lifetime Achievement Award.

A Wilberforce University graduate, Bill began his journalism career writing for African-American newspapers in Baltimore, Philadelphia, and Richmond, VA. Hired by Toledo's newspaper, the Blade, in 1947, Bill began as a general assignment reporter. Throughout his years with the paper, he held positions covering the police, courthouse, and education beats, and served as an assistant city editor, news editor, and associate editor. His thrice weekly editorial columns covering politics, sports, and topics of interest to African-Americans became a staple of Toledo area news.

In 1951 he was awarded a Pulitzer Prize nomination for a series of stories written after a tour of 20 States on the conditions experienced by black Americans. In 1971, he followed that story with a series, ''Black America—20 Years Later,'' which won him a Robert F. Kennedy Foundation Award.

The National Association of Black Journalists paid tribute to Bill for his ''pioneering spirit'' and ''outstanding leadership in the media industry.'' The same can be said of his role in our community. Bill Brower and his wife Edna have been groundbreakers, trailblazers, and voices of strength and wisdom, in Toledo. Their dedication to one another continues to be a source of inspiration to us all. His writings have often required us to look at a reflection of ourselves, and in doing so, have moved us to become better people.

No commendation could sum up fully half a century of journalistic achievement. But in honoring his life, the Blade has endorsed independent thought and the advancement of our common heritage as a free people.

WORLD OSTOMY DAY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CARDIN. Mr. Speaker, as many of my colleagues know, I am a strong proponent of updating Medicare to include coverage of important preventive benefits. One of the most important preventive benefits we can add to Medicare is colon cancer screening.

Today, I would like to bring to the attention of my colleagues the existence of an important upcoming date: October 5, 1996. This day has been set aside by the United Ostomy Association and the International Ostomy Association to celebrate World Ostomy Day. This day will provide an opportunity for us all to increase our awareness and understanding of ostomy and continent rehabilitation and the disease that can lead to this type of surgery.

An estimated 750,000 people in the United States have had ostomy surgery. Ostomy refers to a surgical procedure that replaces normal bodily function in providing a cure for colon and rectal cancers, inflammatory bowel diseases including colitis and Crohn's disease, birth defects, and severe internal injuries.

Approximately 60 percent of all ostomy surgeries are performed as a result of colon cancer. Colon cancer is the second most common cancer in America and, contrary to popular belief, it strikes men and women equally. There are more than 140,000 new cases diagnosed each year, and more than 55,000 men and women die of this cancer annually. Like most cancers, early detection of colorectal cancer is crucial to the survival of those diagnosed with this deadly disease.

The United Ostomy Association provides psychological and educational services and support for individuals, and their families, who face ostomy or continent surgery. Education and awareness help to remove the fear and misunderstanding associated with ostomy surgery and encourages the continuation of a full and productive life after surgery. The United Ostomy Association has over 35,000 members in chapters throughout the United States and Canada.

Through World Ostomy Day, the United Ostomy Association and the International Ostomy Association seek to inform persons with an ostomy or continent procedure of the support and assistance services that are available through their chapters and to encourage a better understanding and acceptance of people who have had ostomy or continent surgery. I commend these organizations for their important work with those who must undergo ostomy surgery and for helping to education us all.

During this session of Congress we have made a strong case that Medicare reform must be more than simply slashing reimbursement levels. If we want true Medicare reform, we must update the program so that it can take advantage of medical technological advances. Preventive care such as colon cancer screening is a perfect example of such needed improvement. Not only will the inclusion of colon cancer screening save lives, it will also save money in the long-run. Including colon cancer screening in Medicare is a win-win situation. I will be reintroducing my legislation, the Colon Cancer Screening and Prevention Act, next Congress and look forward to working with my colleagues to gain passage of this important component of Medicare reform.

CHICAGO STREET RENAMED TO HONOR RAOUL WALLENBERG—TRIBUTE TO THE EFFORTS OF JAN MULLER

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LANTOS. Mr. Speaker, on the 5th of October in 1981, President Ronald Reagan signed bipartisan legislation making Raoul Wallenberg an honorary citizen of the United States—the second individual after Sir Winston Churchill to be so honored. That legislation, Mr. Speaker, was the first bill that I introduced as a Member of Congress, and it was my first bill to become law.

Mr. Speaker, I am delighted to bring to the attention of my colleagues in the Congress the information that the City Council of Chicago—at the request of Jan Muller and the Raoul Wallenberg Committee of Chicago—has approved the creation of ''a salient place where America can pay tribute to a magnificent Hero—Raoul Wallenberg.'' The area, to be named the Raoul Wallenberg Place, is located on State Street between Wacker Drive and Lake Street.

It is most appropriate that we in the United States honor Raoul Wallenberg. It was at the request of the Government of the United States that Wallenberg—a member of the leading banking family of Sweden—left the security and comfort of Stockholm in the summer of 1944 and traveled to the hell and chaos of Budapest under Nazi occupation. Through innovative and creative confrontations with Nazi officials, Wallenberg saved the lives of tens of thousands who otherwise would have been killed by the Nazi war machine.

Mr. Speaker, the dedication and the formal renaming of ''The Raoul Wallenberg Place'' will take place on Friday, October 4, at 10:30 a.m. at the intersection of Wacker Drive and State Street in Chicago. The timing of the dedication has been chosen to coincide with the 15th anniversary of the signing of the legislation naming Raoul Wallenberg an honorary U.S. citizen. The first announcement of the Chicago City Council's decision was made on August 4 this year, the 84th birthday of Wallenberg. Among those participating in the dedication ceremony next week will be Chicago Alderman Burton F. Natarus, Consul General of Israel Arthur Avnon, and distinguished representatives of the Jewish and Christian communities in the Chicago area.

Mr. Speaker, I want to pay particular tribute to Jan Muller. This tribute to Raoul Wallenberg is in response to a proposal he made to the Chicago City Council. Mr. Muller's steadfast

commitment to honoring Raoul Wallenberg has been an inspiration to all throughout the world who honor this great Swedish humanitarian. Jan is the founder and president of the Raoul Wallenberg Committee of Chicago, an organization that is dedicated to humanitarian education. Mr. Muller is the founding president and managing director of the NordicCenter, dedicated to enhancing Scandinavian cultural arts and business in North America.

Mr. Speaker, I invite my colleagues to join me in commending Jan Muller and the City Council of Chicago for this outstanding and appropriate tribute to Raoul Wallenberg.

TAIWAN ANNIVERSARY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. RICHARDSON. Mr. Speaker, October 10 marks the 85th anniversary of the founding of the Republic of China [ROC]. In Taiwan, October 10 is known as National Day and is a day of celebration and remembrance. I think it is important my colleagues and I take a moment to send our congratulations to the 21 million people on Taiwan for promoting market-orientated solutions to their economy and developing a strong participatory democracy.

Mr. Speaker, three decades ago Taiwan was an underdeveloped nation. During the past 30 years, the people on Taiwan have worked diligently, saved much, and invested wisely. Today, the ROC is the United States' sixth largest trading partner and enjoys a standard of living which approaches the United States. Ten years ago, the ROC also began a political transformation to democracy beginning with legislative elections. These reforms culminated with the popular, direct election of Li Teng-hui as Taiwan's President.

Mr. Speaker, Taiwan has always shown that it can overcome adversity and achieve success. Taiwan proved that again earlier this year when the People's Republic of China [PRC] attempted to interfere in Taiwan's presidential elections by staging military maneuvers in the Taiwan straits. The people of Taiwan, however, did not permit the PRC to tamper with this exercise of their democratic rights. The strength and perseverance of the people on Taiwan is a lesson for all the world. I hope my colleagues will join me in wishing the ROC continued success.

FASCIST AND COMMUNIST ERA CONFISCATIONS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing a resolution that takes up the difficult, complex, and challenging issue of property claims arising from Fascist and Communist era confiscations. Joining me as original cosponsors are Representatives PORTER, WOLF, FUNDERBURK, SALMON, HOYER, MARKEY, and CARDIN and we welcome others who would want to cosponsor the measure. The resolution brings focus to points long raised by Americans who have unresolved property claims and particular issues which were the subject of a hearing on property claims in Central and Eastern Europe held in July by the Helsinki Commission, which I chair.

In convening that hearing, Mr. Speaker, the Helsinki Commission sought to address two specific questions. First, as Central and East European countries privatize and, in some cases, make restitution of, or compensation for, property that had been wrongly confiscated in the past, are the interests of American citizens being adequated protected?

Second, we sought to examine the situation of Holocaust survivors in Central and Eastern Europe. While survivors in the West and in Israel were, in general, able to receive some compensation—primarily from Germany—at the end of World War II, survivors in the East found themselves twice victimized: first by the Nazis, and then by Communist regimes which prevented them from pursuing compensation claims and often prevented them from regaining lands expropriated by the Nazis. Our second question, therefore, was this: Can compensation now be made available to these survivors—in time to help them live their remaining days in dignity?

The Commission received expert testimony from two individuals who lead our Government's efforts in this area: Stuart E. Eizenstat, Undersecretary of Commerce and Special Envoy for Property Claims in Central and Eastern Europe, and Delissa A. Ridgway, Chair of the Foreign Claims Settlement Commission.

Mr. Speaker, our witnesses' testimony, augmented by significant information provided by nongovernmental sources, provided clear answers to our questions. While some progress has been made in every country in Central and East Europe, more progress is needed. Our resolution seeks to send that message to the countries of Central and Eastern Europe and, in particular, calls for the urgent return of property formerly belonging to Jewish communities as a means of redressing the especially compelling problems of aging and often destitute survivors of the Holocaust.

Also, in some countries, the rights of Americans are clearly not being adequately protected. I understand, of course, that property restitution or compensation is a very complex subject, and I commend those countries that have sought to address it and sought to correct the past wrongs of Fascist and Communist regimes. But those efforts will fall far short of their mark if they perpetuate a new form of discrimination—discrimination against individuals who dared flee communism and sought refuge here in the United States. Accordingly, this resolution calls for countries to remove from their books restrictions which require claimants seeking compensation or restitution to have the citizenship of, or residency in, the country from which they seek compensation or restitution.

Finally, Mr. Speaker, this resolution would be incomplete if it did not also address the related problem of those financial institutions, notably Swiss banks, which are known to have converted for their own use, financial assets rightly belonging to Holocaust victims. The measure I introduce today calls on such financial institutions to restore this property to it rightful owners. A resolution of this inexcusable wrong is long overdue.

Mr. Speaker, I urge my colleagues to support this resolution.

IN HONOR OF ST. JOSEPH'S SCHOOL FOR THE BLIND: CONTINUING TO MAKE A DIFFERENCE IN THE LIVES OF SO MANY IN THE STATE OF NEW JERSEY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay special tribute to St. Joseph's School for the Blind, an institution devoted to educating individuals with blindness and visual impairments for more than a century. The school's services and facilities have done much to bring a sense of hope and accomplishment to many special students in New Jersey. On October 7, 1996, the St. Joseph's School for the Blind will hold a dedication ceremony celebrating the opening of their new residence facility.

As the only school for the blind in the State of New Jersey, St. Joseph's continues to make a difference in the lives of many students in need of services not available in standard academic institutions. The school has become more than a learning institution for these special students, it has become a home, a place where caring individuals provide an opportunity for students to reach their fullest potential in life.

The opening of the new residence facility and the services that it will provide are important to the progress of this institution as we approach a new millennium. This new facility allows the school to offer not only a residential and functional academic education, but also the opportunity to master activities for everyday life. These services aim to help the students become fully integrated members of their communities following their graduation from the school.

I would like to commend the efforts and contributions of the city of Jersey City, the County of Hudson, and the Department of Housing and Urban Development. Their support has helped bring this new facility to fruition.

It is an honor to recognize the unique contributions of this outstanding learning institution. I ask that my colleagues join me in honoring St. Joseph's School for the Blind and all that it has done to keep the dreams of so many children alive.

THE HEALTH CARE RESEARCH AND DEVELOPMENT AND CONSUMER PROTECTION ACT

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SANDERS. Mr. Speaker, the U.S. taxpayer is the single largest supporter of biomedical research in the world, spending $33 billion—in 1994 alone—for biomedical and related health research. Yet the taxpayer is not getting a fair return on their investment—paying twice for health care inventions, first as taxpayers and second as consumers.

It is incumbent upon the Secretary of Health and Human Services to require a reasonable relationship between the pricing of drugs, the public investment in those drugs, and the health and safety needs of the public. Unfortunately, taxpayer accountability was tossed aside when the Nation's reasonable pricing policy on drugs—which was put in place by the bush administration—was dropped in April 1995.

The reasonable pricing clause was dropped after extensive review of the policy, even though the review resulted in no certain recommendations. The rationale for this decision was that ''the pricing clause had driven industry away from potentially beneficial scientific collaborations with the Public Health Service.'' Yet, there was no hard evidence given during the review to show that this was the case—only anecdotal stories by the drug industry.

When 42 percent of all U.S. health care research and development expenditures is paid for by the taxpayer, and 92 percent of the cancer drugs developed since 1955 were developed with Federal funding, we owe it to the taxpayer to give them a fair return on their investment with a reasonable price on the drugs they paid to develop. The Health Care Research and Development and Consumer Protection Act reinstates the reasonable pricing clause and gives the Secretary of HHS the authority to waive the clause when it is determined to be in the public interest to do so.

In determining a reasonable price for a drug, the Secretary shall consider—

The public interest in continued health care research and development;

The contribution of the person marketing such drug to the drug research and development expenses, including the amount, timing, and risk of investment in such research development;

The contribution of the Federal Government to the research and development of such drug, including the amount, timing, and risk of investment in such research and development;

The therapeutic value of such drugs;

The number patients who are expected to purchase drug;

The cost of producing and marketing of such drug;

The cost of therapies which are similar to the therapy using such drug; and

Other relevant factors.

In addition to restoring the reasonable pricing clause, this legislation will promote the research and development of new drugs by requiring the Secretary of Health and Human Services to adopt rules which set out minimum levels of reinvestment in research and development for persons engaged in the manufacture of drugs sold in the United States.

I urge my colleagues to restore accountability to the U.S. taxpayer and support The Health Care Research and Development and Consumer Protection Act.

''IT MATTERS WHEN AMERICA TAKES THE LEAD''—MADELEINE K. ALBRIGHT

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. ESHOO. Mr. Speaker, in an era of increasing interdependence, no one nation alone can solve problems that cross national borders. That's why the United Nations [U.N.] was founded 50 years ago. In the last half of this century, the U.N. continues to address international social and economic problems such a terrorism, nuclear proliferation, the spread of disease, environmental degradation, and illicit drug trafficking.

The United Nations is essential: the U.N.'s work benefits the United States and advances America's foreign policy. As the only international organization seeking to save succeeding generations from the scourge of war. U.N. peacekeepers and human rights monitors have helped build democratic forms of government and prevented regional and global conflicts. In an era of stringent domestic budgets, it makes sense to work through the United Nations to solve transnational problems. The United Nations is an investment in the future of our children and the children of the world.

Making the United Nations more efficient: The United Nations has begun to implement internal reforms as the organization prepares for the next century, and yes, there is much that remains to be done. However we, as members of the United Nations, cannot seek reform when we have refused to meet our financial obligations. As U.N. Ambassador Madeleine Albright recently stated, ''To achieve reform, you have to be a builder, not a destroyer; you have to embrace change, but you also have to understand that change does not occur without cost.''

Our continued commitment: Our concerned constituents are sending personal checks to the United Nations to demonstrate their concern about our financial obligations to the United Nations. These Americans believe the U.N.'s goals are being hindered by the $1 billion in back dues the United States has withheld. In fact, a recent poll conducted by the U.N. Association indicates that fully 64 percent of Americans believe the Congress should allocate enough resources to pay our dues in full and on schedule.

That's why I'm introducing a concurrent resolution recognizing the important of the United Nations and calling on the United States to meet our financial obligations in a full, timely, and consistent manner. Paying our dues and supporting the ongoing reform efforts will help the United Nations to effectively and efficiently meet the challenges of the 21st century. I urge my colleagues to support this important measure.

WHITE COLLAR REFORM ACT

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. PETRI. Mr. Speaker, today I am introducing a bill to clarify and modernize the white collar exemption in the Fair Labor Standards Act. I hope this bill will receive close attention in the next Congress.

The Fair Labor Standards Act enjoys a unique status among Federal labor laws. The rights it creates, including the minimum wage and the 40-hour workweek, have become as ingrained as constitutional guarantees. Any attempt to tinker with the FLSA is immediately perceived as an attack on these basic rights or at least is so portrayed by political opponents.

It is now becoming increasingly apparent, however, that more than a half century of hands-off politics has left a law that is seriously out of step with the times. No one is suggesting that the FLSA's fundamental precepts should be rethought in any way. Rather, it is the way the law achieves these ends that needs improvement.

Two relatively recent developments have brought the issue to a head. First, disgruntled employees have begun to use the FLSA's salary basis test as a tool—not for logically distinguishing exempt from non-exempt employees—but rather for seeking revenge. The problem would not be so bad if it were limited to a few individual overtime awards; but it is not. Instead, seizing upon a single two-word phrase in the regulations, employees have argued that everyone theoretically ''subject to a technically flawed payroll policy is entitled to the same windfall—regardless of whether the flaw affected any particular employee's pay. Employers, of course, rarely issue separate payroll policies for different groups of exempt employees; thus, every employee, up to the top levels of the corporate boardroom, becomes an equally viable candidate for unexpected largesse. The potential overtime liability is as enormous as it is irrational.

Second, and just as disturbing, is the increasing arbitrariness of FLSA duties tests. Concepts such as discretion and independent judgment have always been difficult to define, but these problems seemed manageable in the era of assembly lines and hierarchical management structures. Today, however, technology has diversified job duties, service-based employment has proliferated, and even old-line manufacturing operations have moved to team management concepts. In this environment, employers can no longer rely on cookie-cutter paradigms in making duties judgments. Employers often have to guess—and too many are guessing wrong. Even the courts struggle to achieve consistency, reaching irreconcilable results in cases involving the growing ranks of quasi-professionals such as accountants, engineers, insurance professionals, and journalists.

The legislation I am introducing addresses these problems in three separate ways. First, my proposal will restore original understandings of the salary basis test by requiring the Department of Labor, and the courts, to focus on actual pay reductions rather than speculation as to potential deductions under some nebulous policy. The FLSA still will protect exempt employees from inappropriate practices, since regulatory provisions denying exempt status for actual salary deductions would remain unchanged. My legislation, however, will prevent employees from using a policy's theoretical application to extort huge overtime windfalls for company-wide classes of highly-paid employees who never could have imagined themselves as non-exempt laborers.

Second, my proposal will address perhaps the most confusing and indefensible requirement among the FLSA's duties tests: the attempted distinction between production and management workers. Under current regulations, for example, an administrative assistant might meet exemption standards simply by opening a management executive's mail and deciding who should handle it, because such a job is directly related to management policies or general business operations of (the) employer or (the) employer's customers. On

the other hand, employees with far more sophisticated, challenging, and lucrative jobs may be nonexempt simply because they work on production tasks. The regulations reasonably expect an administrative employee to exercise a certain level of discretion and independent judgment, and my legislation would not alter that requirement. There is no reason to think, however, that a production or management label on the object of an employee's discretion or judgment has anything to do with that employee's professionalism, or the need for FLSA protections. Therefore, my bill eliminates the requirement that the employee's exercise of discretion and judgment be directly related to management policies or general business operations of (the) employer or (the) employer's customers.

Third, and perhaps most significantly, my legislation would directly reverse the recent trend toward questionable overtime awards for highly compensated employees by creating an income threshold exempting the highest stratum of the workforce from FLSA scrutiny. There is no reason that the FLSA, which was passed to protect laborers who toil in factory and on farm helpless victims of their own bargaining weakness should ever be interpreted to protect workers making high five-figure or six figure incomes. Yet, without considering the policy implications, courts are reaching such conclusions on an alarmingly frequent basis.

A worker drawing a large salary must perform some valuable job duty for an employer. Why, then, should that employer have to satisfy a complex set of artificial and archaie duties tests to prove that the employee is valuable? A worker drawing a large salary also must possess considerable bargaining leverage. Why then, should employers be forced, regardless of the employee's needs or preferences, to calculate paychecks only in the inflexible manner dictated by government salary basis regulations?

The FLSA, in nearly six decades, has strayed from its laudable goal of protecting the poorest and weakest laborers from workplace abuses. The Department of Labor, and the courts, need to refocus their efforts in this direction. My proposal would go a long way—both by directly exempting highly paid employees and by making long overdue adjustments to the salary and duties tests—toward providing this new direction. I ask that a copy of the bill be printed in the RECORD at this point.

A BILL

To amend the Fair Labor Standards Act of 1938 to prescribe a salary base for an exemption of an employee from the wage requirements of such Act and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCE.

(A) SHORT TITLE.—This Act may be cited as the ''White Collar Reform Act''.

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provisions, the reference shall be considered to be made to a section or other provision of the Fair Labor Standards Act of 1938.

SEC. 2. SALARY EXEMPTION.

(a) EXEMPTION AMENDMENT.—Section 13(a)(1) (29 U.S.C. 213(a)(1)) is amended by adding after ''(1)'' the following: ''any employee whose rate of annual compensation is not less than $40,000 or''.

(b) DEFINITION.—Section 13 (29 U.S.C. 213) is amended by adding at the end the following:

''(k) For purposes of subsection (a)(1)—

''(1) the term 'annual compensation' includes all amounts reportable to the Internal Revenue Service for Federal income tax purposes by an employee's employer;

''(2) an employee's rate of annual compensation shall be determined without regard to the number of hours worked by the employee and shall be prorated for any employee who does not work for an employer during an entire calendar year to reflect annual compensation which would have been earned if the employee had been compensated at the same rate for the entire calendar year; and

''(3) reasonably anticipated bonuses, commissions, or other elements of annual compensation not paid on an evenly distributed bases throughout the year may be prorated over an entire calendar year or over the portion of the calendar year worked by the employee for the employer in determining the employee's rate of annual compensation.''.

SEC. 3. ADMINISTRATIVE EXEMPTION EMPLOYEE.

Section 13 (29 U.S.C. 213), as amended by section 2(b), is amended by adding at the end the following:

''(l) The relationship between an employee's job duties and the management policies or general business operations of the employee's employer or employer's customers shall not be considered in determining whether such employee is employed in a bona fide administrative capacity for purposes of subsection (a)(1).''.

SEC. 4. EFFECT OF CERTAIN SALARY PRACTICES.

Section 13 (29 U.S.C. 213), as amended by section 3, is amended by adding at the end the following:

''(m)(1) The fact that an employee is subject to deductions from pay for absences of less than a full day or of less than a full pay period shall not be considered in determining whether such employee is an exempt employee described in subsection (a)(1) when there has not been an actual reduction in pay. For purposes of this paragraph, the term 'actual reduction in pay' does not include any reduction in accrued pay leave or any other practice that does not reduce the amount of the employee's pay for a period.

''(2) The payment of overtime compensation or other additions to compensation based on hours worked in excess of a daily or weekly amount shall not be considered in determining if the employee qualifies for the exemption under subsection (a)(1).''.

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to any civil action involving section 13(a)(1) of the Fair Labor Standards Act of 1938 which has not reached final judgment before such date.

PROFESSOR HOFFMAN, YOU HAVE MADE A DIFFERENCE

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BARCIA. Mr. Speaker, education is a tool that informs and inspires each of us. And education is immensely influenced by the learned individuals who serve as instructors, teachers, and professors. One of the professors who was a mentor in my instruction was Dr. William S. Hoffman, who on January 1 will be retiring after 32 years at Saginaw Valley State University, my alma mater.

The gentleman has taught some of the most stimulating history classes known to any student. I know how vivid he made some of these events when I was his student. He not only made the event come back to life, he made sure that the significance of it lived on in our understanding and appreciation of what preceded us.

Dr. Hoffman was one of the three original faculty members of Sagninaw Valley College, which later became Saginaw Valley State University. He was known for his expertise on Andrew Jackson, one of the key leaders of the Democratic party. Dr. Hoffman is someone who could easily be a member of any President's kitchen cabinet as his expertise provides a clarity of thought that truly allows us to learn from history.

Having taught at Wiley College in Texas, Appalachian State Teachers College in North Carolina, and Bay City Junior College, Delta College, and Saginaw Valley, he has certainly left his impression on great number of students. And with his publication of numerous articles, book reviews, and two books on North Carolina history, he has influenced countless others in appreciating portions of our national heritage.

Dr. Hoffman was certainly deserving of winning Saginaw Valley State University's first Landee Award for teaching excellence. But he will always be remembered as a man who knew history, who imparted its lessons by reliving it in his writings and instruction, and someone who could be counted upon to make a difference for a student, the highest accolade I believe there can be for any academic professional.

Mr. Speaker, as Dr. William S. Hoffman prepares to retire, and his many friends and colleagues at Saginaw Valley State University look forward to feting him prior to his departure, let me urge you and all of our colleagues to join me in wishing this man the very best as he earns his place in history, and moves forward to create even more in his retirement.

A TRIBUTE TO THE ST. ELIZABETH COMMUNITY HOSPITAL

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FAZIO of California. Mr. Speaker, I rise today to recognize the Sisters of Mercy of Auburn in celebration of their 19th anniversary of health care ministry through St. Elizabeth Community Hospital, Red Bluff.

St. Elizabeth Community Hospital has been located in Red Bluff since 1906 when Mother Mary Joseph Bolan saw a need for health care and founded the hospital.

Over the past 90 years, St. Elizabeth has demonstrated dedicated service to the community in providing the highest caliber of health care and improving the quality of life and well-being for the families of northern California.

St. Elizabeth Community Hospital is an invaluable asset to the community, and reflects the talents and commitment of the Sisters, the physicians an employees.

Upon this noteworthy occasion, St. Elizabeth Community Hospital deserves the most sincere congratulations and best wishes for a future filled with continued success.

TRIBUTE TO PAMELA ANAGNOS LIAPAKIS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MALONEY. Mr. Speaker, today I rise to pay tribute to Pamela Anagnos Liapakis. Pamela, recently featured in Time Magazine as America's most politically influential and successful trial lawyer, has been named HANAC's 1996 Woman of the Year.

Pamela Liapakis should serve as an inspiration to women throughout the Nation. She served this year as president of the Association of Trial Lawyers of America. She has served as president of the New York State Trial Lawyers Association, and is currently a trustee on the boards of the Rosco Pound Foundation, the Civil Justice Foundation, and ATLA PAC, and LAW PAC, the Federal and State political action committees of the trial bar.

Her accomplishments have won her numerous accolades, including the 1994 National Organization for Women Woman of Power and Influence Award, the 1994 ORT Jurisprudence Award, the 1993 United Jewish Appeal Trial Lawyer of the Year Award, the 1993 Young Adult Institute Advocate Award, and the 1991 Freedom Award from the Institute of Jewish Humanities.

I ask all of my colleagues to join me today, Mr. Speaker, in paying tribute to Pamela Liapakis, an extraordinary Greek-American. She has received the respect and honor of the American legal community by fighting to protect and preserve the individual rights of average citizens. I ask my colleagues to join me in honoring the most recent achievement of a truly remarkable career.

HONORING DOW CHEMICALS

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BENTSEN. Mr. Speaker, I rise to congratulate the Dow Chemical Co. of La Porte, TX, which has been named the 1996 Industry of the Year by the Deer Park Chamber of Commerce. Dow will be honored at a luncheon on November 21, 1996 for their outstanding work in the production of polyurethane chemicals and for their commitment to teamwork, safety and environmental protection. Dow is the fifth largest chemical company in the world and manufactures basic chemicals and plastics.

Along with being a world leader in chemical production, Dow has not lost its focus on safety and environmental protection. I commend their goal of eliminating all injuries and preventing adverse environmental and health impacts. Fundamental to the accomplishment of these impressive achievements have been the 500 employees and contractors in La Porte. The company's commitment to teamwork has encouraged a worker management respect which stresses personal freedom and growth to allow for innovative decisionmaking at all levels of the operation.

Mr. Speaker, many times in the 104th Congress we have talked about how American industry needs to continue to be innovative to maintain their position in the world economy. Dow Chemicals in La Porte, TX, exemplifies this innovation and is model for all companies.

DR. VICTOR GRECO, 147TH PRESIDENT OF PENNSYLVANIA MEDICAL SOCIETY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to bring an important event to the attention of my colleagues. On October 19, 1996, Dr. Victor Greco will be installed as the 147th president of the Pennsylvania Medical Society at a ceremony in Hershey.

Dr. Greco's résumé is long and distinguished. His many accomplishments throughout his long career in medicine began with his graduation from Jefferson Medical College in Philadelphia in 1951. He interned at Philadelphia General Hospital and spent his residency at Jefferson.

By 1963, Dr. Greco was chief of surgery at St. Joseph's Medical Center in Hazleton, PA, his hometown. Following this he became chief surgeon at State General in Hazleton. During his career Dr. Greco has been a member of the advisory council to the Director of the National Institutes of Health, vice chairman of the board of trustees of the Pennsylvania Medical Society, and a member of the State Board of Medicine appointed by then Governor Casey. Dr. Greco was also nominated to serve on President Clinton's National Health Board and was asked to serve on Speaker GINGRICH's Medical Care Reform Advisory Committee.

During his many years of practice, Victor Greco was responsible for developing the first prototype cancer screening clinic in the country, which is still operated by the National Cancer Institute. Dr. Greco trained under Dr. John H. Gibbons, professor of surgery at Jefferson Medical College and Hospital, and assisted in the development of the heart and lung machine. He was a member of the operating team that performed the first successful case of open heart surgery in the world in 1953. He was chairman of the Pennsylvania State Board of Medicine in 1994 and is now president elect of the Pennsylvania Medical Society.

Mr. Speaker, Dr. Greco's medical accomplishments speak for themselves and are a testament to this outstanding and distinguished surgeon. I am proud to have a close personal friendship with this accomplished man. It is with the greatest pleasure and pride that I rise today to bring just a few of these accomplishments to the attention of my colleagues. I send my heartiest best wishes to Dr. Victor Greco on his new leadership position in the Pennsylvania Medical Society and join with his lovely wife Mary Jean, his family and his many friends in congratulating him on this achievements.

CALIFORNIA CIVIL RIGHTS INITIATIVE

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. WATERS. Mr. Speaker, the State of California is in the middle of a crucial debate on the future of affirmative action. The so-called California civil rights initiative will be voted on this November 5.

I call to my colleagues' attention the following testimony of Professor David Oppenheimer of Golden Gate University. He prepared this statement on behalf of several California branches of the American Civil Liberties Union. I think it greatly enhances the discussion on this most important public policy issue.

STATEMENT OF DAVID B. OPPENHEIMER

INTRODUCTION

Thank you for giving me the opportunity to submit testimony on behalf of the three ACLU affiliates from California. Since its founding in 1920, the ACLU has had as its primary concern the protection of those civil liberties provided by the United States Constitution, and particularly the liberties protected by the Bill of Rights and the Post-Civil War Amendments. The right to be free of government sponsored race and sex discrimination is central to the opportunity of all Americans to fully participate in our system of democratic self-governance. It is because these rights are imperilled by the CCRI that we wish to address this Committee.

It is no secret that our country has a long and shameful history of discrimination against women and racial, religious and ethnic minority groups. Our very foundation as a nation was dependent on the right of our citizens to own human beings of African descent. Our Constitution required amendment in the wake of the Civil War to establish for the first time under our laws that African Americans were entitled to the same rights as white citizens. It was only in this century that women were first enfranchised, and only late in this century, with the passage of the 1965 Civil Rights Act, that we began to enfranchise African Americans in a meaningful way.

Despite the aspirations of most people, our legacy of discrimination is being felt today. Many believe the reason for continuing discrimination is no longer the virulent diseases of race-hatred and misogyny, but the far more well-hidden problems of unconscious discrimination and sterotyping. Whatever the sources, the effects are plain to see. Highly disproportionate numbers of women and minority group members are poor, hungry and ill-housed. Women and minority group members earn substantially less, and own substantially less, than similarly educated, similarly qualified, white men. Over forty years after *Brown* v. *Board of Education* most black children attend segregated schools that are far inferior to the national or local standard. Even among those African Americans fortunate enough to become successful members of the American middle class, discrimination is a constant companion.

Dr. Martin Luther King told us in his last sermon that he had been to the mountaintop and seen the promised land. We have not yet arrived in that promised land.

AFFIRMATIVE ACTION TODAY

Because of the glaring inequities caused by contemporary discrimination, many state and local governments have made the policy

decision to act affirmatively to counteract discrimination and create true equality of opportunity. Some have done so because their leaders believe it is the right thing to do. Some have done so to avoid litigation. Some have done so as a condition of receiving federal funds. Whatever their motivation, if they have met the strict limits placed on affirmative action programs by the Supreme Court, they are fully within the laws and Constitution of this country.

''Affirmative action'' is a term much used, yet much disputed as to its meaning. In discussing affirmative action, I find it useful to distinguish the four kinds of voluntary affirmative action programs currently used by state and local government. They are:

(1) anti-discrimination programs, such as anti-harassment training, sensitivity training, or diversity training; (2) outreach, recruitment and counseling programs, directed at increasing the number of women or minority group members applying for jobs, promotions, contracts, or school admissions; (3) self-study programs, in which employers or schools study their applicant flow data, admissions decisions, and retention statistics, in order to determine whether they are engaging in discrimination, and sometimes adopt goals and timetables to measure progress in eliminating discrimination; and, (4) preference programs, which range from set-asides to tie-breakers to ''one factor in many'' programs.

There is a fifth form of affirmative action program, quotas, which, in the affirmative action context, operate as participation floors for women or minority group members. Quotas are not permitted in voluntary affirmative action programs. They are only permitted when approved or ordered by a court as a remedy in a discrimination lawsuit.

Voluntary preference programs, including set-asides, are rarely permitted; they are allowed only as a remedy to discrimination, and only in unusual circumstances as a matter of Constitutional law. Our Constitution puts strict limits on the authority of any unit of government to consider race or sex in its decision making. It is only within these strictly defined limits that sex-based or race-based decision making is permitted, but when these limits are adhered to, the Supreme Court has made it clear that such decision making is Constitutionally proper. In the *Croson* case, and again in the *Adarand* case, the Court held that governmental affirmative action plans that permit race-based or sex-based selections are only permissible if: There is strong evidence that the government adopting the affirmative action program has itself discriminated against the group now being assisted, and that the discrimination has resulted in that group being currently underrepresented in the area addressed by the affirmative action program; the affirmative action program reaches no further than the discrimination it is intended to counteract; the program is limited to the selection of persons or firms fully qualified for selection; the program operates with goals or aspirations, not quotas; the program is limited in time so that it will expire once its goals have been met; and the program does not require the lay-off or termination of existing employees, or the recision of current contracts.

Under the authority of the *Croson* decision, the City and County of San Francisco held hearings in 1988 to determine why so few of its contracts were with firms owned by women or minority group members. At that time approximately 95% of the dollar value of the City's contracts were with white male-owned firms. The hearings uncovered systemic discrimination in the contract bidding process, leading to a comprehensive affirmative action program. Eight years later, approximately 15% of the City's contract dollars go to firms owned by women or minority group members, while 85% continue to go to white male-owned firms.

The San Francisco plan has received provisional approval from the United States Court of Appeals. Similarly, the County of Santa Clara, whose largest city is San Jose, has adopted a voluntary affirmative action program to increase its hiring of women and minority group members which has been approved by the United States Supreme Court. Despite the fact that these plans have been approved by the federal courts, they will become illegal if CCRI is passed.

AFFIRMATIVE ACTION AND THE CCRI

CCRI has two substantive clauses. Clause (a) prohibits certain conduct by state and local government. Clause (c) permits certain forms of sex discrimination.

Clause (a) provides: ''The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.''

Clause (c) provides: ''Nothing in this section shall be interpreted as prohibiting bona fide qualifications based on sex which are reasonably necessary to the normal operation of public employment, public education, or public contracting.''

In addition, CCRI provides at Clause (e) that ''Nothing in this section shall be interpreted as prohibiting action which must be taken to establish or maintain eligibility for any federal program, where ineligibility would result in a loss of federal funds to the state.''

SOURCE OF CLAUSE A

The initiative's authors have stated that their language is based on the Civil Rights Act of 1964. Section 703(a) of Title VII, the analogous section of the 1964 Act, provides:

''It shall be an unlawful employment practice for an employer [or other covered entity] to * * * discriminate against any individual with respect to his * * * employment because of such individual's race, color, religion, sex, or national origin.''

There are a number of significant differences between Clause (a) of CCRI and Section 703(a) of the 1964 Act. The most important is CCRI's prohibition of ''preferential treatment.'' Also significant is CCRI's applicability to ''groups'' as well as individuals, and CCRI's substitution of ''ethnicity'' for ''religion.''

CCRI AND THE PROHIBITION OF ''PREFERENTIAL TREATMENT''

The full meaning of the prohibition of ''preferential treatment'' must await analysis by the courts. The phrase is one without preexisting legal meaning; it is not a term of art used in civil rights law. In interpreting it, courts will be primarily guided by two principles. First, since it is assumed that all phrases do have meaning, and since it is used in conjunction with a prohibition of ''discrimination,'' it must mean something different from discrimination. Second, since it is not a legal term of art, is should be given its ''plain meaning.''

On a first read, one might expect that if CCRI passes, its broadest impact will be on preference programs such as the Santa Clara and San Francisco programs. This may not prove to be true. Pursuant to clause (e), CCRI will prohibit such voluntary programs only if their elimination will not affect eligibility for federal funds. If CCRI passes, some communities may successfully argue that their programs are necessary to remain in compliance with federal regulations requiring federal funds recipients to refrain from discrimination. This is a particularly potent argument for those communities that have complied with Croson by studying their own behavior, if they have concluded that their own discrimination is the cause of a current underrepresentation.

It other communities, affirmative action plans are likely to be abandoned. But here again, if they have done Croson studies, we should expect that federal lawsuits will be filed using the data collected in the study to prove that the government has engaged in intentional discrimination. CCRI cannot limit the remedies available under federal law for a violation of the federal civil rights laws. Thus, where the evidence justifying the plan is sufficient to sustain a judgment, the federal courts will require the plans to continue. The net effect is that in many communities the existence of affirmative action plans will be unchanged, but the authority to govern the plans will pass from elected officials and civil servants to federal judges.

IMPACT ON SELF-STUDIES/GOALS & TIMETABLES

In the area of self-studies, and the related area of goals and timetables, CCRI will again have less impact than one might expect. Most self-studies conducted by state and local government are required by federal law. Executive Order 11246 requires employers receiving federal funds to conduct self-studies as a condition of their funding. When such studies reveal an underutilization of women or minority employees compared to the available pool of qualified applicants, the employers are required to adopt goals and timetables designed to increase the number of women and minority employees until they mirror the available selection pool. As a result, state and local governments must utilize self-studies and must adopt employment goals and timetables for women and minorities in order to receive federal funding. Since most publicly funded self-studies and goals and timetables are required as a condition of federal funding, they too are protected by clause (e), and CCRI is unlikely to have a substantial impact on self-studies or goals and timetables.

IMPACT ON OUTREACH, RECRUITMENT AND COUNSELING

It is in the area of outreach, recruiting and counseling that CCRI may have its greatest impact. If programs directed at recruiting or counseling women or minority group members are considered a form of preferential treatment, these programs will violate CCRI. This is the position taken by the California Legislative Analyst. In the OLA's report to the Attorney General analyzing the meaning and fiscal impact of CCRI, the Analyst wrote:

''This measure would eliminate affirmative action programs used to promote the hiring and advancement of women and minorities for state and local government jobs, to the extent these programs involve 'preferential treatment.' . . . In addition, the measure would eliminate a variety of public school (kindergarten through grade 12) and community college programs such as counseling, tutoring, student financial aid, and financial aid to selected school districts, where these programs are targeted based on race, sex, ethnicity, or national origin. . . . The measure would eliminate a variety of programs such as outreach, counseling, tutoring, and financial aid used by the University of California and California State University to admit and assist students from 'under-represented' groups.''

Unlike preference programs, or self-studies and goals and timetables, there is no federal mandate for the various outreach, recruitment and counseling programs affected by CCRI. As a result, outreach, recruitment and

counseling programs will truly be eliminated if the initiative passes. Examples of such programs include: programs run by the University of California to inform students at minority high schools of the admissions requirements at UC; programs run by the University of California and the California State University to enrich the academic programs at minority high schools; programs run by the University of California and the California State University to encourage minority students to attend college; programs run by the University of California and the California State University to encourage middle school and high school girls to consider careers in math and science; programs run by the state and/or by local governments to inform woman-owned and minority-owned businesses of the criteria for applying for government contracts; programs run by the state and/or by local governments to inform woman-owned and minority-owned businesses of opportunities to bid on government contracts; programs run by the state and/or by local government to inform women and/or minority group members of employment, career or promotional opportunities in government; and programs run by the state and/or by local government to assist women and/or minority group members in establishing their own businesses or applying for government employment.

IMPACT ON ANTI-DISCRIMINATION PROGRAMS

In the area of anti-discrimination and diversity promotion programs, it is difficult to assess how much of an impact CCRI will have. For example, many government employers have anti-harassment training programs designed to prevent sexual harassment in the workplace. An argument could be made that such programs constitute preferential treatment for women. It seems unlikely that a court would agree, but it is certainly not out of the question. The same would be true of programs designed to teach racial tolerance.

CCRI AND THE OPERATION OF PUBLIC EDUCATION

One substantial area outside of affirmative action will be affected by CCRI. Because it reaches all operation of public education, CCRI is expected to have a major impact on education programs which are not concerned with affirmative action but which do consider race, ethnicity or gender. The existence of university women's centers, for example, will probably be deemed a violation of CCRI. College or university programs designed to serve the needs of, or appeal to, minority students are also vulnerable. These could include counseling programs, social programs, or educational programs. It would almost certainly apply to programs like a black students' union, and might extend as far as community college classes in English as a second language, which are designed for people who are not of U.S. national origin.

In primary and secondary education, there are many voluntary desegregation programs which CCRI would ban. The California Legislative Analyst has concluded: ''The measure could eliminate some or all voluntary desegregation programs operated by school districts.'' Among the savings predicted by the OLA are the costs incurred by all magnet schools, which the OLA views as a form of ''preferential treatment.''

A third area in the operation of public education within CCRI's purview is the consideration of race, sex and ethnicity for special recognition or accommodation. For example, many school districts inadvertently scheduled the first day of school in 1994 to coincide with the Jewish holiday Rosh Hashannah. In Northern California, a number of civil rights and Jewish community groups lobbied school district administrators to change the opening day in order to permit Jewish students to attend the first day of school without violating their religious observation. A series of federal civil rights cases have recognized that for the purpose of the civil rights laws the Jewish people are a race. In addition, Jews may be considered an ethnic group. As a result, under CCRI, such preferential treatment for Jews would be unconstitutional. Similarly, a school's decision to recognize certain ethnic groups through school assemblies, pageants, learning themes, or other diversity awareness programs may constitute preferential treatment based on ethnicity.

CCRI'S EXTENSION OF NONDISCRIMINATION LAW FROM INDIVIDUALS TO GROUPS

One of the foundations of American civil rights law is that all rights are held by individuals. For good or for ill, there are no civil rights held as group rights. Thus, the 1964 Civil Rights Act applies only to discrimination against individuals. As a result, an important barrier in discrimination lawsuits is the issue of standing; if an individual cannot allege personal harm, she cannot bring an action. Even in class actions, the group is defined as a group of individuals who have suffered individual harm.

Somewhat surprisingly, however, CCRI prohibits discrimination against and preferential treatment for not only individuals, but also groups. This may provide its most significant impact. For example, it appears that under CCRI any African American may bring a discrimination claim against a local government asserting race discrimination against blacks, even if she was in no way affected by the discrimination. Similarly, any person who wants to challenge an affirmative action program as granting preferential treatment may do so, as long as she is not a member of the group receiving the preferential treatment. Since the government is usually assessed legal fees if it loses a civil rights suit, we may expect an explosion of litigation if CCRI passes.

CCRI, SEX DISCRIMINATION, AND THE CALIFORNIA CONSTITUTION

In 1971, the California Supreme Court interpreted the California Constitution to prohibit sex discrimination by the government unless the government could prove a compelling purpose which withstood strict scrutiny by the court. The phrase ''strict scrutiny'' is sometimes described as ''strict in theory, fatal in fact'' because it is virtually unheard of for any government action to survive such scrutiny. It is because of this decision that the California Constitution is said to have a de facto Equal Rights Amendment.

Clause (c) may do substantial damage to the protection now offered California women under the Constitution. The language of the clause was taken from the Civil Rights Act of 1964, which provides at Section 703(e)(1):

''It shall not be an unlawful employment practice for an employer to hire . . . any individual . . . on the basis of his religion, sex, or national origin in those certain instances where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of that particular business or enterprise.''

In the 1964 Act the BFOQ exception applies only to employment, and even then only in cases involving an ''occupational'' qualification and only to cases brought under the Act, not cases brought under the Constitution. In interpreting the language under the 1964 Act, the Supreme Court has held that the State of Alabama could refuse to hire women guards at its maximum security prison because the presence of women would encourage the male inmates to attack them. The Court was particularly concerned that the guards would provoke sex offenders in the prison population, but explained that ''there would also be a real risk that other inmates, deprived of a normal heterosexual environment, would assault women guards because they were women.'' The Court has also suggested that differential hiring policies for women with young children might constitute a BFOQ if ''such conflicting family obligations [were] demonstrably more relevant to job performance for a woman than for a man.''

CCRI expends upon this allowance of sex discrimination in two critical areas, both of which are presently untested. First, the Supreme Court has ruled that the limitation to ''occupational'' qualifications is a criminal limitation. By dropping the limitation to ''occupational'' qualifications, CCRI extends the permitted kinds of sex discrimination which will now be permitted. Second, the BFOQ limitation in the 1964 Civil Rights Act is limited to employment discrimination. CCRI permits BFOQ sex discrimination in education and contracting as well as employment.

If CCRI passes, it will become the primary provision of the California Constitution regarding sex discrimination by government; as such it will probably be held to overrule or amend the current interpretation of the Constitution. Thus, sex discrimination by government in the areas of public education, employment and contracting will only be illegal if the discrimination is not ''reasonably necessary to the normal operation of public employment, public education, or public contracting.''

In the area of employment, clause (c) will foreclose independent sex discrimination actions under the Constitution, limiting them to the provisions of federal law. It is difficult to assess how broad an impact this will have. In the area of government contracting, contracts may be let to male-owned companies, or (perhaps more likely) companies that only hire men, when it is deemed reasonably necessary that men alone do the work. The most obvious application will be in California's fastest growing industry, corrections. In public education, the clause again may make possible sex-segregated activities which would otherwise be deemed discriminatory. Because the concept of a bona fide qualification based on sex has no precedent outside the area of employment, it is difficult to predict how far the clause will reach. Nonetheless, it clearly opens the doors to discrimination which is now impermissible under the California Constitution.

SUBSTITUTION OF ETHNICITY FOR RELIGION

It is not clear why the drafters of CCRI, who claim to have tracked the language of the 1964 Civil Rights Act, substituted ''ethnicity'' for ''religion.'' But presumably religious discrimination by the government will remain illegal under the California and United States Constitutions' ''free exercise'' clauses, while religious preferential treatment will remain illegal under the ''establishment'' clauses. Since the initiative fails to define ''ethnicity'' it will have to be read as meaning something other than ''national origin'' (which is also delineated). Given the broad reading currently given to ''national origin'' this may prove difficult.

CONCLUSION

It appears that the greatest impact of CCRI will be in three areas: (1) outreach, recruiting, and counseling programs targeting women and minorities; (2) higher education programs assisting women and minority students; and (3) primary and secondary education programs designed to promote voluntary desegregation. The initiative is likely to have no effect on quotas and little effect on preferences or goals and timetables. In the few cases where quotas are permissible they either are or will be ordered by

federal courts, which are outside the scope of the initiative. In the most of the limited number of cases where preferences are permitted, federal lawsuits will probably be filed to move the authority for the preferences from local government to the federal courts. Most public goals and timetables are adopted to maintain eligibility for federal funding, and will thus be exempt from CCRI. But outreach, recruiting, counseling, assistance and voluntary desegregation programs are not tied to federal funding, and are thus most vulnerable to CCRI.

THE 85TH ANNIVERSARY OF THE REPUBLIC OF CHINA

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KING. Mr. Speaker, October 10 marks the anniversary of the birth of the Republic of China [ROC]. On this occasion, I wish to send my greetings and congratulations to the leaders on Taiwan, especially to President Lee Teng Hui.

For many years Taiwan has been a loyal trading partner of the United States. Its people participate in and fully subscribe to the principles of freedom and democracy. They have worked with the United States on issues ranging from endangered species to trademark infringements. Taiwan is our friend and ally.

One of the ways the United States can help Taiwan is to make sure the ROC has an easy transition into the World Trade Organization [WTO]. Without question their economic status and legal system more than qualify them for membership. The only reason Taiwan has not been admitted to the WTO is the strong objection of the People's Republic of China. While the United States formally recognizes the PRC, we must not allow our relations with the 21 million people on Taiwan to be compromised by the demands of the PRC, and if it were not for the situation with the PRC, they would be a member today. The United States should work to assure the ROC its rightful place at the table in the WTO. Better relations between the U.S. and the PRC must not come at the expense of the 21 million people on Taiwan who must depend on the United States to help promote and defend their interests.

Mr. Speaker, Taiwan is fortunate to have Dr. Jason Hu as the new representative in Washington. Dr. Hu formerly served as the head of the Government Information Office. He replaced Benjamin Lu who has returned to Taipei to serve as an advisor to the President. I also want to take this opportunity to note that several solid officials from the Taipei representative office here in Washington will be returning to Taiwan at the end of the month. Dr. Lyushen Shen, and his colleague Mr. James Huang, have served their country admirably during their time here in Washington.

The October 10 celebration marks the continuance of the friendship between our two countries, as well as the founding of a nation. Again, I congratulate Taiwan on the occasion of its National Day.

ESCANABA ESKYMOS CENTENNIAL

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. STUPAK. Mr. Speaker, on October 25, 1996, the Escanaba High School Eskymos football will be celebrating its 100th anniversary. In September of 1897, Escanaba won its first game against St. Joseph Catholic School. It was not the type of football we think of today.

At the turn of the century the usual procedure for organizing a football team was to find a ball, improvise some equipment and find an open field. Most of the uniforms were handmade. What little padding the players had was soft and sewn into their jerseys, and headgear was almost non-existent. Most times the games were arranged by students, as faculty regarded football as a waste of time which interfered with their education. Players would improvise and quarrel over which rules to follow. It was a fast-paced and brutal sport.

Michigan high school football traditionally revolved around fierce rivalries. As documented in 1994 by Michigan History Magazine, Michigan football fans witnessed, the beginning of one of the greatest rivalries and most exciting games in Michigan football history when Escanaba met Ishpeming in 1901. Escanaba played in Ishpeming, a small northern Michigan mining community, and during the second half, two linemen began fighting. Then the two coaches stormed onto the field, followed by fans from both sides, bringing the game to a halt. Police were forced to restore order. Conceding defeat, the Escanaba players walked off the field with 12 minutes left to play, saying that they feared for their lives.

In 1903 Escanaba won its first Upper Peninsula championship and went on to challenge for the State championship title but coming up a little short against Benton Harbor.

Escanaba would rebound to win the State championship in 1904, and again in 1907. In 1908 the Eskymos were 5–0, but the lower Michigan champions from Ann Arbor refused to acknowledge or play the Eskymos for the State championship. By such an unsportsmanlike tactic, Ann Arbor wound up becoming the State champions.

In 1910 the Escanaba Eskymos won eight games against other Upper Peninsula teams, outscoring their opponents 131 points to 10. Escanaba won the Upper Peninsula championship but Detroit Central High School would not play Escanaba for the championship and erroneously, Detroit would hold the State title that year.

Until formal playoffs began in 1975, there would be no more championship games between Upper Peninsula and Lower Michigan teams.

In 1920 Escanaba beat Ishpeming 103 to 0 and one of the star backs on the tam put his name into the record books. Marmaduke ''Duke'' Christie scored 10 touchdowns and 6 extra points for a total of 66 points in one game. This record stands today in Michigan record books as the most points in one game for an individual player.

Beginning in 1962, the Eskymos were coached by Jerry Cvengros, a native of Ironwood, a graduate of the University of Wisconsin and a letterman in football. Coach Cvengros would go on to coach the Eskymos for the next 23 years and set the all-time winning record for the Eskymos. His teams won 79 percent of their games, won the Upper Peninsula football title nine times, and became runner-up in class A high school football in 1979. They would not lose a single game in 1981 en route to winning the Class A State Title.

Escanaba's last title was in 1989 as the Upper Peninsula football champions. In the 99 years that Escanaba has fielded a football team their all-time record of 512 games puts them in third place for all high schools in the State of Michigan.

This October 25th, the Escanaba Eskymos will host the Menominee Maroons for the 100th meeting of these two long-time rivals.

Mr. Speaker, Members of the U.S. House of Representatives, please join with me in congratulating all Escanaba Eskymo team members, coaches, teachers and fans, past and present, on 100 great seasons! The Eskymos have continued to display their devotion to the game, their sportsmanship and pride in their school teams. The Escanaba Eskymos and their outstanding record of success have made a lasting impact on their community, the Upper Peninsula, the State of Michigan and this Nation. We wish them continued gridiron success!

TRIBUTE HONORING ELYRIA UNITED METHODIST CHURCH

HON. PAUL GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and salute a church in my area. This year, Elyria United Methodist Church in Elyria, OH, will celebrate the 100th year of its founding.

Located in Northern Ohio, the church was founded in 1896. Many of the same family names are still in the congregation 100 years later. The vision at its founding a centennial ago was to be a church where people live with God and work for the communal good.

The same vision is true today. The church building has been a source of civic pride for many years and the stately design of the building solidifies its place as a local landmark. A monument such as this does not survive on structure alone, however. The building is a testament to the dedication of the congregation in preserving links to their heritage.

Mr. Speaker, as the church marks its 100th year of service, we commemorate the past and celebrate the future. A new generation continues the exemplary record of community service and pride that distinguishes Elyria United Methodist. I ask my colleagues to join me in honoring this special church.

HONORING KMEX–TV CHANNEL 34 ON THE OCCASION OF ITS 34TH ANNIVERSARY

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. TORRES. Mr. Speaker, I rise today in honor of Univision and KMEX–TV, Channel

34. On October 3, 1996, KMEX will celebrate its 34th year as one of our Nation's premier Spanish-language television stations.

Founded on September 29, 1962, KMEX has been a pioneer in Los Angeles broadcasting history. The station was the first to change successfully from film to videotape, and use satellite transmission in the news market. KMEX also was the first station nationally to create a Spanish-language morning talk show. Now in its eighth year, the program is the only locally produced morning program in the Los Angeles market, in either English or Spanish. Today, KMEX remains one of the Southland's most innovative stations.

For the past three decades, KMEX–TV has served the Latino community with programs that inform Spanish-speaking viewers on local and world events. The station's programming is broad-based and family-oriented, and aims to educate and entertain. KMEX's news department has received many journalistic awards, including the prestigious Peabody Award. This year, ''Noticias 34'' received six Golden Mike Awards and is the national recipient of the Edward R. Murrow Award, proclaiming it ''America's Best Newscast.''

KMEX also maintains a record of public service to our community. Recently, the station joined forces with Cities In Schools, a national nonprofit organization aimed at reducing the high school drop out rate. By serving as mentors, KMEX volunteers give Latino students guidance and emphasize the importance of a high school and college education.

KMEX is also active with the Junior Achievement of Southern California Program. Together they established the Junior Achievement Hispanic Program with the goal of recruiting Latino volunteers from local businesses and communities into inner-city schools to provide guidance to students. Over the years, KMEX has also raised millions of dollars to assist the victims of such disasters as the earthquakes in Northridge, Mexico City, and El Salvador, as well as other international natural disasters.

KMEX has also been involved with numerous community organizations such as the American Cancer Society, American Red Cross, Puente Learning Center, MALDEF, CARECEN, Southwest Voter Registration and Education Project, NALEO, Hollenbeck Boys and Girls Club, LA Works, the Century Council, and numerous others.

Mr. Speaker, I ask my colleagues to join me in honoring Univision Television Group Inc., headed by chairman and chief executive officer A. Jerrold Perenchio, and executive vice president and chief financial officer George Blank. Under their leadership, Augustine Martinez, KMEX's general manager, and Tom Amost, station manager, have worked to establish KMEX's tradition of excellence in programming and commitment to community involvement. On October 3, 1996, they will join with their dedicated employees and volunteers to celebrate 34 years of innovative programming and service to our community.

TRIBUTE TO BETHESDA-CHEVY CHASE HIGH SCHOOL

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MORELLA. Mr. Speaker, I rise to honor Bethesda-Chevy Chase High School on the occasion of the school's 70th anniversary. B–CC is Montgomery County's oldest urban high school, and the school is marking this milestone anniversary this weekend with a community-wide celebration.

Under the leadership of principal Janice Mastow, vice-principals Richard Bishop and Jeani Haven, and a devoted staff, the school has been a leader in the Montgomery County tradition of providing a quality education to its students and dedicated service to the community. B–CC has just initiated Montgomery County's second international baccalaureate program, which will keep students well-prepared for the challenges of the 21st century. In its urban setting, the school is a vibrant cornerstone of the Bethesda-Chevy Chase business area.

The school's rich and enduring history began in 1926, with a class of 14 students. Over the past 70 years, the high school has produced many distinguished graduates: war heroes, county, State and federally-elected officials, Federal judges, and community leaders at every level. The festivities and the open house will focus on the diversity and achievements of B–CC's 25,000 alumni, its students, faculty, parents, and its programs. Some distinguished graduates who will participate in the celebration include Daniel Stern and Arch Campbell.

As a former teacher, I am delighted to recognize B–CC on the school's 70th anniversary. I pay tribute to the devoted faculty, supportive parents, outstanding students, and diverse alumni, and I wish them continued success.

TRIBUTE TO SAN DIEGO POSTAL EMPLOYEES

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CUNNINGHAM. Mr. Speaker, I rise today to pay tribute to the U.S. Postal Service employees of San Diego. An independent survey, conducted by Price Waterhouse and published in yesterday's papers, confirmed that 95 percent of all letters mailed to and from San Diego arrived on time. This 95-percent score places San Diego mail carriers second best in country.

The Postal Service employees of San Diego have a commitment to providing excellent service to the citizens of San Diego. This survey proves that they deliver. Every year, San Diego's Postal employees rank near the top of the national, scores. Like the weather in San Diego, they are nearly perfect.

I would specifically like to commend San Diego District Manager Danny Jackson, the Margaret L. Sellers Processing and Distribution Center Manager Dianna Hempen, and the San Diego Postmaster Glenn Crouch. Along with every Postal employee in San Diego, they have the right to be proud of their accomplishments. They have brought national recognition to San Diego and enhanced our reputation as America's finest city.

ONE-STOP-SHOPPING INFORMATION

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LAZIO of New York. Mr. Speaker, I rise today to introduce legislation to help the thousands of Americans battling life-threatening disease. My bill would enable these individuals to gain easy access to essential information on clinical trials, information that could potentially save lives. In my Long Island, NY, district, where breast cancer occurs at unusually high rates, access to potentially promising treatments that are otherwise unavailable is crucial. A one-stop-shopping information service would allow those suffering from terrible illnesses, such as breast cancer or Parkinson's disease, to learn more about these clinical trials by simply dialing a 1–800 number.

Since coming to Congress, I have been working with breast cancer activists in my district, trying to reduce the suffering breast cancer brings to women and their families. I have fought hard for research funding to bring us closer to finding a cause, or possibly a cure, for breast cancer. Through researchers have made great progress, the public's knowledge of their findings has been limited. Its time we make these new findings available to those who need the information most.

Earlier this year, physicians and breast cancer advocates came before Congress to bring to light the difficulty in obtaining information on clinical trials. I was then contacted by cancer activists from my district, who conveyed the need for a one-stop-shopping program for clinical trials.

Currently, information is available through the Cancer Information Service at the National Cancer Institute. While the service is helpful, it lists only publicly funded trials, leaving information on more than 300 private clinical trials untapped. Sadly, cancer patients are left without readily available information, presented in a clear, concise manner. It is evident that a better system is needed.

In 1988, Congress directed HHS to establish an AIDS Clinical Trial Information Service. By simply calling 1–800–TRIALS–A, patients can find out more about trials which are evaluating experimental drugs and innovative therapies. The one-stop-shopping service would provide those facing serious illness with the same option that is now available to AIDS patients.

One-stop-shopping information will bring patients one step closer to treatments that could change their lives. I urge my colleagues to support this bill, and to give those stricken by serious illness more than just hope for a cure.

STATEMENT TO SUBCOMMITTEE ON PERSONNEL, SENATE ARMED SERVICES COMMITTEE

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, for the last 2 months, I have assisted my constituents, Charles and Annette Casto, in attempting to locate information regarding the death of their son, L. Cpl. Anthony A. Casto, U.S. Marine Corps. After a hurried investigation, the Marine Corps concluded that Anthony Casto died as a result of suicide. The few material possessions given to the family, brief and uninformative talks with senior military personnel and the investigative branches involved in the process, yielded more questions and uncertainties than answers to Anthony's death.

The families which appeared before the subcommittee were in concurrence that the military's death investigation process is fractured. Currently, separate entities come to conclusions on a single death and withhold information underlying their conclusions. This is the antithesis to freedom of information and contrary to families' legitimate expectations that services will be forthcoming and truthful about the cause of a loved one's death.

All governmental entities and departments are accountable to the citizenry. I am not overzealous when I say that, just as we expect our government to be effective, it should be standard that it is also compassionate when dealing with the families of those who sacrifice their lives for our country. Unfortunately, the personal experiences of families of deceased military personnel illustrate a different picture. Though the people and places were different, there was a common theme that the investigative process treated families as outsiders, not obligated to knowing how their sons and daughters died while serving our country.

I know that the members of the subcommittee listened to the stories on September 12 with sincere interest, professionalism, and sympathy. However, I ask that the subcommittee lead this Congress in a first, but major step, in reforming the military death investigation process to transform it into one that is efficient, responsive, accountable and most importantly, one that is respectful and compassionate to our deceased servicemen and women's families.

HONORING ALVIN R. BELL

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. OXLEY. Mr. Speaker, I am proud to recognize Alvin R. Bell a constituent of mine who participated in CIVITAS@Bosnia-Herzegovina, an intensive program to train local teachers in education for democracy. Mr. Bell was part of a team of 18 American educators and 15 teachers from the Council of Europe who were assigned last July to key cities throughout the Federation of Bosnia and Herzegovina.

The summer training program was developed by the Center for Civil Education as part of a major civic education initiative in Bosnia and Herzegovina. The goals of the program are to help prepare students and their communities for competent and responsible participation in elections and other opportunities in the political life of their communities. Achieving this goal will contribute to the reconstitution of a sense of community, cooperation, tolerance and support for democracy and human rights in this war torn area.

I am also pleased to announce that the curricular materials being used for the program in Bosnia and Herzegovina have been adapted from the We the People * * * the Citizen and the Constitution and Project Citizen programs that have been very successful in may congressional district. Initial reports evaluating the summer program indicate the materials and teaching methods were enthusiastically received and can be adapted for use in classrooms throughout Bosnia and Herzegovina.

Alvin Bell is a teacher at Findlay High School in my hometown of Findlay, OH. Over the years Mr. Bell has brought five different teams of students to Washington, DC to compete in the We the People * * * the Citizen and the Constitution national finals, an academic competition involving simulated Congressional hearing to test the knowledge of your youth in the U.S. Constitution and Bill of Rights.

Mr. Speaker, I wish to commend Alvin Bell for his dedication and commitment during the CIVITAS@Bosnia-Herzegovina summer training program. His work, is helping to achieve the overall objective to building support for democracy in Bosnia and Herzegovina.

THE BREAST CANCER PATIENT PROTECTION ACT OF 1996

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SANDERS. Mr. Speaker, I am pleased today to join with Representative ROSA DELAURO in introducing ''The Breast Cancer Patient Protection Act of 1996'' to require insurers to pay for a minimum 2-day hospital stay for a mastectomy and a 1-day stay for a lymph node removal, unless the doctor and patient decide less time is appropriate. The legislation responds to a recent trend by insurers who are refusing to pay for an overnight stay for a woman with breast cancer who has had a mastectomy, the surgical removal of a breast, unless the doctor can prove it is ''medically necessary.''

While medical societies have no established guidelines on how long a woman should stay in the hospital following a mastectomy, doctors have argued that women need to stay 1 to 2 nights after such surgery. Surgeons have told me that the large majority of women would not do well going home the same day after such a surgery. It is unbelievable to me that the insurance industry is now considering mastectomy an ''outpatient procedure'' and denying women overnight stays.

After a mastectomy, a women has a large wound, still-attached drainage tubes and intravenous fluids, and, often times, excessive pain. Overnight stays allow doctors to address many of the problems that can arise in the 12 to 24 hours following surgery and allow women the time to learn how to care for the wound, handle the paint that accompanies such surgery and recover from the emotional trauma that can result from the surgery.

Outpatient mastectomies are disturbing new part of a growing trend in the insurance industry to deny care or truncate stays. First they denied insurance to victims of domestic violence, then they sent mothers and their newborn home within hours following a birth and now women with breast cancer are being denied the ability to have a very difficult surgery with some degree of dignity.

I have played an active role in ensuring that victims of domestic violence are no longer discriminated against in the health insurance industry and in guaranteeing that mothers and newborns are not sent home before they are ready to go. To that end, I will remain steadfast in my commitment to protect breast cancer patients from premature discharges from the hospital.

I am pleased that the National Breast Cancer Coalition has given its support to ''The Breast Cancer Patient Protection Act of 1996.'' I look forward to working together with the Breast Cancer Coalition, surgeons and medical societies to protect safe and appropriate care for cancer survivors.

The truth of the matter is that insurance companies are trampling on the sacred doctor-patient relationship and it must stop. The decision about when a woman should leave the hospital after a mastectomy should be made between the doctor and the woman, not by insurance companies bent on profits.

Congress must restore the doctor-patient relationship once and for all, and I am doing everything I can to see that that happens. In the meantime, this critical measure will protect thousands of women who confront breast cancer surgery from being forced out of the hospital against their will and against the best advice of their doctor.

TRIBUTE TO REV. EDWARD O. HUG

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. KAPTUR. Mr. Speaker, I rise today to pay tribute to a man of true faith—longtime servant of the church and our larger community in the greater Toledo area, the dear and beloved Rev. Edward O. Hug. He generously bestowed upon our community, particularly in the Catholic parishes throughout northwest Ohio to which he devoted his life for 47 years gentleness, dedication, and spiritual depth.

A man of God, Father Hug ministered to thousands, providing counsel, direction, and solace. His final parish was my own, Little Flower Catholic Church in Toledo.

As we remember Father Hug, his life, and his work and reflect upon his passing, I would like to quote from what has been regarded as one of Father Hug's finest sermons. In discussing life's passages, Father Hug told his congregation, ''we should never be afraid of dying. When a baby comes into this world, the baby says 'I'm afraid to be born.' Then he comes out into the world and sees all the friendly faces and realizes the world is a wonderful place.'' It's the same with death. We're all afraid of dying, but when we die, we are

entering a new life. And it's the most wonderful place to be.'' Upon his own death, to which he professed to look forward, Father Hug's words echo. We know that he is at peace after a long and heroic struggle, and he is happy.

Our entire community expresses heartfelt gratitude for the life and beneficence of Father Edward Hug. No man could have given others more. We extend our prayers to his family, his brothers Father Fritz and Father Relmond Hug, also men of the church, and Eldred Hug, his devoted sisters Virginia Kunisch and Marlene Alter, and the entire Hug family. Godspeed.

INCREASING ACCESS TO MEDICARE SERVICES

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. DURBIN. Mr. Speaker, I am introducing legislation today, along with Congressman JOHN ENSIGN, to create a demonstration program to waive, for selected diagnoses, the Medicare rule requiring a 3-day hospital stay before Medicare will cover services in a skilled nursing facility. There is growing evidence that, for selected diagnosis-related groups or [DRG's], a waiver could save money by allowing care in a less expensive setting.

The legislation would require the Secretary of Health and Human Services to cover services in skilled nursing facilities for at least five DRG's that involve medical conditions that do not need inpatient care and that are not likely or are least likely to result in any net increase in Medicare expenditures. Over the course of time, the Secretary would be able to add to the list of DRG's for which the 3-day stay rule is waived.

The Secretary would monitor this demonstration program to determine the impact of the program on overall Medicare expenditures. If this experiment is successful, it will increase access to Medicare-covered services without an increase in costs.

I expect that, if the DRG's are carefully selected based on evidence of which medical conditions could be treated less expensively in skilled nursing facilities, there will be no increase in total Medicare expenditures and there might even be budget savings. However, in case that expectation is not met, the legislation includes explicit language to ensure budget neutrality.

If this demonstration program, as a whole, causes an increase in overall Medicare spending, payments to skilled nursing facilities will be reduced by a corresponding amount in the following year to make up for the losses. This provides a fail-safe mechanism, supported by the skilled nursing facility industry itself, to ensure that the measure does not cause new Federal outlays. Moreover, the Secretary would be authorized to remove DRG's from the waived list that result in an increase in overall Medicare spending.

If, as I hope, this demonstration program is successful and overall Medicare costs do not rise as a result of the 3-day stay waivers, the legislation directs the Secretary to actively consider adding other DRG's to the waiver list that could be added without increasing total Medicare costs.

While I do not expect Congress to move forward on this measure in the waning days of this legislative year, I believe this idea deserves careful consideration. I am introducing it now in the hope that we can lay the groundwork for this type of budget-neutral reform in the next Congress.

H.R. 4244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF 3-DAY PRIOR HOSPITALIZATION REQUIREMENT FOR COVERAGE OF SKILLED NURSING FACILITY SERVICES FOR CERTAIN DRGS.

(a) IN GENERAL.—By not later than October 1, 1997, the Secretary of Health and Human Services shall provide for coverage, under section 1812(f) of the Social Security Act, of extended care services for individuals with a condition that is classifiable within a diagnosis-related group selected under subsection (b).

(b) SELECTION OF DIAGNOSIS-RELATED GROUPS.—For purposes of subsection (a) and subject to subsections (c) and (d), the Secretary—

(1) beginning with fiscal year 1998, shall select at least 5 diagnosis-related groups (as established for purposes of section 1886(d)(4)(A) of the Social Security Act that—

(A) relate to conditions that do not require treatment through receipt of inpatient hospital services, and

(B) are not likely (or are least likely) to result in any net increased expenditures under title XVIII of such Act; and

(2) for subsequent fiscal years may select additional diagnosis-related groups that meet the requirements of subparagraphs (A) and (B) of paragraph (1).

(c) RECOVERY OF EXCESS EXPENDITURES.—If the Secretary determines that the application of this section in a fiscal year has resulted in any increase in aggregate expenditures under such title for the fiscal year above the amount of such expenditures that would have occurred in the fiscal year if this section did not apply (taking into account any reductions in expenditures resulting from the elimination of or a reduction in the length of hospitalization), the Secretary—

(1) shall, notwithstanding any other provision of law, provide for a reduction in the amounts otherwise payable under part A of such title for post-hospital extended care services in the following fiscal year by such proportion as will reduce aggregate Federal expenditures in such fiscal year under such part by the aggregate amount of such a increase in the previous fiscal year, and

(2) may rescind the selection of any diagnosis-related group if the application of this section with respect to such group has resulted in such an increase in expenditures under such title.

(d) CONSIDERATION OF ADDITIONAL SELECTIONS.—The Secretary shall actively consider the selection of additional groups under subsection (b)(2) if the Secretary determines that the application of this section has resulted in a net reduction in expenditures under such title.

REAUTHORIZATION OF THE PUBLIC HEALTH SERVICE ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. RICHARDSON. Mr. Speaker, I rise in strong support of our community health centers and this reauthorization bill.

I have introduced this piece of legislation in the House as H.R. 3180. Although time constraints prevented the House Commerce Committee from moving this bill through the committee this year, I am extremely please that the House will have the opportunity to vote on this important reauthorization.

This bill will consolidate community health centers, migrant health centers, health care for the homeless and health care in public housing projects under one authority as requested by the administration and as supported by the health centers.

Health center programs have been highly successful in delivering primary health care to the Nation's most needy inner city and remote rural over the last 30 days.

These centers have improved health, have high-confidence ratings from the people they serve, and have produced Federal savings by lessening the use of more expensive Federal provided health care.

In New Mexico, Federal health centers serve over 150,000 patients each year. My State has 56 clinics in 27 of our 33 counties. In most areas these clinics are the sole providers of health care in the county. These clinics are usually also the only providers with a sliding fee scale, which means they provide both geographic and economic access to health care for many uninsured or geographically isolated New Mexicans.

Community health programs are a vital part of health delivery to underserved communities across the country and a model of a Federal program that works.

However, over the last 30 years the health care industry in our country has undergone significant changes. This is why I believe we must—through reauthorization—give the health center programs the flexibility and streamlined efficiency to survive in today's health care marketplace.

This authority would support the continued development and operation of local, community-based systems of health care to address the needs of medically underserved communities and vulnerable populations.

At the same time, my legislation frees these centers from unnecessary and burdensome requirements. This bill will: First, make the grant process more flexible, simpler, streamlined, and less burdensome for communities receiving health center awards; second, reduce the Federal administrative costs associated with administering the programs; and third, assure continued Federal support—in these times of tight budgets—for health centers by consolidating the funding previously requested under separate authorities.

In addition, this legislation addresses the rapid expansion of managed care and gives our health centers the ability to complete in today's health care marketplace. This bill will create grants for health centers to plan and develop networks with health maintenance organizations or form their own networks with other physicians and hospitals.

Further this legislation will reauthorize the Rural Health Outreach, Network Development, and Telemedicine Grant Program to focus on the development of coordinated, integrated health care delivery systems in rural areas using advanced technologies.

I believe this bill is the most comprehensive approach to reauthorizing public health centers. This legislation has the support of the public health centers and would allow our public health centers to continue providing top

quality services to some of America's most underserved populations.

TRIBUTE TO THE NOME CULT ''TRAIL OF TEARS''

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FAZIO of California. Mr. Speaker, I rise today to recognize the 133d anniversary of the Nome Cult ''Trail of Tears.''

Not long ago, native Americans from Chico were forced to relocate across what is now the Mendocino National Forest to Round Valley.

In September 1863, 461 Indians were marched under guard from Chico to the Nome Cult Reservation, nearly 100 miles across the Sacramento Valley and rugged north cost ranges. Most of those removed from Chico were Maidu from the north Sacramento Valley and adjacent foothills, but members of other tribes were also relocated. Only 277 Indians completed the journey to Nome Cult Reservation.

Although the path has disappeared, we now call this route the Nome Cult Trail. Currently, U.S. Forest Service signs mark the route where the Indians and their military escorts camped along the most grueling part of the trail in the Mendocino National Forest.

Today, I wish to acknowledge this tragedy but also to celebrate in full recognition of our past. While the Nome Cult Trail is a tragic chapter in my State's history, it is also a story about the resilience and strength of California Indians. It is an important legacy for their descendants and for all Californians.

TRIBUTE TO GEN. WITOLD URBANOWICZ AND JAN NOWAK-JEZIORANSKI

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MALONEY. Mr. Speaker, I rise today in honor of Polish Heritage Week, and to remind my colleagues of the contributions made to our society by Polish-Americans.

First, I would like to pay special tribute to Gen. Witold Urbanowicz. I was saddened to hear of his death on August 18, 1996. General Urbanowicz was a true hero to the Allied forces during World War II, serving as a fighter pilot in the Battle of Britain and in China with the Flying Tigers of Gen. Claire L. Chennault. For his distinguished service, General Urbanowicz received Poland's highest decoration for valor, the Order of Vertuti Militari. He was also awarded the British Order of Merit and the Distinguished Flying Cross. Last year, he received a formal promotion to general in the Polish Forces from Polish President Lech Walesa. His brave service will not be forgotten.

Additionally, I would like to honor Jan Nowak-Jezioranski. On September 20, 1996, Nowak was awarded the highest civilian honor in the United States, the Presidential Medal of Freedom. The award honored his service during World War II, in which he risked his life to bring vital information from Poland to the Allies. Later, he directed Radio Free Europe's Polish Service, and was a voice of hope to millions of his fellow Poles.

Mr. Speaker, I rise today to honor these two great men, and to celebrate the contributions of all Polish-Americans during this very special week.

V.F.W. POST 5267 50TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the Veterans of Foreign Wars (VFW) Post 5267 of Hanover Township, Pennsylvania. The post is celebrating its 50th anniversary and I am pleased to have been asked to participate in this milestone event.

On November 5, 1945 thirty veterans returning from overseas duty in World War II accepted the invitation of the late Edward Dozyk, a WWI veteran, to formulate initial plans for a V.F.W. post in Hanover Township. Application for a charter was sent to the National Headquarters and the charter was granted in 1946.

The first group of officers were founder of the post Commander Edward Dozyk, Senior Vice Commander Nelson Gray and Adjutant and third year Commander Michael Juls.

During the next few years the post spent time moving from one location to another. In 1967 the post purchased its current home.

Mr. Speaker, since its beginning in 1946 the post has grown from 30 members to over 700. The post provides valuable community services to the active veterans community in the Wyoming Valley. During its history members of the post have participated in over 2100 military funerals as well as numerous Veterans Day Celebrations.

Mr. Speaker, I am proud to honor these dedicated men and to join the Hanover Township Board of Commissioners and Commission President Pat Aregood in proclaiming the week of September 22nd as V.F.W. Post 5267 week in Hanover. I send my best wishes on their 50th anniversary.

DOSE OF REALISM NEEDED IN DEALING WITH RUSSIA

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SMITH of New Jersey. Mr. Speaker, earlier this month, in a major policy speech delivered in Stuttgart, Germany, Secretary of State Christopher presented his vision for the future of a ''New Atlantic Community'' and called for the elaboration of a formal charter between NATO and Russia as an integral aspect of the alliance's process of enlargement. The headstrong determination of the Clinton administration to forge ahead with some form of formal partnership between Russia and NATO should give cause for concern.

I am not convinced that such an initiative—which is fraught with risks—is warranted.

In his address, Secretary Christopher boldly proclaimed that ''a Democratic Russia can participate in the construction of an integrated, Democratic Europe.'' Frankly, Mr. Speaker, Russia's Democratic credentials are not yet firmly established. One need look no further than the killing fields of Chechnya to see the limits of the Kremlin's commitment to genuine democracy. Let us not forget that President Yeltsin signed the decrees, later made public, that launched the large-scale Russian military operations which laid waste to Grozny, leveled scores of towns and villages, led to the displacement of hundreds of thousands of Russian and Chechen civilians, and resulted in tens of thousands of deaths.

As Chairman of the Helsinki Commission, I am particularly disturbed by Secretary Christopher's attempts to gloss over Moscow's campaign of death and destruction in Chechnya. ''Though their [the Russian people's] struggle is far from complete,'' Christopher acknowledged, ''as the 20-month assault on Chechnya demonstrated, the Russian people have rejected a return to the past and vindicated our confidence in democracy.'' In keeping with the tendency of the Clinton administration to turn a blind eye toward Chechnya, the Secretary's remark papers over the Chechnya's negative consequences for democracy in Russia.

Instead of heeding the Kremlin's brutality in Chechnya as a wakeup call of the threat to Russia's fledgling democracy, Secretary Christopher and others in the administration seemed content to push the snooze button and roll over while thousands of innocent men, women, and children were killed and those truly committed to Democratic principles increasingly came under fire for their opposition to Yeltsin's Chechen policy.

Russia must consolidate democracy, human rights, and rule of law at home, Mr. Speaker, before she can ever be considered a credible partner in constructing an integrated, Democratic Europe, envisioned by Mr. Christopher. Welcoming the Russians as full partners in building a new Europe that is free of tyranny, division, and war, as the Secretary has done, is premature at best. A fundamentally new relationship with Russia can only be built on a firm foundation of trust and confidence based on concrete deeds.

Secretary Christopher's smug assertion that no power in Europe now poses a threat to any other belies the fact that Russian missiles, once targeted at the United States, can be reprogrammed within a matter of minutes. His claim is also easier made in Stuttgart than in places like Tallinn, Riga, Vilnius, or for that matter, Kiev.

While the United States should continue to encourage cooperation among countries in the Baltic region, Mr. Speaker, it is important to keep in mind that such cooperation cannot substitute for NATO membership.

We cannot ignore that historical relationship between Russia and her neighbors, many of whom have understandable concerns for their sovereignty and independence, given decades of brutal domination and suppression by Moscow. Such apprehension can only be heightened by the current leadership crisis in the Kremlin and by the fact that some Russians yearn for the recreation of their empire. All the while, Russia's neighbors continue to seek normal relations with the Russian Federation based on mutual respect and sovereign equality.

I would remind Mr. Christopher that Russian Foreign Minister Yevgeny Primakov, who earlier headed the Russian Foreign Intelligence Service, has been one of the chief proponents of the reestablishment of a Russian sphere of influence in the newly independent States of the former Soviet Union, the so-called ''near abroad.''

Should the United States decide to pursue a formal charter between NATO and Russia several key issues must be addressed. First, the Russian Federation must not be given a veto, or implied veto, over the timing or conditions for the admission of new members into the alliance. Second, such an accord must firmly oppose any moves by Moscow to establish ''spheres of influence'' in East Central Europe. Third, the charter must in no way impede the development of enhanced relations between NATO and nonmembers, such as Ukraine.

Mr. Speaker, let us now lose sight of the fact that an essential element of any partnership is, and must be, trust. The reality is that much time is needed to heal the wounds inflicted by the war in Chechnya and establish Moscow's credentials as a trustworthy partner. In the meantime, the single greatest contribution Russia can make to the construction of an integrated and Democratic Europe would be to consolidate democracy, human rights, and rule of law at home.

IN HONOR OF PRABHAKAR SHUKLA: AN EXEMPLARY INDIVIDUAL

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to honor a very distinguished and outstanding individual from my district. Prabhakar R. Shukla has been a devoted father and an extraordinary individual who has inspired many of his fellow community members.

Mr. Shukla was born in the small village of Saras in Gujarat, India. He grew up in Saras working on his family farm while receiving his education. At the age of 12, he was sent to boarding school to pursue further studies and earned a bachelors degree in physics and chemistry, a law degree and an education degree. He also received a Vishard, an advanced degree in Hindi and Sanskrit from Beneras Hindu University. In 1958, he married a wonderful woman, Hasumati, and had one son. In 1962, he left India to work as a principal at a high school in Africa for 4 years and then worked in England as a teacher for 6 years. In 1970, he came to the United States with his family working as a substitute teacher, salesman, and insurance agent. Through hard work and dedication, he became a full time teacher. For the past 16 years, he has taught physics and chemistry at East Orange High School, has been chairman of the science department, and has been recognized as an outstanding teacher.

As an active member of his community, Mr. Shukla has sought to contribute to the vitality of Hudson County and its residents. He is a member of the North Bergen Planning Board, the Hudson County Commissioner of Human Relations and a member of the Hudson County Vicarage Advisory Committee. He is a founder and life member of the Hindu Cultural Society, India Cultural Society, Hindu Mandir and Bharat Cultural Society. In addition, he serves as the chairman of the board of trustees for the Bharat Cultural Society and the Brahmin Samaj.

Prabhakar Shukla is well respected by his friends, students, and neighbors. He has distinguished himself with his contributions to the citizens of New Jersey. His success is proof that America is a land of opportunity for all those willing to seize it. I ask that my colleagues join me in honoring this outstanding individual.

HONORING AMBASSADOR WILLIAM COLBY

HON. DANA ROHRABACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ROHRABACHER. Mr. Speaker, General Vang Pao, the Vietnam war hero and Colonel Wangyee Vang, the National President of the Lao Veterans of America, organized a major event earlier this year to commemorate the sacrifices of the Hmong and Lao combat veterans. Tragically, Ambassador William Colby, former Director of the Central Intelligence Agency [CIA], who was slated to speak at this special event, passed away just prior to it.

In honor of Ambassador Colby, and the Hmong and Lao veterans who staunchly fought as allies of the United States to defend freedom from Southeast Asia, I request to include the following article from the Washington Times in the CONGRESSIONAL RECORD.

[From the Washington Times, May 8, 1996]

REFUGEES FROM LAOS MOURN A FRIEND, COLBY

(By Gary Scheets)

Chia Kue was born on the CIA base of Long Chieng 24 years ago. She remembers eluding Laotian communist insurgents with her family as they followed a trail of refugees out of Laos and into Thailand, where squalid camps harbored them until, and if, they were lucky enough to get to the United States.

At that same base, William Colby, who would later direct the Central Intelligence Agency, staged operations using recruited Hmong soldiers to guard America installations and fight the North Vietnamese along the Ho Chi Minh Trail during the Vietnam War.

Miss Kue's father was a Hmong soldier fighting under Maj. Gen. Vang Pao, commander of the Royal Lao Army Region Two, who took his direction from Mr. Colby.

This Saturday and Sunday, thousands of Hmong combat veterans and refugee families will gather in Fresno, Calif., to pay tribute to Mr. Colby. At the event, originally designed as a ceremony to honor the actions of Hmong soldiers, Mr. Colby was scheduled to attend and present commendations and citations.

Instead, Hmong tribal and military honors will be staged in remembrance of Mr. Colby, whose body was found Monday along the banks of the Wicomico River. Authorities believe Mr. Colby drowned after his canoe capsized nine days earlier.

The Maryland State Medical Examiner's Office won't have autopsy results until the end of the week.

Miss Kue, of Arlington, is a first-grade teacher at the Fairfax Brewster School, a private school in Baileys Crossroads. She and her family spent four years in Nong Chai, a refugee camp in Thailand that was closed when the Thai government began repatriation of the Laotion refugees.

She first met Mr. Colby in April 1994 at congressional hearings on the plight of Hmong refugees in the camps and their forced repatriation to Laos to face persecution and possible death for their collaboration with the CIA.

Miss Kue and Mr. Colby kept in contact on the refugee issue, meeting and talking several times.

Miss Kue said the death of Mr. Colby will be a significant loss to the Hmong community because he was one of the few in official Washington openly championing their cause.

''He was so important to the Hmong because he knew so much of what they did,'' Miss Kue said. ''He was one of their greatest allies.''

The Hmong most likely will never have someone of Mr. Colby's stature advocating their cause again, she said.

Miss Kue said Mr. Colby struck her as an honorable man who was not afraid to fight for what he believed in.

''He was someone who was willing to stand up for the truth, for what he knows and what he believes in,'' Miss Kue said.

Gen. Pao, who worked side-by-side with Mr. Colby in Laos during the Vietnam War, called him ''a good friend to the Hmong people.''

Speaking in a telephone interview from Fresno, where he is preparing for this weekend's program, Gen. Pao said Mr. Colby will be sorely missed by the people he fought for:

''Bill Colby's death is a great loss not only for all freedom-loving people,'' Gen. Pao said. ''We are hoping that someone will step forward and fill his shoes.''

During the war, the two men got to know each other quite well. ''I told him in great respect,'' Gen. Pao said.

Philip Smith, a Washington representative for the Lao Veterans of American, said Mr. Colby was an integral part of the effort to have the wartime work of the Hmong recognized.

''Because Laos is such an obscure country, Bill Colby was so important and why no one will be able to replace him,'' Mr. Smith said.

Mr. Smith said Mr. Colby understood the contribution of the Hmong and how it fitted into the geostrategic picture of the Cold War.

Mr. Smith, who will attend the Fresno ceremonies this weekend, had planned to fly to California with Mr. Colby.

Now, he said, the seat next to him on the plane will be empty.

SOCIAL SECURITY

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. PETRI. Mr. Speaker, yesterday I introduced legislation, H.R. 4215, to help put the Social Security system on a better financial footing while providing future Americans with the peace of mind that comes with their own retirement account which is their personal property.

My bill will establish a retirement account for each newborn American citizen, initially worth $1,000. The money for the initial $1,000 is to come from the sale of Government assets. This amount is to be invested in the same manner, and with the same choices, as the

Thrift Savings Plan available to Government employees. These choices include investment options which promise higher rates of return than can be earned by the government bonds held in the Social Security Trust Fund. The investment decisions among the fund options are to be made by the parent or guardian until the account holder reaches the age of majority when he or she is able to make such decisions. The account holder, or his or her parent, can add to the principal of the account, up to $2,000 per year tax free, but even if that never happens the $1,000, if invested in a stock index fund, can be expected to grow to $651,683 by the time the account holder is ready for retirement.

It is not a sound financial practice for the Government to sell its assets and use the funds to pay for its current operating costs, as it does now. If we are going to be selling assets anyway we should be reinvesting the funds in something which will pay a return. My bill will accomplish that goal and put more money into the retirement system at the same time. This bill does not replace the Social Security system; it provides more funds for it. The funds in the account are to pay for Social Security benefits for the account holder first, and only if the account is depleted can the account holder draw on the Social Security Trust Fund. If, due to individuals adding to the account, there is more in the account than necessary to pay for Social Security benefits, the account holder will have several lump sum or annuity options for withdrawing the extra funds.

Future workers will not have to worry so much whether or not the Government will keep its promises or that the Social Security system might go bankrupt because each will have an account which is his or her personal property. I don't claim that this program will solve all the financial problems of Social Security but it will certainly help.

ANTITRUST HEALTH CARE ADVANCEMENT ACT OF 1996

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ENGEL. Mr. Speaker, I rise in support of H.R. 2925, the Antitrust Health Care Advancement Act of 1996, which would ensure that the antitrust laws permit full utilization of private cooperative initiatives and help make the Nation's health care system more efficient. H.R. 2925 provides that when doctors, nurses, and hospitals form integrated joint ventures to offer health care services, their conduct will be reviewed on the basis of its reasonableness—the rule of reason test—for compliance under antitrust laws. The measure would provide more choices for consumers while allowing for greater competition in the marketplace.

Health care provider networks [HCPN's] comprised of doctors, hospitals and other entities which provide health care services—can produce increased competition for health care services. Their formation can lead to lower costs while providing a high quality of care. Physicians and other health care professionals are more than qualified to strike the proper balance between conserving costs and meeting the needs of the patient.

Current antitrust laws, however, hinder the formation of HCPN's by prohibiting them to engage in joint pricing agreements. H.R. 2925 would eliminate this obstacle by conforming agency enforcement practices to the manner in which courts have interpreted the law.

Antitrust law states that agreements among competitors that fix prices or allocate markets are per se illegal. Where competitors unite in a joint venture, however, agreements or prices or other terms of competition are not generally unlawful. Price setting conduct by these joint ventures should be evaluated under the rule of reason, that is, on the basis of reasonableness, by considering all relevant factors that may affect competition.

H.R. 2925 addresses these concerns by applying the rule of reason test to HCPN's. Enactment of this measure would lead to increased competition, greater choice of services, and the delivery of quality health care at a lower price.

While I urge the House to consider H.R. 2925 before the end of the session, I am encouraged by new guidelines recently released by the Department of Justice which state that the rule of reason test will now be applied to HCPN's. While I would still like to see H.R. 2925 enacted into law, I believe that the new guidelines are a major step towards the recognition of HCPN's as viable entities in the health care field and I commend the Justice Department for its decision.

SOUTHWESTERN PENNSYLVANIA MANUFACTURERS WEEK

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KLINK. Mr. Speaker, I rise today to share with my colleagues that the week of October 6–12, 1996 has been designated Southwestern Pennsylvania Manufacturers Week.

Manufacturing is vital to the economy of southwestern Pennsylvania. This field employs more than 125,000 people in the counties of Allegheny, Beaver, Butler, Washington, and Westmoreland. Local manufacturers finance an annual payroll of nearly $5 billion, the highest of all employment sectors. In southwestern Pennsylvania, the average wage for a manufacturing job is 40 percent higher than the average wage for all employees in the region.

Manufacturing provides one of every seven jobs for workers in southwestern Pennsylvania, outranking health care, construction, financial services, education, transportation, and government, in total employment. The local manufacturing payroll is crucial to the economy of our area, yielding a greater total economic impact than any other endeavor. Indeed, local manufacturers contribute nearly $200 million in local, county, and State taxes, to help support our communities and schools in southwestern Pennsylvania.

Our manufacturers continue to uphold the proud industrial heritage of our region, and perform with a work ethic that is second to none productivity and quality. The wide range of goods produced in our region is distributed and used around the world.

The advanced manufacturing network of the Pittsburgh High Technology Council, in partnership with the Southwestern Pennsylvania Industrial Resource Center is committed to supporting the needs of manufacturers throughout the region.

It is a pleasure and an honor to recognize the contributions of local manufacturers in southwestern Pennsylvania.

HONORING OCTOBER AS CO-OP MONTH

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. FAZIO of California. Mr. Speaker, in the United States, cooperatives celebrate their activities and honor their history every year during October, Coop Month. Today over 40,000 cooperatives and credit unions serve nearly 100 million Americans in almost every community in our nation.

On October 24, 1844, 28 weavers incorporated the Rochdale Society of Equitable Pioneers to start their humble cooperative in Rochdale, England. The principles and practices they formulated ensured the success of the cooperative ideal. The results of their efforts gave rise to the modern cooperative movement which in 1996 counts over 750 million members.

The nearly 30 cooperatives and credit unions in Davis, CA are an important part of the daily lives of its citizens. A number of those cooperatives are unique models of ''people helping people'' acclaimed throughout the U.S.A. Cooperatives in Davis provide service to children in child-care cooperatives, through students in student housing cooperatives, to seniors in housing cooperatives.

The efforts of the Center for Cooperatives at the University of California at Davis has helped find new opportunities for cooperative development in rural northern California. The center's activities bring together leaders of our rural communities to offer solutions which address unemployment, recycling and sustainable and environmental economic development.

On behalf of the Congress of the United States, I would like to join the citizens of Davis in recognizing and celebrating Co-op Month.

TRIBUTE TO TWA FLIGHT 800 CRASH INVESTIGATION AND RECOVERY OPERATION PERSONNEL

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SPENCE. Mr. Speaker, July 17, 1996, will forever be remembered as a tragic date in American history—a day in which 230 people were killed when TWA Flight 800 exploded over Long Island, NY, and plummeted into the deep water offshore.

Today, I rise to honor the men and women of the Navy, Coast Guard, and National Transportation Safety Board [NTSB] who, throughout the past 2 months, have dedicated their lives daily to recovering the victims of the crash and investigating the cause of the explosion.

First, I would like to express my gratitude to the U.S. Navy personnel working at the crash

site who have been responsible for all underwater recovery operations. In particular, I wish to commend the Navy's divers for their heroic work in some of the most difficult working conditions imaginable. Despite working at depths of over 100 feet, in water in which visibility is measured in inches instead of feet, these Navy divers have logged some 1,300 hours—the equivalent of 54 straight days—searching a 25 square mile patch of ocean floor. These divers are directly responsible for the recovery of nearly half of the victims as well as for the majority of the wreckage salvaged thus far.

I would also like to commend the men and women of the Coast Guard who were involved in the search, rescue, and recovery operation immediately following the crash. Specifically, I wish to recognize those workers who arrived at the crash site within minutes of the explosion to begin searching for survivors. Working tirelessly, Coast Guard personnel recovered victims and pieces of the aircraft throughout the night and the following days. In subsequent weeks, Coast Guard workers have conducted surface recovery operations, centralized search planning, as well as regional environmental operations. In the 2 months since the Flight 800 explosion, the Coast Guard has searched over 3,100 square miles of the ocean's surface, recovering more than half of the victims from the water in the process.

Finally, I would like to recognize the NTSB for its candor, honesty, and tenacity in conducting the investigation effort. The men and women of the NTSB have done an admirable job of keeping the victims' families and the American public well informed of the status of the recovery effort and crash investigation.

Mr. Speaker, I know my colleagues will join me in extending a heartfelt thanks to theses exemplary men and women for the time and effort they have selflessly dedicated to the recovery effort. I commend them for a job well done.

As a final note, I would like to recognize Mr. Henry Allen, who correctly pointed out to me that Congress has not yet credited the Navy, Coast Guard, and NTSB personnel working in this investigation for their work. Mr. Allen lost his son and grandson in the TWA crash, but his unselfish and caring character allowed him to ask me to recognize the hard work and dedication of these personnel even in his time of need. I'm proud to serve men like Mr. Allen, and my thoughts, prayers, and condolences are with him and his family.

NATIONAL INVASIVE SPECIES ACT OF 1996

SPEECH OF

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1996

Mr. UNDERWOOD. Mr. Speaker, I rise in favor of H.R. 3217, the National Invasive Species Act of 1996. This bill would reauthorize funds for the Brown Tree Snake Control Program which seeks to reduce the adverse effects of the nonindigenous brown tree snake to Guam as well as prevent the spread of the species to other outlying areas.

Brown tree snakes have long been identified as the cause of Guam's diminishing bird population and the extinction of some of the island's native species. Due to the lack of natural predators and to the ideal environment Guam provides for the propagation of the snakes, the brown tree snake has continually wreaked havoc on Guam's wildlife. If this present trend continues, we can soon expect the extinction of more of Guam's native birds and the introduction of this pest to snakeless areas such as Hawaii.

Controlling the snake population on Guam is the best approach towards wildlife preservation. In a misguided attempt to save Guam's birds, the U.S. Fish and Wildlife Service has imposed a wildlife refuge in the hopes that such a refuge would reverse the trend of a diminishing bird population. This notion is flawed at best. We know for a fact that the nonindigenous brown tree snakes must be taken out of the habitat in order for birds to thrive. Guam supports saving its endangered species but this must be done through the U.S. Fish and Wildlife Service controlling the brown tree snake population and not by them acquiring more land. After all, a wildlife refuge would only serve to gather the island's remaining bird species in an area that could easily be overrun by the brown tree snake. In a couple of years, this proposed bird sanctuary would surely be nothing more than a snakepit taken right out of an Indiana Jones movie.

The funds reauthorized by H.R. 3217 offer an alternative that imposes the least burden on Guam's limited resources and gives Guam's birds the best chance at survival. Providing for the development of programs to control the snake population also spares Guam's neighbors from the devastation brought about by the brown tree snake. Let us not allow harmful nonindigenous species to take over our fragile ecosystems. I urge my colleagues to support H.R. 3217.

LACK OF HEALTH INSURANCE—HIGHER DEATH RATE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. STARK. Mr. Speaker, health insurance for everyone isn't just a nice idea, it is a matter of life and death. The data is clear. In 1982, the State of California terminated Medi-Cal benefits for the State's 270,00 medically indigent adults. Some 186 of these adults were then enrolled in a study to examine the effects of this action on the health of these individuals. A comparison group was also established. Within 6 months of termination of health coverage, five individuals died compared to zero deaths for the comparison group. After 1 year of the study, seven individuals from the group whose Medi-Cal benefits had been terminated had died compared to one death in the comparison group.

Investigation of the circumstances of death suggest that lack of access to care played a part in at least four of the deaths in the medically indigent group. At least four deaths that could have been prevented if these individuals had health insurance. And now this Congress is preparing to adjourn without having adequately addressed one of the greatest problems facing our Nation: the lack of health insurance for everyone. How many more people will have to die before we decide to commit ourselves to this problem and find a solution?

Another study used data from 17 hospitals to examine outcomes for patients admitted with pneumonia. Self-pay patients were six times more likely to die with in the hospital compared to those with insurance. A national study determined that the probability of an in-hospital death for uninsured patients was 1.08 to 1.32 times higher than for privately insured patients in 15 of 16 age-sex-rate cohorts.

In another study, a representative cohort of the U.S. population was followed for up to 16 years. The study hypothesis in this case was that a lack of health insurance is causally related to a higher mortality rate, because of decreased access and lower quality of care. Not only is this hypothesis in accordance with the results of previous studies, but it also agrees with the conclusions of our own former Office of Technology Assessment in a report issued in 1992.

Furthermore, the study found that lacking insurance is associated with subsequent higher mortality independent of our risk factors.

INDEPENDENT OF OTHER RISK FACTORS

In one of the same studies mentioned above, fully 68 percent of the study's participants in the medically indigent group reported a specific episode in which they had not obtained care that they believed they needed; of those patients, 78 percent listed the cost as a reason for not obtaining care. We cannot let this problem escalate into a national tragedy of even greater proportions.

The numbers are alarming. The evidence is clear. As members of a civilized society, I would hope that the next Congress has the courage to deal with this issue.

For those who share my concerns, I invite you to reference the following sources:

(1) Lurie, N., Ward, N.B., Shapiro, M.F., Brook, R.H., ''Termination from Medi-Cal: does it affect health?'' N Engl J Med. 1984; 311: 480–484.

(2) Lurie, N., Ward, N.B., Shapiro, M.F., Gallego, C., Vaghaiwalla, R., Brook, R.H., ''Termination of medical benefits: a follow-up study one year later.'' N Engl J Med. 1986; 314: 1266–1268.

(3) Weissman, J.S., Epstein, A.M., ''Falling Through the Safety Net: The Impact of Insurance on Access to Care.'' Baltimore, Md: Johns Hopkins University Press; 1994.

(4) Franks, P., Clancy, C.M., Gold, M.R., ''Health insurance and mortality: evidence from a national cohort,'' JAMA. 1993; 270: 737–741.

OLYMPIC GOLD MEDALIST CHRYSTE GAINES IS HONORED

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to give recognition to a Dallas unsung heroine, Chryste Gaines, a 1996 Olympic Gold Medalist. Ms. Gaines propelled the team to its victory as the first leg of the 4100 women's relay.

Chryste Gaines' fruitful track career began as she set many personal and team records in the State of Texas. She has also received a gold medal at both the world championships 4100 relay and at the Pan Am games in the 100-meter dash. In addition, she has brought

home many medals from the World University Games, NCAA indoor and outdoor meets, grand prix, and world indoor championships. Furthermore, Ms. Gaines has run on the U.S.A. Pan Africa Team and the U.S.A. versus Great Britain Team.

Not only is Ms. Gaines exceptionally talented in track and field, she has also excelled in her academic studies. She graduated valedictorian of South Oak Cliff High School in 1988 and went on to Stanford University to obtain a bachelor of science degree in psychology. Ms. Gaines is a member of the alpha Xi Omega Chapter of Alpha Kappa Alpha Sorority, Inc.

I wish to extend my congratulations to Chryste for your outstanding performance. We hope to see you in the year 2000 at the Olympics in Sidney, Australia.

GLENS FALLS' VOLUNTARY ACTION CENTER TURNS 25

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SOLOMON. Mr. Speaker, this fall will mark the 25th anniversary of the Voluntary Action Center, a truly remarkable organization located in my hometown of Glens Falls, NY.

For a quarter century, the center has helped thousands of needy folks every year. Each year, the center delivers nearly 100,000 Meals-on-Wheels in Queensbury and Glens Falls, helps thousands of families at Thanksgiving and Christmas, counsels hundreds of troubled persons on its Crisis Line and Teen Line, assists homeless families find emergency lodging, helps frail seniors perform simple household tasks so that they can maintain their independent lifestyle, places hundreds of court-referred clients in community service programs, and collects food for local food pantries. And by the way, that list is not exhaustive!

Mr. Speaker, I cannot tell you how much respect and admiration the surrounding communities have for the Voluntary Action Center. This group embodies effective compassion. It represents all that is good in America: service, voluntarism, pride in community, and a concern for fellow man.

In closing, Mr. Speaker, I want to reiterate my congratulations to the center on its 25 years of service to the communities of Glens Falls and Queensbury. I hope and pray that the center continues to provide its invaluable work well into the next century. The Voluntary Action Center proves every single day that Americans have not lost their desire and willingness to lend a helping hand. Voluntarism, I am proud to note, is alive and well in Glens Falls, NY.

PERSONAL EXPLANATION

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ROTH. Mr. Speaker, yesterday, the House approved H.R. 2579, the U.S. National Tourism Organization Act. Due to the speed with which the bill moved through the House, Congressman BOB FRANKS of new Jersey and Congressman FRANK MASCARA of Pennsylvania were unable to be added to the list of cosponsors.

I would like to recognize their support and thank them for their desire to cosponsor H.R. 2579.

TRIBUTE TO SHERIFF JOSEPH U. MAINO

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. STUPAK. Mr. Speaker, it is with great pride that I bring to the attention of the U.S. House of Representatives and this Nation the retirement of Sheriff Joseph Maino, an outstanding member of the law enforcement community in my northern Michigan congressional district. I also have the opportunity to relay to you and the Nation the many contributions Marquette County Sheriff Joseph U. Maino has made to his community, fellow officers, and the State of Michigan.

Sheriff Maino was born and raised in Negaunee, MI, where he attended St. Paul's School. Following graduation, he served his country by enlisting in the U.S. Army. In the military, he spent 3 years in the military police stationed in California and later in France. Upon leaving the service in 1967, he joined the Marquette County Sheriff's Department in Michigan's Upper Peninsula.

Sheriff Maino quickly worked his way up through the ranks, first to sergeant and then undersheriff. In 1976, at age 34, the people of Marquette elected him sheriff and he became one of the youngest law enforcement officials in the State of Michigan to guide a law enforcement agency. Presently, Sheriff Maino is serving his 20th year as sheriff marking him the second longest active serving sheriff in the State of Michigan.

Sheriff Maino has worked diligently over the past two decades to enrich his community and educate them on the dangers of drinking and drug use. During his first year in office, Sheriff Maino implemented the Narcotics Enforcement Team for the County of Marquette. In 1987, he pioneered the first DARE program for the Upper Peninsula. In addition, he served as executive director of the Upper Peninsula Substance Enforcement Team during the outbreak and victory over the dangerous drug ''CAT.'' Presently, Sheriff Maino is the project director for Marquette County Team Voice which teaches young people about the lethal combination of drinking and driving.

Sheriff Maino has not only been an asset the Marquette County, but also to the State of Michigan. He has been an active member of the Michigan Sheriff's Association, serving as president in 1981–82. He is a member of many other community service organizations including: The U.P. Children's Coalition, United Way, Kellog Youth Initiatives Partnership, U.P. Law Enforcement Officer's Association, Marquette County Chief's Association, U.P. Law Enforcement Development Center, Public Safety Institute, Marquette General Hospital Mental Health Advisory Board, Alger-Marquette Human Services Coordinating Body, and the Central U.P. Planning and Development Criminal Justice Committee.

The Marquette County Sheriff's Department has earned several awards under the leadership of Sheriff Maino. They have received the National Recognition for Public Service Award for drunk driving enforcement, a resolution of tribute from the State of Michigan for its drug enforcement activities, and obtained over $4 million in grants from local, State, and Federal sources to better serve and protect the citizens of Marquette County.

In addition to his dedication to the public sector, Sheriff Maino is a proud husband and father. His wife Jean was also born and raised in Negaunee and graduated from Negaunee High School. Jean is active in the Negaunee Booster Club & Iron Range Hockey Association. In addition, the Maino's son, Ryan, has been involved in community athletics including basketball, baseball, football, and hockey. A family of avid sports fans, they enjoy, fishing, hunting, and Joe's passion for horseshoes.

Mr. Speaker, Sheriff Joseph U. Maino will be retiring from the Marquette County Sheriff's Department on December 31, 1996. As a former city police officer and a Michigan State Trooper, I have had the honor of working with and personally knowing Sheriff Maino. He is one of the fairest, honest, and dedicated law enforcement professionals I know and I wish to thank him for all he has accomplished during his career. Mr. Speaker, on behalf of the citizens of northern Michigan, the State of Michigan, and the Nation, I would like to extend best wishes for an enjoyable retirement to Marquette County Sheriff Joseph Maimo.

HONORING DON GLENN ON THE OCCASION OF HIS RETIREMENT FROM THE AFL–CIO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join me today in honoring Don Glenn on the occasion of his retirement from the AFL–CIO after dedicating his entire adult life to the labor movement.

Don was hired as an AFL–CIO field representative in 1967. He was instrumental in establishing statewide central labor council conferences both in Wisconsin and California. He also assisted the Los Angeles Orange County Organizing Committee [LAOCOC] with organizing workshops, think tank sessions, and organizing projects.

Before joining the AFL–CIO field staff, Don served in the U.S. Army for 2 years, and was a member of the Meatcutters Union, the Structural Ironworkers Union, the Railroad Union, and the Steelworkers Union.

When he was a steelworker, he became a steward. He than took a position as an organizer, and worked as a negotiator and servicer for 6 years for a joint council in Chicago, which included several unions. Among them were the Distillery Union, and the Laborers International Union. Production Workers Union, Sheetmetal Workers Union, and the Laborers International Union. During this time he also attended Roosevelt University, and successfully completed a 4-year course in labor leadership.

Prior to completion of his studies, AFL–CIO Regional Director Dan Healy interviewed and

hired Don as a field representative, where he would serve for 20 years. He then transferred to California, where he began his assistance with the LAOCOC. He served in that capacity for another 8 years, retiring on July 1, 1996.

On Friday, October 4, 1996, the leadership of the AFL–CIO will pay tribute to Don Glenn as he retires after over 25 years of selfless service to the labor movement. I proudly ask my colleagues to rise and join in solidarity paying tribute to Don Glenn on the occasion of his retirement.

INDIAN REGIME KILLING FAMILIES OF SIKH ACTIVISTS

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KING. Mr. Speaker, recent reports show that the Indian regime has been killing and torturing the families of Sikh activists, whom the regime describes as militants. According to the video ''Disappearances in Punjab,'' the grandfather of Paramjit Singh Panjwat, a man in his 80's, was tortured by the regime. His mother was killed and his brother and sister were murdered, as over 50,000 other Sikhs have, according to statements by Justice Aiit Singh Bains, the former judge of the Punjab and Haryana High Court who heads the Punjab Human Rights Organization.

Gurbachan Singh Manochal was the head of the Panthic Committee until he was killed by the security forces. The Panthic Committee is the organization that declared the independence of Khalistan on October 7, 1987. His mother, father, sisters, and brothers—10 people in all—were all killed by the regime.

The Panthic Committee, which represents the full range of Sikh organizations in Punjab, Khalistan, authorized the Council of Khalistan to conduct Khalistan's struggle for freedom. The Council of Khalistan is committed to conducting that struggle by peaceful, democratic, nonviolent means. Even if these people are militants, this does not justify extrajudicial killings, torture, disappearance, and other acts of brutality against their families.

The Sikhs are struggling for freedom against a regime which has stationed half a million troops in Punjab, Khalistan. This oppressive regime continues to hold over 70,000 Sikhs under the repressive ''Terrorist and Disruptive Activities Act,'' which expired last year. It has murdered over 150,000 Sikhs since 1984, including the families of political opponents. It kidnapped human rights activist Jaswant Singh Khalra after he exposed their policy of mass cremation of Sikhs. The regime refuses to allow American citizen Balbir Singh Dhillon to return to his family in California even though the charges against him have been proven false by the Human Rights Wing. Thousands of family members of Sikhs labeled ''terrorists'' or ''militants'' have been killed.

STATEMENT UPON INTRODUCTION OF THE HOME AND COMMUNITY-BASED CARE ACT

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GUNDERSON. Mr. Speaker, I am proud to say that I became a Member of the Task Force on Disabilities on the fifth anniversary of the signing of the American with Disabilities Act. As part of that Task Force, I would like to introduce today legislation that encourages the principles of home- and community-based care for the disabled on behalf of the advocates of personal attendants care.

Home- and community-based care allows disabled individuals maximum freedom by providing them with the necessary help to start their day, feed themselves, and perform everyday tasks that you and I take for granted. Often times, this help is the only help needed to send someone to work and to truly integrate that person into society. Just because someone's body might fail them does not mean that their mind does as well, and it is smart government to help facilitate that transition from welfare recipient to taxpayer from both a human and economic standpoint.

While I realize that the Republican Medicaid reform proposals that received wide bipartisan support from Members of Congress and the unanimous support of the National Governors Association would have given states the flexibility to develop these programs, President Clinton chose to twice veto these proposals. Now, in the absence of meaningful Medicaid reform, I am introducing legislation that would give states the needed flexibility to put these important programs in place.

Furthermore, I realize that this proposal is merely the starting point for a very important debate. While more input is needed on all aspects of this legislation, including whatever costs may be associated with it, I wholly support the concept of giving states the necessary tools to administer the most effective and efficient programs that best meet the needs of a diverse constituency.

I applaud Speaker GINGRICH for announcing this Task Force and for bringing the importance of home- and community-based care to light during this 104th Congress.

Please add the following cosponsors on the bill: Mr. GUNDERSON introduced the following bill, along with Mr. GINGRICH of Georgia.

HOME BUSINESSES

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to the more than 24 million citizens who have exemplified the American entrepreneurial spirit by establishing businesses in their homes.

Over the past several years, businesses being run from home have continued to increase in both numbers and in their success. From graphic artists to computer consultants, these men and women contribute significantly to the economic growth of our country, the safety of our neighborhoods, and the health of our families. In addition, home-based business owners serve the community through their extensive volunteer work in our schools, churches, and civic groups.

I also wish to pay tribute to the American Association of Home-Based Businesses, headquartered in Montgomery County, MD, which I am honored to represent in Congress. This national, non-profit association represents the interests of American's home business entrepreneurs through a network of local chapters and a national education program for home-based business owners, as well as by lobbying for the rights and benefits of home-based businesses. Their president, Beverly Williams and their national directors, Jan Caldwell, Betty Stehman, John Scott Williams, Stu Rutchik, and Ron Wohl are community leaders, home-based business owners and outspoken advocates for the benefits and the rights of home businesses.

I am particularly proud to honor the American Association of Home-Based Businesses, their Montgomery chapter, and the city of Gaithersburg, MD, which for the third year in a row has been named one of the top locations for home-based businesses in America by a leading national magazine.

I also want to recognize the first national conference on home-based business sponsored by the Tampa, FL chapter of AAHBB, scheduled for October 11, 12, and 13. In celebration of Home-Based Business Week, October 6 to 12, 1996, I urge my colleagues to join me in commending all of the hard-working Americans who work from home, for their contributions to their communities and the economy. It can truly be said that the success of America starts from its home base.

HONORING THE KIWANIS CLUB OF OTTAWA ON THE OCCASION OF THEIR 75TH ANNIVERSARY

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to an outstanding service organization located in Ohio's Fifth Congressional District. On November 18, the Kiwanis Club of Ottawa, OH, will celebrate their 75th anniversary.

The city of Ottawa is a community renowned for its civic pride and commitment to service. Kiwanians are individuals who give a little of their time to make this community a better place to live and work. The Ottawa Club has sponsored Boy Scout Troop 224 since 1930 and the Kiwanis Key Club for high school students since 1962. The club helped provide funds for the Ottawa Glandorf High School Band and has conducted a blood screening program annually since 1988. The club erected a new Girl Scout house in 1971. The club also developed Tawa Manor, a housing project for the elderly.

The club has been active in the community from the very beginning. Throughout its history there has never been a lack of enthusiasm or volunteer labor for its many projects. In addition, the Ottawa Kiwanis Club has been active throughout the years in zone, State, and International Kiwanis.

Anniversaries are a time to reflect upon a steadfast tradition of service. They are also a time to look toward new horizons. Kiwanis have made it their responsibility to serve those in need by keeping pace with the ever increasing challenges facing mankind.

Mr. Speaker, it is obvious that the community and the members of the club have greatly benefited from the effort that was started in 1921. I ask my colleagues to join me today in recognizing the achievements of the Ottawa Kiwanians and encourage them to continue to uphold what has become the standard for service in Ohio.

TRIBUTE TO DR. EARL CRANE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of Dr. Earl R. Crane, who has made and continues to make a tremendous difference in the lives of children in California through his efforts with the Children's Dental Health Center in San Bernardino. Dr. Crane will be recognized for his 40 years of work with the naming of the Dr. Earl R. Crane Children's Dental Health Center on October 3, 1996.

Dr. Crane came to San Bernardino in 1942 as an army dentist at San Bernardino Army Air Base where he settled, and later met and married his wife, Marilyn. Recognizing the need for low-cost dental services for children, Dr. Crane enlisted the support of the Assistance League of San Bernardino, the dental community, and local schools and established the Children's Dental Health Center.

The dental center provides services to children of the working poor in San Bernardino. The goal of the center is to help those who are not on public assistance and who have no dental insurance. Hundreds of students, referred by area schools, are served each year with thousands of varying dental procedures at little or no cost. In addition, all students in the local school district are screened for dental health by the center in the first grade.

Since 1949, the dental center has been located in the Assistance League building. Over the years, Dr. Crane has served on the dental center board and as a liaison between the dental community and the center. The Assistance League of San Bernardino, which has sponsored this philanthropic effort for the children of our community since its inception, has decided to honor the man who founded the center and remains active in its success.

Mr. Speaker, I ask that you join me and our colleagues in recognizing the inspiring efforts of Dr. Earl Crane in making a tremendous difference in the lives of thousands of children during the last 40 years. It is only appropriate that the House recognize this outstanding man at the dedication of the Dr. Earl R. Crane Children's Dental Health Center.

TRIBUTE TO CLEO FIELDS

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1996

Ms. MILLENDER-McDONALD. Mr. Speaker, I'd like to thank my colleague, the gentleman from Illinois, for yielding time to me to honor one of this body's most distinguished gentleman, the honorable CLEO FIELDS from the 4th district of Louisiana.

While it pleases me to pay tribute to my dear friend, it saddens me to know that the reason I am here is because of an arbitrary rule change. My son Keith, who is about CLEO's age, tells me, ''Mom, you have to be a student of the game'', the game being sports.

Over the years I've read a sports page or two. And in my readings I have found that whenever we African-Americans began to excel at a particular sport, there is a ''rule change''. When Lou Alcindor—also known as Kareem Abdul-Jabbar—began playing college basketball, the NCAA outlawed the slam dunk—a rule change. When Wilt Chamberlain scored more than 100 points in one night, the NBA had a rule change. When Willie Brown became the most powerful speaker ever to preside over the California State Assembly, there was a rule change. And when the Nation's youngest State senator was elected to serve in this body, the most deliberative body in the world, there was a rule change.

These rule changes indicate one thing to me: The struggle has not been ended. There are battles to be fought and wars yet to be won.

It has truly been a pleasure to serve with CLEO on the Small Business Committee. I only wish that we could have served together longer. I have never seen a young man who was so wise beyond his years. He participated in some of the great debates of our committee. He brought clarity to the issues and always answered the call to defend the rights of minority and disadvantaged businesses.

At a time when more of our young black males are in jail than in our universities, we can look to the CLEO FIELDS' of this Nation and know that there is hope. When his son, Cleo Brandon Fields, looks for a role model, we know that his father, CLEO FIELDS, will be there.

As a mother, I am proud to say that I know this young giant, CLEO FIELDS. As a member of the Congressional Black Caucus, I will remember his service and his sacrifice. As an African-American, I will remember that the struggle is not over. And while the rules may change—and change often—we are still in the game.

Godspeed to you, CLEO FIELDS. And may His blessings follow you, Deborah, and Brandon in all of your future endeavors.

PROBLEMS WITH EPA'S IMPLEMENTATION OF CLEAN AIR ACT SECTION 183(e)

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CONDIT. Mr. Speaker, as part of the 1990 Clean Air Act Amendments, Congress mandated that EPA examine the Volatile Organic Compounds [VOC's] emissions from various consumer and commercial products for the sole purpose of determining which of these VOC emissions contribute to ozone levels which violate the national ambient air quality standard for ozone. After this determination was made, EPA was to list those categories of consumer or commercial products that the Administrator determined, based on the study, accounted for at least 80 percent of the VOC emissions, on a reactivity-adjusted basis, from consumer or commercial products in areas that violate the ozone standard. At that time, the Administrator was to divided the list into 4 groups establishing priorities for regulation based on the criteria established in this law. Every 2 years after promulgating such list, the Administrator is to regulate one group of categories until all 4 groups are regulated.

EPA has recently proposed a rule under Clean Air Act Section 183(e), the law I just described, that would limit the VOC content of paints and coatings. In doing so, EPA has violated not only the letter and intent of this law, but also the intent of the Small Business Regulatory Enforcement Fairness Act [SBREFA], an act that we overwhelmingly passed to protect small businesses from draconian rules such as the one EPA is now proposing. I have been made aware that the overwhelmingly negative impact of this rule will fall predominately on the shoulders of small paint manufacturers, those who are the least able to bear this burden, the very result we passed SBREFA to avoid.

Clean Air Act Section 183(e) directs EPA to follow certain steps in regulating the emissions of VOC's from consumer and commercial products. The act directs EPA to report to Congress after studying the reactive adjusted basis of emissions of various VOC chemicals from consumer and commercial products. This Report to Congress was supposed to determine the potential extent to which VOC emissions from paints and coatings, and other consumer and commercial products contribute to the exceedance of the ozone standard.

Clean Air Act Section 183(e) sets forth the specific criteria that EPA ''shall'' use in conducting this Report to Congress. These criteria are, in effect, a mini risk assessment/cost benefit mandate. Section 183(e) sets forth the specific criteria that EPA shall use in conducting this study: The uses, benefits and commercial demand of consumer and commercial products; the health or safety functions (if any) served by such consumer and commercial products; those consumer and commercial products which emit highly reactive VOC's into the ambient air; those consumer and commercial products which are subject to the most cost-effective controls; and the availability of alternatives (if any) to such consumer and commercial products which are of comparable costs, considering health, safety, and environmental impacts. It is important to note that the use of ''shall'' by Congress means that EPA has no discretion in altering, ignoring, or adding to this list.

After the completion of this study, EPA is to prioritize the regulation of consumer and commercial products, based on this study. ''Upon submission of the final report * * * the Administrator shall list those categories of consumer or commercial products that the Administrator determines, based on the study, that account for at least 80 percent of the VOC emissions,

on a reactivity-adjusted basis, from consumer or commercial products in areas that violate the NAAQS for ozone.''

Clearly, this law is intended to make EPA examine the underlying science and economic impact of reducing VOC's in consumer and commercial products, and then, if reductions would lower the potential to violate the NAAQS for ozone, EPA could exercise its judgment in comparing these VOC attributes in promulgating the appropriate regulations.

On March 15, 1995, EPA filed with Congress its Clean Air Act Section 183(e) Report. This report to Congress is the predicate that will attempt to justify for EPA the hundreds of consumer and commercial products subject to the regulations it will issue during the next eight years. In this report, EPA states that it did not perform the reactivity analysis, although admitting that such an analysis is required by law.

Congress wanted to have the benefit of EPA's scientific and economic analysis for each consumer and commercial products, so we would know the extent of these VOC's contributions and to ensure that EPA issued regulations that met our objectives as stated in the law. In its 1995 report, EPA has failed to provide this information to Congress. In addition, EPA has yet to provide us with this required information. What are they waiting for? Why do they persist in putting out a rule that they say meets the requirements of Section 183(e) of the Clean Air Act while keeping from Congress the information that we demanded they produce that scientifically and economically justify these far reaching rules?

Instead of focusing on reactive VOC's in products, this report focuses on industries. Instead of focusing on reactivity, this report focuses on volume. Instead of focusing on VOC emissions, it focuses on VOC content. Instead of a detailed study of the uses, benefits, and commercial demand of paint and coatings, the health or safety functions (if any) served by such coatings, the most cost-effective controls on and availability of alternatives (if any) to such coatings which are of comparable costs considering health, safety, and environmental impacts, EPA wrote a nonpeer-reviewed document that purposefully ignores information required by law and, with an apparent prejudice, comes to the presumptive conclusion that VOC's from these industries contribute to ozone without any factual predicate, instead of determining their potential to contribute to ozone levels which violate EPA's ozone standard—the standard mandated by Congress. The fact that EPA has failed to perform its duties is a critical error in our nation's attempt to solve the ozone puzzle.

On June 25, 1996, EPA published an incomplete notice of proposed rulemaking purportedly announcing the draft VOC in paint and coatings rule. This draft, in addition to its other defects, changes the definition of small business because without it, EPA would not have as much control over this industry as it wanted. So, instead of crafting a rule that adheres to established law and regulation, EPA changes the definition to have as much command and control over an industry that it wants, not what Congress mandated. EPA has disregarded our will as clearly stated in the Clean Air Act as well as SBREFA—a law that we overwhelmingly passed and that EPA avoided by publishing this proposed rule three days prior to it going into effect.

An examination of the statements made by Members of this Body at the time this law was being considered highlights EPA's lack of understanding of Clean Air Act section 183(e). During the House of Representatives consideration of this law, Congressman Luken from Ohio made some specific statements regarding reactivity:

> It is expected that the study will provide a much needed data base and a better understanding of the relative net environmental impacts of these products. This will provide a sound basis for regulation * * * I am particularly pleased that the language now emphasizes the importance of photochemical reactivity as a key criterion to be used by the Administrator in determining the categories of emissions to be listed. It is commendable that we are recognizing the fundamentals of atmospheric chemistry in this area by requiring that emissions be considered on a reactivity adjusted basis before being considered for regulation. The term reactivity adjusted basis requires a focus of regulatory controls on the more reactive VOCs by relating the amount of urban ozone formed to the weight of the VOC emitted to the ambient air, thereby achieving the most cost effective control measures. I am pleased that we have provided the Administrator very specific factors for determining the criteria for selecting product categories which are to be subject to control.

''The Report of the House Committee on Energy and Commerce on H.R. 3030,'' H.R. Rep. No. 490, 101st Cong., 2d Sess., pt 1(1990) states that ''the Administrator is required to propose regulations reducing [VOC] emissions from consumer and commercial products * * * that may reasonably be anticipated to contribute to ozone levels that violate the NAAQS.'' In other words, in ozone nonattainment areas.

It is unquestionably clear from this legislative history that: (1) Any rule was to focus solely on nonattainment areas; (2) the study that EPA was to produce was to analyze whether any rule was necessary, as well as analyze the role of consumer and commercial product VOC's at levels that cause the exceedance of the ozone standard; (3) the reactivity test intended by Congress was based upon what happens scientifically at the NAAQS for ozone; (4) that the reactivity study occur PRIOR to any regulation being issued; and (5) that reactivity was key to any rulemaking.

Given the above, we are confused by EPA's insistence on regulating VOC's from consumer and commercial products before the required study is performed. Their insistence to do this in the face of no apparent evidence finds no support in the law nor in the legislative history. Furthermore, EPA has purposefully blinded themselves from the fact that small paint companies in attainment areas would be the hardest hit by this rule—again, a result that finds no support in the law nor in the legislative history.

EPA's position is further muddied by regulatory preamble language calling for further analysis, after this rule goes into effect, and after many small paint companies are fatally harmed, so they could adopt future regulations that are even more stringent, is another action that finds no support in the law nor in the legislative history.

> Following proposal of this rule the EPA plans to participate in a joint study with the architectural coatings industry. This study will focus on the feasibility of adopting more stringent VOC requirements in the future. Issues to be investigated include the cost and economic impact of different levels of VOC requirements, reactivity considerations associated with changing coating formulations, and evaluation of physical characteristics and performance characteristics of coasting with VOC contents lower than the proposed levels.

We are dismayed by EPA's blatant and now admitted disregard for the law. If a study considering reactivity can be conducted after the rule is promulgated, why can it not be done BEFORE the rule is issues, as commanded by law?

It is our understanding that recent scientific evidence, specifically the findings of this Nation's leading atmospheric scientists, many of whom participated in a 1991 National Academy of Science study entitled ''Rethinking the Ozone Problem in Urban and Regional Air Pollution,'' have found that the VOC's that come from evaporative man-made sources can be examined and compared based on their reactivity and that an evaporative VOC emission elimination strategy will not result in those ozone laden regions of the country coming into attainment with EPA's ozone standard. Many leading scientists' have found that individual VOC reactivities can be very accurately predicted with sophisticated modeling techniques heretofore not utilized by EPA. Most interestingly, these researchers concluded that a regulatory scheme based on considerations of reactivity is more effective at reducing VOC emissions and is cheaper to implement than mass-based controls. It would appear that ignorance of this information would result in the squandering of valuable resources. Why, then, is EPA insisting that an expensive and scientifically dubious regulatory scheme be undertaken?

The Clean Air Act's section 183(e) has instructed EPA to compile and present to Congress a study detailing VOC emissions from consumer and commercial products and to use this study as the foundation for embarking on a course of VOC regulation. EPA is further directed by the law to employ reactivity, the characteristic property of individual VOC's relating to their propensity to contribute to ozone nonattainment, when choosing those products or product categories worthy of regulation. In its notice of regulation published March 23, 1995 in the Federal Register, however, EPA confirms our suspicion that it is shirking its legal responsibility to incorporate reactivity into its regulatory scheme for VOC's. In that notice announcing EPA's intent to regulate on the basis of mass VOC emissions, EPA admits considering reactivity to only a limited extent, expressing concern with reactivity's empirical limitations and uncertainties. EPA cannot hide behind a veil of uncertainty on the reactivity issue. Specifically:

Clean Air Act section 183(e) states that EPA must do a study of VOC's emitted from consumer and commercial products to ''determine their potential to contribute to ozone levels which violate the national ambient air quality standards for ozone.'' The standard stated in the law for the reactivity test.

EPA's report states that, ''Because of the uncertainties, inconsistencies, and lack of reactivity data on individual compounds, the EPA concluded that a rigorous determination of the potential of consumer and commercial products to contribute to ozone nonattainment is not possible at this time.''

The Report to Congress does not provide the scientific information Congress asked for in order to determine which VOC's from paints and coatings contribute to the exceedance of the ozone standard as established by EPA.

EPA did not rank consumer and commercial products on a reactivity-adjusted basis. EPA has not even created a peer-reviewed reactivity adjusted scale.

EPA added three new criterion, volatility of VOC's, volume of VOC emissions, and regulatory efficiency and program considerations. This later criterion will allow EPA to ''exercise discretion in adjusting the product category rankings * * * to achieve an equitable and practical regulatory program.'' EPA views this amendment to the Clean Air Act as at least as equal to those Congress set in Clean Air Act § 183(e).

We are also concerned with EPA's apparent indifference to the disparate impact this rule will have on industry, particularly small business. EPA's calculation of the proposed rule's economic cost does not consider the human terms—lost jobs or lost small, family-owned businesses, an issue that directly mandated to be considered under Clean Air Act Section 309. We are deeply concerned that the negative impact of compliance costs will fall hardest upon lower-income wage earners employed in the coating industry; many minority earners and low-income whites would lose their jobs in the fallout, while not reaching the goal of ozone attainment. EPA must be aware of this reality if it is to regulate an entire industry. EPA's granting of a longer compliance timetable is nothing more than a longer stay on death row for many of these companies—the result of business closure is the same.

The compliance costs of reformulating or reoutfitting operations is staggering. The South Coast Air Quality Management District in California has been regulating consumer and commercial product VOC levels for several years; it is their expert assessment that the economic impact of controls for a desired reduction of VOC emissions of the approximately 18 percent EPA's regulation of VOC's in paints, is over $1.5 billion based upon their experienced determination that paint and coating VOC control costs are $16,400 per ton.

EPA, in various letters to fellow Members of Congress, estimates the cost at $40 million. How can EPA be two orders of magnitude lower than experienced regulators? More importantly, how does EPA think it can pass a rule by ignoring basic scientific principles, by possessing insufficient legal authority, and having the rule cost so much money? Why are you insisting on reducing VOC levels in paint beyond that considered by the statute (assuming such reductions would reduce the potential to contribute to ozone levels which violate the ozone standard)?

We strongly urge EPA to take a long look at the core legal and economic issues, including the effect of this regulation on coating used as an intermediary in various manufacturing processes, as well as the peripheral details surrounding its desire to regulate consumer and commercial products. In no way can EPA exact such a great price from the American public when its science is wrong and its legal authority so tenuous.

What is also clear is that EPA has mishandled our specific charge to them regarding Clean Air Act section 183(e). We urge you to stop any and all regulatory action on this issue until a proper, peer reviewed analysis is conducted pursuant to Clean Air Act section 183(e). Vigilance and oversight is needed to ensure that the paint industry, especially small paint companies, do not pay the harsh price of demise for EPA's lack of understanding.

IMMIGRATION COURT

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. McCOLLUM. Mr. Speaker, today I am introducing legislation to establish a new United States Immigration Court. This bill will remove the immigration adjudication functions from the Justice Department and invest them in a new article I court, composed of a trial division and an appellate division whose decisions will be appealable to the Court of Appeals for the Federal Circuit.

The system for adjudicating immigration matters has matured tremendously over the last 15 years. Special inquiry judges have become true immigration judges in just about every aspect but name, and the immigration reform conference report that the House passed on Wednesday rectifies that situation. The Board of Immigration Appeals has been greatly expanded, and the whole Executive Office for Immigration Review has been separated from the Immigration and Naturalization Service.

Yet much of this system, including the Board of Immigration Appeals, does not exist in statute. And while separated from the INS, aliens still take their cases before judges who are employed by the same department as the trial attorneys who are prosecuting them.

I believe it is time to take the next logical step and establish a full-blown adjudicatory system in statute, and I believe that such a system should be independent of the Justice Department. This is not a new concept. I first introduced legislation to take this step in 1982, and I continue to believe that an article I court would allow for more efficient and streamlined consideration of immigration claims with enhanced confidence by aliens and practitioners in the fairness and independence of the process.

The bill I am introducing today provides a solid framework on which to build debate on this important and far-reaching reform. I look forward to working with all interested parties in fine-tuning and further developing this proposal where necessary and enacting this much needed reform in the next Congress.

SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE; AMENDMENTS TO IMMIGRATION AND NATIONALITY ACT; TABLE OF CONTENTS

The short title of the bill is the ''United States Immigration Court Act of 1996.'' Subsection (b) provides that all amendments made by this bill are to the Immigration and Nationality Act (INA), unless otherwise specified. Subsection (c) is a table of contents.

SEC. 2. ESTABLISHMENT OF UNITED STATES IMMIGRATION COURT

Subsection (a) establishes the United States Immigration Court under a new chapter 2 title I of the Immigration and Nationality Act. The following is a section-by-section analysis of that new chapter:

Section 111 establishes the United States Immigration Court as a court of record under article I of the Constitution of the United States. The Court consists of two divisions: the trial division and the appellate division.

Section 112. Appellate Division. Subsection (a) provides for the appointment by the President, by and with the advice and consent of the Senate, of a chief immigration appeals judge and five other immigration appeals judges.

Subsection (b) sets the term of office for appeals judges at 15 years, with the first group of judges to be appointed for staggered terms.

Subsection (c) sets the compensation for the chief immigration appeals judge at 94 percent of the next to the highest rate of basic pay for the Senior Executive Service, and the compensation for the other appeals judges at 93 percent.

Subsection (d) makes the chief immigration appeals judge responsible on behalf of the appellate division for the administrative operations of the Immigration Court.

Subsection (e) provides that three appeals judges constitute a quorum.

Subsection (f) provides that the appellate division shall act in panels of three or in banc, and a final decision of such panel shall be a final decision of the appellate division.

Subsection (g) outlines the process for the removal of appeals judges, which shall only be for incompetency, misconduct, neglect of duty, engaging in the practice of law, or physical or mental disability and shall be by the Court of Appeals for the Federal Circuit.

Subsection (h) provides for the payment of expenses for travel and subsistence for appeals judges while traveling on duty and away from their designated stations.

Section 113. Trial Division. Subsection (a) provides for a chief immigration trial judge, to be appointed by the chief immigration appeals judge. Every current immigration judge who is qualified under this Act to be an immigration trial judge shall be appointed by the chief immigration appeals judge.

Subsection (b) sets the term of office for trial judges at 15 years.

Subsection (c) establishes the rates of pay for immigration trial judges.

Subsection (d) makes the chief immigration trial judge responsible for administrative activities affecting the trial division and gives him/her the authority to designate any trial judge to hear any case over which the trial division has jurisdiction.

Subsection (e) provides that trial judges may be removed in the same manner as appeals judges, except removal shall be by the appellate division rather than the Court of Appeals for the Federal Circuit.

Subsection (f) outlines the authority of trial judges in conducting hearings.

Subsection (g) provides that witnesses shall be paid the same fee and mileage allowance as witnesses in any other court in the U.S.

Subsection (h) provides for the payment of expenses for travel and subsistence for trial judges while traveling on duty and away from their designated stations.

Section 114 outlines the jurisdiction of the appellate and trial divisions.

Subsection (a) outlines the jurisdiction of the appellate division as follows.

Paragraph (1) provides that the appellate division shall hear and determine appeals from final decisions of immigration trial judges, decisions involving the imposition of administrative fines and penalties under title II of the INA, and decisions on petitions filed under section 204 for immigrant status and under 205 revoking approval of such petitions.

Paragraph (2) provides that either party to a case may appeal an immigration trial judge's decision to the appellate division. Appeals from final orders of deportation and exclusion are to be filed not later than 20 days after the date of final order. Review of an immigration trial judge's decision shall be based solely upon the trial record, and the findings of fact by the trial judge are conclusive if supported by reasonable, substantial, and probative evidence on the record considered as a whole.

Paragraph (3) provides that a final decision of the appellate division is binding on all immigration trial judges, immigration officers, and consular officers unless and until otherwise modified or reversed by the Court of Appeals for the Federal Circuit or the Supreme Court.

Paragraph (4) requires the appellate division to render a decision on an appeal respecting an asylum claim no later than 60 days after the date the appeal is filed.

Subsection (b) outlines the jurisdiction of the trial division as follows:

Paragraph (1) provides that the trial division shall hear and decide exclusion and deportation cases (including asylum and discretionary relief requests raised in such cases); rescission of adjustment of status cases; applications for asylum referred to the Immigration Court by the Attorney General for adjudication; contested assessments of civil penalties under employer sanctions, contested determinations relating to bond, parole, or detention of an alien; and such other cases arising under the INA as the appellate division may provide by regulation.

Paragraph (2) outlines the duties of immigration trial judges including recording and receiving evidence and rendering findings of fact and conclusions of law, determining all applications for discretionary relief which may properly be raised in the proceedings, and exercising such discretion conferred upon the Attorney General by law as may be necessary for the just and equitable disposition of cases.

Section 115. Rules of Court. Subsection (a) directs the appellate division to promulgate rules of court governing practice and procedure in the appellate and trial divisions.

Subsection (b) provides that each nongovernmental party in a proceeding shall have the privilege of being represented (at no expense to the government), and the rules of the court shall provide for the admission of qualified attorneys and nonattorneys to practice before the court.

Subsection (c) give each division of the Immigration Court contempt power.

Subsection (d) authorizes the Immigration Court to impose such fees as it may provide for under its rules and procedures.

Section 116. Retirement of Judges; Senior Judges. Subsection (a) provides that a judge of the Immigration Court shall be retired upon reaching the age of 70; a judge who is 65 may retire after serving as a judge for 15 or more years; a judge who is not reappointed upon the expiration of his/her term may retire if the judge has served as an Immigration Court judge for 15 or more years and advised the appointing authority of his/her willingness to accept reappointment. A judge who becomes permanently disabled from performing judicial duties shall be retired. Computation and payment of retirement pay, election to receive retired pay, coordination with civil service retirement, and revocation of an election to receive retired pay for and by Immigration Court judges shall be dealt with in the same way as for judges of the United States Tax Court. Judges shall not receive retired pay for any periods during which they accept any civil office or employment with the U.S. government (other than as a senior judge) or during which they provide legal services to clients in a case arising under this chapter.

Subsection (b) allows judges of the Immigration Court to provide annuities to their surviving spouses and dependent children in the same way as provided for judges of the United States Tax Court. Amounts deducted and withheld from the salaries of judges of the Immigration Court for this purpose shall be deposited in the Treasury to the credit of a fund to be known as the ''Immigration Court judges survivors annuity fund''.

Subsection (c) provides for senior immigration appeals and trial judges, who are retired judges who may be recalled, with their consent, to perform duties as an immigration appeals or trial judge.

Subsection (b) is a conforming amendment to the table of contents of the INA adding the new chapter 2 and sections 111 through 116.

Subsection (c) includes effective dates and transition provisions. Except as otherwise provided, the amendments made by this section shall take effect on the date of enactment. Section 113(c) (relating to compensation of immigration trial judges) shall take effect 90 days after the date of enactment.

Paragraph (2) outlines a timetable for establishment of the Immigration Court. The President is to nominate the chief immigration appeals judge and other appeals judges not later than 14 days after enactment. The chief immigration appeals judge shall designate a date, not later than 30 days after she/he and a majority of the other appeals judges are appointed, on which the appellate division shall assume the functions of the Board of Immigration Appeals. The chief immigration appeals judge shall appoint trial judges pursuant to section 113(a)(2) promptly after being appointed. The appellate division shall provide promptly for the establishment of interim final rules of practice and procedure which will apply after the hearing transition date.

Paragraph (3) directs the chief immigration appeals judge, in consultation with the Attorney General, to designate a transition date, not later than 45 days after the date interim final rules of practice and procedure are established under paragraph (2)(C). During the period before the transition hearing date, any proceeding or hearing under the INA that may be conducted by a special inquiry officer or immigration judge may be conducted by an immigration trial judge.

Paragraph (4) provides continuing authority for individuals who are special inquiry officers or immigration judges on the date of enactment and on the transition date to continue to conduct proceedings or hearings after the transition date for two years after the date of enactment.

Paragraph (5) provides for the continuation of all existing powers, rights, and jurisdiction and deems the appellate division to be a continuation of the Board of Immigration Appeals and immigration trial judges to be a continuation of special inquiry officers or immigration judges with respect to deportation and exclusion cases and asylum applications pending as of the transition date.

SEC. 3. JUDICIAL REVIEW OF IMMIGRATION COURT DECISIONS

Subsection (a) amends section 106(a) of the INA to provide that petitions for review of Immigration Court decisions must be filed not later than 30 days after the date of issuance of the final deportation order (currently 90 days except for aggravated felons who have 30 days.) Petitions for review shall be filed with the Court of Appeals for the Federal Circuit. The Court of Appeals shall decide the petition only on the record of the Immigration Court, the Immigration Court's finding of fact are conclusive if supported by reasonable, substantial, and probative evidence on the record considered as a whole, and a decision that an alien is not eligible for admission to the United States is conclusive unless manifestly contrary to law.

Subsection (b) adds the following new subsections to section 106 of the INA:

New subsection (f) provides that review of determinations relating to asylum applications shall be limited to whether the Immigration Court properly exercised jurisdiction, whether the determination as made in compliance with applicable laws and regulations, the constitutionality of those laws and regulations, and whether the decisions were arbitrary and capricious.

New subsection (g) provides that only the Court of Appeals for the Federal Circuit shall have jurisdiction to hear petitions relating to asylum; only the Immigration Court, the Court of Appeals for the Federal Circuit, and the Supreme Court may entertain habeas corpus applications or grant injunctive or declaratory relief with respect to an immigration matter; the Court of Appeals for the Federal Circuit shall have exclusion jurisdiction to review all constitutional issues relating to an immigration matter by writ of certiorari filed no later than 30 days from the date of the final order of the appellate division relating to that matter; in the case of a writ of certiorari, if a question of fact is presented, a determination of fact previously made by the Attorney General or Immigration Court shall be conclusive if supported in the record by reasonable, substantial, and probative evidence on the record considered as a whole, and if no determination was previously made, the Court may provide for a hearing before an immigration trial judge to make the appropriate findings of fact. Notwithstanding any other provision of law, no court shall have jurisdiction to review decisions by either division of the Immigration Court respecting reopening or reconsideration of deportation or exclusion proceedings or asylum determinations outside of such proceedings, the reopening of an application for asylum because of changed circumstances, or the Attorney General's denial of a stay of execution of a deportation order.

Subsection (c) amends the United States Code to expand the jurisdiction of the Court of Appeals of the Federal Circuit in conformance with the amendments made by this Act to section 106 of the INA.

Subsection (d) provides for the amendments of this section to take effect upon the hearing transition date designated under section 2(c)(3).

SEC. 4. REFORM OF ASYLUM

Subsection (a) replaces the current section 208 of the INA provision on asylum with a new section 208, which is consistent in most aspects with the language in H.R. 2202, with conforming amendments to reflect the new role of the Immigration Court.

New subsection (a) provides that an alien in or arriving in the U.S. may apply for asylum, unless the Attorney General determines that the alien can be returned to a safe third country, the alien did not apply within 180 days of arriving in the United States (absent a showing of changed circumstances or extraordinary circumstances), or the alien previously applied and was denied (absent a showing of changed circumstances). Judicial review of a determination by the AG under this provision is limited to the Immigration Court.

New subsection (b) provides that the Attorney General may grant asylum to an alien who has complied with this section whom the Immigration Court or an asylum officer determines is a refugee. However, asylum may not be granted if the Immigration Court

finds that the alien participated in persecution, the alien has been convicted of a particularly serious crime, there are serious reasons for believing the alien committed a serious nonpolitical crime outside the U.S., there are reasonable grounds for regarding the alien as a threat to U.S. security, the alien is excludable or deportable because of terrorist activities, or the alien was firmly resettled in another country prior to arriving in the U.S.

New subsection (c) outlines the status of aliens granted asylum. Asylum may be terminated if the Attorney General asserts and the Immigration Court finds that the alien no longer is a refugee because of changed circumstances, the alien is not eligible for asylum for one of the reasons listed in the previous paragraph, the alien may be deported to a safe third country, the alien has voluntarily returned to his/her country, or the alien has acquired a new nationality. An alien whose asylum status has been terminated is subject to deportation.

New subsection (d) outlines the procedure for applying for asylum. Affirmative asylum applications shall be filed with the Attorney General and reviewed by an asylum officer. Aliens who unquestionably are eligible will be referred directly to the Attorney General; aliens whose eligibility is questionable will be referred to the Immigration Court for adjudication. At the time of filing an application, the alien shall be advised of the privilege of being represented and the consequences of filing a frivolous claim (permanent ineligibility for immigration benefits), and shall be provided a list of pro bono immigration lawyers, which shall be compiled and updated by the Immigration Court. Absent exceptional circumstances, a decision by an immigration trial judge of an affirmative asylum claim shall be issued not later than 45 days after it was referred to the Court. An appeal to the appellate division shall be filed within 20 days of a trial judge's decision granting or denying asylum or within 20 days of the completion of deportation or exclusion proceedings.

SEC. 5. CONFORMING AMENDMENTS.

This section makes conforming amendments to section 209(a)(2) (adjustment of status of refugees), section 234 (physical and mental examination of aliens), section 235 (inspection by immigration officers), section 236 (exclusion proceedings), section 242 (apprehension and deportation of aliens), section 242A (expedited deportation of aliens convicted of committing aggravated felonies), section 242B (deportation procedures), section 243(h) (withholding of deportation), section 244 (suspension of deportation; voluntary departure), section 246(a) (rescission of adjustment of status), section 273(d) (regarding stowaways), section 279 (jurisdiction of district courts), section 291 (burden of proof), section 292 (right to counsel), section 360(c) (exclusion of aliens issued certificate of identity) of the INA and to section 235(b) (expedited exclusion) as amended by section 422 of the Antiterrorism and Effective Death Penalty Act of 1996.

SEC. 6. EFFECTIVE DATE; SEVERABILITY.

Subsection (a) makes the amendments made by section 5 effective on the transition hearing date designated pursuant to section 2(c)(3) of this Act.

Subsection (b) is a severability clause.

MEDICAID CERTIFICATION ACT OF 1995

SPEECH OF

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 24, 1996

Mr. BARCIA. Mr. Speaker, I rise in support of H.R. 1791, a bill which provides the proper respect due osteopathic physicians, who provide a great service to millions of Americans.

With most of the doctors of osteopathic medicine being involved in primary care practices, it is high time that we reinstated osteopathic physicians as an eligible group of physicians to receive Medicaid reimbursement. There are thousands of osteopathic physicians in Michigan, more than in any other State, and a significant number in my own district. When one multiplies this group by the number of patients they serve, it is very easy to see that this error in OBRA '90 is of great consequence to many of our constituents.

I have been a great supporter of osteopathic medicine for some time. In the last Congress I sponsored House Concurrent Resolution 173 calling for the certain inclusion of osteopathic medicine as a key form of care in any health care proposal. It is only right that we take care to make sure osteopathic physicians are included in our current health care arsenal while we continue to work on improvements in our health care system.

One of the great frustrations the public has with the Government is when it seems to take forever for anyone to admit a mistake has been made, and even longer to correct it. This legislation is for the benefit of the health-care seeking public. It restores previously provided treatment that we erroneously terminated, and is long overdue. It deserves the support of all of our colleagues. I urge the adoption of H.R. 1791.

INTRODUCTION OF LEGISLATION TO ENCOURAGE CHARITABLE CONTRIBUTIONS OF CLOSELY-HELD CORPORATIONS

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. DUNN of Washington. Mr. Speaker, government at every level—Federal, State, and local—are being forced to reduce spending. At the same time, government should do all it can reasonably do to encourage private philanthropic efforts. Many of these government services can be provided at the local level by charities that know the community best and can supply the most efficient and competent delivery of services to those most in need. Public charities and private foundations already have proven they can distribute funds to a very diverse, wide-ranging group of support organizations at the community level.

One source of untapped resources for charitable purposes is closely-held corporate stock. Today the tax cost of contributing closely-held stock to a charity or foundation is prohibitive, and discourages families and owners from disposing of their businesses in this manner. This legislation, which I introduce today, will correct this problem by once again permitting certain tax-free liquidations of closely-held corporations into one or more tax exempt 501(c)(3) organizations.

Under current law, the problem with giving closely-held stock to charity is that the absence of a market for such stock and the typical pattern of small and sporadic dividends paid by such companies make it difficult for a charity to benefit from ownership of such stock. Accordingly, if such stock is given to a charitable organization, and in particular if a controlling interest is given, the corporation may have to be liquidated either by statute requirement or to effectively complete the transfer of assets to the charity for its use. Under current law, such a liquidation would incur a corporate tax at a Federal tax rate of 35 percent.

This cost is imposed as a result of the tax law changes made in 1986 that repealed the general utilities doctrine and thus imposed a corporate level tax on all corporate transfers, including those to tax exempt organizations. The charitable organization could also be subject to unrelated business income taxes. These tax costs make contributions of closely-held stock a costly and ineffective means of transferring resources to charity, and these are the costs I propose to eliminate in order to free up additional private resources for charitable purposes.

This legislation eliminates the corporate tax upon liquidation of a qualifying closely-held corporation of certain conditions are met. Most importantly, qualification would require that 80 percent or more of the stock must be bequeathed at death to a 501(c)(3) tax-exempt organization. The bill also clarifies that the charity can receive mortgaged property in a qualified liquidation free from unrelated business income tax for a period of ten years. This change parallels the exemption from UBIT for 10 years provided under current law for direct transfers by gift or bequest.

By eliminating the corporate tax upon liquidation Congress would encourage additional, and much needed, transfer to charity. Individuals who are willing to make generous bequests of companies and assets they have spent years building should not be discouraged by seeing the value of their gifts so substantially reduced by taxes. It is worthwhile to note that the individual donor does not receive any tax benefit from the proposal. All tax savings go to the charity.

I urge all of my colleagues to support this important legislation designed to encourage charitable contributions.

TRIBUTE TO GEN. JAMES R. JOY

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to a great American, Brig. Gen. James R. Joy, USMC, retired. General Joy's retirement from the Directorship of Morale, Welfare and Recreation Support Activity, Manpower Department, Marine Corps Headquarters, completes a brilliant military career.

In June 1957, James Joy was commissioned a second lieutenant in the U.S. Marine Corps. Upon his graduation from the basic

school in February 1958, Joy reported to Camp Pendleton to serve as a platoon leader with the 1st Marine Division. Just 1 year later, Joy received orders to the aircraft carrier U.S.S. *Oriskany* CVA–3, as the executive officer of the Marine detachment.

Followintg sea duty aboard the *Oriskany,* Joy was promoted to captain during a 3-year tour at Marine Corps Air Station, Santa Ana, CA. In 1963, Joy came to Washington, DC, for duty with the 13th Infantry Battalion, USMCR, but soon went to Vietnam with the 26th Marines. It was during this tour that he was promoted to major. Joy returned to Quantico in 1967 to attend the Command and Staff College, and upon graduation was assigned to the Office of the Secretary of Defense, in Washington, DC.

A second tour in Vietnam came in July 1971, followed by duty as the commanding officer of the Marine Barracks in the Canal Zone, with additional duty as Marine officer on the staff of the commander, U.S. Naval Forces, Southern Command. It was in this position that Joy was promoted to lieutenant colonel. Joy then spent 3 years at Headquarters Marine Corps, in the operations division, operations training department. During the 1978–1979 academic year, he attended the Army War College in Carlisle Barracks, PA. Upon graduation, Joy reported to Camp Lejeune for duty for the 2d Marine Division, where he ultimately served as chief of staff. He was promoted to colonel in July 1979.

General Joy was assigned duty as Fleet Marine Officer on the staff of the commander, 6th Fleet in May 1982. There, he was promoted to brigadier general. In 1983, he was assigned as the assistant division commander, 2d Marine Division, at Camp Lejeune, NC. Four months later Joy became commanding general of the 22d Marine Amphibious Units in Lebanon. The following February, he became the commander of the joint task force in Lebanon. In May 1984, Joy was selected for deputy commanding general, Marine Corps Recruit Depot/Deputy Commanding General, Eastern Recruiting Region, Parris Island, SC. Shortly thereafter, in June 1985, Joy became the Director of the Personnel Procurement Division, Manpower Department, at Marine Corps Headquarters. Joy retired from active duty on June 1, 1988, and the very next day assumed his current position as director of the Morale, Welfare and Recreation Support Activity, Manpower Department.

Throughout his career, General Joy earned numerous awards and decorations, and has continually proven himself to be among the best this country has to offer. As a member and former chairman of the House Panel on Morale, Welfare and Recreation, I know that General Joy's knowledge and expertise have been invaluable to our efforts to improve the lives of those who serve in our Nation's Armed Forces. His guidance will be sorely missed. I ask my colleagues to join me in honoring this American patriot, and wish him continued fulfillment in his retirement.

TRIBUTE TO THE LIONS CLUB OF UTICA FOR 50 YEARS OF SERVICE

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LEVIN. Mr. Speaker, I rise today to pay tribute to the men and women of the Lions Club of Utica who celebrate 50 years of outstanding service to the community.

Since their founding in October 1946, the Lions have been at the forefront of efforts to improve the neighborhoods of Utica and beyond. This year alone, the Lions Club raised $28,000, all of which will be donated to charity. These donations represent long hours of hard work by dedicated members who collect pledges $1 at a time.

The Lions Club has a long tradition of providing services for the blind including a meaningful partnership with Leader Dogs for the Blind. In addition, the Lions have provided uniforms for the Utica High School Band and has helped finance excursions for both the Utica and Ford High School Bands to numerous destinations.

Over the years, I have had the pleasure of becoming acquainted with many Lions and have observed first-hand the commitment and generosity of these men and women.

Mr. Speaker, on Friday, October 4, the Lions Club of Utica will celebrate 50 years of service with a commemorative dinner at Club Monte Carlo. I would like to offer my sincere appreciation for their charitable work and encourage them to continue their rich tradition of serving the community for many years to come.

THE REPUBLIC OF CHINA'S NATIONAL DAY

HON. BILL K. BREWSTER

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BREWSTER. Mr. Speaker, I rise today in recognition of the Republic of China's 85th National Day, which will be celebrated on October 10, 1996.

Much has been written about Taiwan's economic achievements in recent years, but a broad range of political reforms have also taken place in the Republic of China on Taiwan during the last few years. Today, every member of Taiwan's legislative and representative institutions are chosen through free and open elections. In March 1996, Taiwan held its first ever presidential election. Taiwan's multiparty system encourages broad scale representation, and American style campaigns. In addition, an individual's right to free speech, assembly and petition are virtually unrestricted. The Republic of China is now ranked as one of the world's freest nations.

In celebration of the Republic of China's National Day, I want to congratulate President Lee Teng-hui and Vice President Lien Chan, and thank them for their outstanding leadership. I also wish to welcome Taiwan's Representative, Jason Hu, to Washington, DC. During the last 3 months, Representative Hu has been working very hard to strengthen our relations with Taiwan.

In conclusion, I also want to congratulate Dr. Lyushun Shen on his promotion and transfer to Taiwan. I had the pleasure of working with Dr. Shen while he served as the Congressional Liaison Director at the Taipei Economic and Cultural Representative Office in Washington, DC. Through his efforts in the past 3 years, we have seen our relationship with Taiwan improve and grow. Dr. Shen is a first rate diplomat, and I wish him all the best in his new post.

COMMENDATION OF JANET WELLS

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. SLAUGHTER. Mr. Speaker, I am here today to commend a remarkable young lady at Thomas Middle School in my district. Her name is Janet Wells.

In an effort to increase awareness about community clean-up efforts, Janet contacted surrounding school districts to organize a picture drawing campaign for Members of Congress. She thought maybe a picture or two might get the attention of Washington. Little did she know how her efforts would pay off. Over 800 drawings, envelope after envelope of pictures by children imagining the world 50 years from now arrived in her mailbox. Janet shared these drawings with my staff and me.

Animals and clouds in vibrant colors, in crayon, ink or wax, should be a not so gentle reminder that the decisions we in the Congress make today, whether they concern air or water quality, emissions or brownfields, profoundly shape the world Janet and her classmates will inherit.

Thank you, Janet. And yes, you make a difference. It's a delight to know we live in the same community.

TRIBUTE TO THE HONORABLE HAROLD E. FORD

HON. JULIAN C. DIXON

OF CALIFONRIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. DIXON. Mr. Speaker, I rise today to salute the outstanding congressional career of my good friend and colleague, Representative HAROLD E. FORD. HAROLD's retirement from the Congress caps more than two decades representing the interests of the people of the 9th Congressional District of Memphis, Tennessee.

Scion of one of Memphis' most influential African-American families, in 1974 HAROLD became the first African-American to be elected to the United States Congress from the great state of Tennessee. His arrival in Washington was greeted with great enthusiasm, and he wasted little time in carving out a role as a pivotal player in helping to shape this nation's welfare and unemployment compensation policies.

He was named to a seat on the influential Ways and Means Committee. In 1981 he became the then-youngest member of Congress

to chair a subcommittee when he was selected Chairman of the committee's Subcommittee on Public Assistance and Unemployment Compensation—later changed to the Subcommittee on Human Resources.

As chair, HAROLD presided over many of the essential, life-sustaining programs of the past four decades, including Aid to Families with Dependent Children (AFDC), Child Welfare and Foster Care, Unemployment Compensation, title XX and Supplemental Security Income, and the Low Income Energy Assistance program. His leadership to preserve and increase authorizations for these programs was at times a lonely and uphill battle. However, HAROLD never faltered and he never lost sight of what would happen to the recipients of these programs should they be subjected to the massive cuts proposed by those who sought to reorder the nation's priorities in caring for its needy citizens.

In 1988, HAROLD authored the Family Support Act, legislation designed to radically overhaul this nation's welfare system. That he helped to strengthen the social safety net for millions of the disenfranchised stands as a fitting legacy of his service to our nation. In the face of many obstacles, and yes—a few pitfalls—HAROLD stayed strong, and HAROLD persevered.

As a member of the Congressional Black Caucus (CBC), HAROLD served during a time of tremendous growth and change. In 1975, there were fewer than 20 CBC members. Today that number has nearly doubled. Yes, much remains to be done, however, HAROLD hopes to fulfill his obligation to that effort by helping to pass the torch to his son, Harold Ford, Jr., in November.

Mr. Speaker, one of the nicest things about serving in Congress is the fine friends you make along the way. HAROLD has been one of those people whose friendship I shall always cherish. It has been a privilege to serve with him in this great institution, and I will miss seeing him on the floor when the 105th Congress convenes. He has however fought the good fight and earned his rest.

I am proud to call him my friend and to personally thank him for the many distinguished contributions that he has made to the nation. As he sets course on a new trail, I wish him and his beloved family everything bright that life has to offer.

PERSONAL EXPLANATION

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. DELLUMS. Mr. Speaker, I am unable to vote today due to medical reasons. I regret missing the day's important votes.

AUTHORIZING STATES TO DENY PUBLIC EDUCATION BENEFITS TO CERTAIN ALIENS NOT LAWFULLY PRESENT IN THE UNITED STATES

SPEECH OF

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 25, 1996

Mr. CLAY. Mr. Speaker, I oppose H.R. 4134 as an outrageous attempt to punish children for the illegal conduct of their parents. The sentence to be meted on these innocent children is ignorance, imposed by the States with the express explicit encouragement of the Federal Government. H.R. 4134 is below the dignity of this Nation and should be rejected.

One of the sad legacies of this Congress will be the contemptuous disregard of the Republican majority for legislative integrity in this institution. Once again, with this bill, the Republican majority rushed legislation to the floor without careful consideration.

As ranking Democrat on the Committee on Economic and Educational Opportunities, I would have appreciated an opportunity to have that committee analyze the enormous impact of this bill on local, State, and Federal education policy. I am very disappointed that the Republican leadership of the Opportunities Committee failed to assert its clear jurisdiction over this bill.

Grave questions haunt this bill. And because no hearing or markup was held on this legislation, major concerns have been left unresolved. For instance, how will public school administrators and teachers carry out the enormous mandate this bill will generate? Is it fair, moral, or even practical to expect teachers to identify and expel from the classroom children who are not lawfully present in the United States? What effect will the bill have on administration, planning, and classroom decorum and order? And perhaps of greatest concern to me is this question: What emotional harm will children suffer as they try to learn in an environment fraught with suspicion, discrimination, and finger-pointing?

Without sufficient consideration of these and many other questions, both the process and substance relevant to H.R. 4134 are deeply flawed. I urge its defeat.

PAYING TRIBUTE TO DR. HENRY A. JORDAN

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise to recognize and pay tribute to an outstanding preservationist and Pennsylvanian, Dr. Henry A. Jordan of Chester County. Dr. Jordan is a great leader on protecting our Nation's heritage. He has made an enormous contribution to this cause. On October 1, 1996, Dr. Jordan will step down as chairman of the board of the National Trust for Historic Preservation, the only national preservation organization in the country. As chairman, he has been a forceful and consistent advocate for building a holistic approach through which individuals and organizations work together to preserve our communities and make our neighborhoods better places to live.

The National Trust was chartered by Congress in 1949 to lead our Nation's efforts to conserve our rich and diverse history. During Dr. Jordan's 9 years service on the trust's board, he has brought the National Trust to new levels of effectiveness. He has worked tirelessly to make preservation relevant and has demonstrated that preservation is an efficient tool for economic development, downtown revitalization, and sustainable, community planning.

Dr. Jordan's longstanding contribution to the National Trust is but one significant highlight in his long dedication to our Nation's heritage at the national, State, and local levels. His active involvement in both historic preservation and conservation include his service as a director and president of the Yellow Springs Foundation from 1973 to 1977; as a director of the French and Pickering Creeks Conservation Trust from 1982 to 1989; and as a member of the Chester County Open Space Task Force, which was instrumental in getting voter approval for a $50 million bond issue for open space and historic preservation in 1989. He also served as a director and as president of Preservation Pennsylvania, Pennsylvania's statewide preservation organization, from Dr. Jordan's commitment to our American heritage continues with his current roles as chairman of the Countryside Institute, chairman of the Chester County Planning Commission, chairman of the Chester County Community Foundation, a director of the National Coalition of Heritage Areas, and with his service on the board of advisors for the School of Natural Resources at the University of Vermont.

As Dr. Henry Jordan's representative in the U.S. Congress, I salute his commitment and accomplishments in advancing historic preservation and natural resource conservation.

A TRIBUTE TO COACH JIM FEGAN

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LoBIONDO. Mr. Speaker, on November 9 the career of one of the best teachers I've been privileged to know will come to a close. On that day, Jim Fegan will end his 36-year tenure as head football coach at Georgetown Prep, located just outside this city. In that time, he has never missed a practice, posted 33 winning seasons, 9 of which were undefeated, won 13 league titles and a metropolitan area No. 1 ranking. His teams' records total 230 wins, 61 losses, and 12 ties entering this season. I take pride in not only having played for Coach Fegan, but also in having served as a cocaptain on one of his ''very best'' teams.

The story of his career and the values he has imparted to his players, his student body, and his institution are reflected in, but cannot be measured by, his won-lost records, nor in the numerous awards he has won. His lessons for me and my teammates during his first season in 1961 and for all that followed were every bit as much about personal responsibility for mistakes, dedication to team in lieu of personal goals, the importance of academics

over athletics, acceptable and unacceptable personal behavior, dealing with success as well as failure, and realizing that there is no easy way to success, as they were about blocking and tackling.

All the more remarkable is that this level of successful instruction has been sustained over a period of great change in society's values and society's attitudes.

Coach Fegan, his wife Barbara (Bunny) Fegan, and his children and grandchildren are all a vital part of Georgetown Prep's family. He has played a large role in preparing so many students for the practical challenges of later life. As one who was fortunate to benefit from his great lessons, I am proud to commend him to you as an exemplary educator and mentor.

HONORING RUBEN DIAZ ON THE OCCASION OF HIS RETIREMENT FROM THE AFL–CIO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. TORRES. Mr. Speaker, I rise today to honor Ruben Diaz on the occasion of his retirement from the AFL–CIO after over 40 years of dedicated service.

At 17, Ruben became a member of Retail Clerks Local 770, while working at Bi-Rite Markets in Los Angeles. One year later, in 1952, he listed in the Army with the U.S. Army Airborne Division, serving our country until 1955. After leaving the Army, he began working for ITT Cannon, in Los Angeles. He then joined the United Auto Workers, Local 509 and immediately became involved in union-related activities. He served on the PAC Committee, COPE, was Recreation Committee Treasurer, FEPC Chairman, served as shop steward for three terms, on the Grievance Committee for one term, and was vice chairman of the bargaining unit for nearly two terms.

In 1966 he was appointed as an organizer to the Los Angeles-Orange Counties Organizing Committee [LAOCOC], AFL–CIO. Two years later, he was appointed to the AFL–CIO field representative staff. He moved on to become coordinator of the LAOCOC, AFL–CIO in June 1986.

In addition to his union activities, Ruben has served our community through his involvement with the Labor Council for Latin American Advancement, where he served as executive director. He also served as vice president of the Catholic Labor Institute, member of A. Philip Randolph Institute, and the International Brotherhood of Electrical Workers.

Ruben and his wife, Becky, have two children and two grandchildren. It is with pride that I ask my colleagues to join me in honoring Mr. Ruben Diaz as he retires from the AFL–CIO after over 45 years of involvement with the union.

THE HAZARDOUS WASTE FACILITIES FINANCIAL RESPONSIBILITY ACT

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SPRATT. Mr. Speaker, I rise today to inform my colleagues of legislation I am filing relating to financial responsibility at hazardous waste facilities.

I realize that we are close to the end of the 104th Congress, but I felt it was important to introduce this legislation now so we can get a head start on debating an issue vital to millions of Americans. That issue is: Will we protect Americans living near hazardous waste facilities from being caught holding the bag when a costly release of hazardous waste occurs?

The bill is titled the ''Hazardous Waste Facilities Financial Responsibility Act,'' and it addresses three problems associated with existing financial standards for hazardous waste facilities. Current law provides for post-closure care for only a fraction of the period when the hazardous waste poses a threat to human health and the environment. Current law only requires hazardous waste facility operators to demonstrate the ability to pay for clean-ups after they occur, not before. And current law allows companies to provide corporate guarantees to cover clean-up costs which are easily circumvented by the maze-like corporate structures prevalent in the industry. By correcting these three problems, the Hazardous Waste Facilities Financial Responsibility Act provides the public with complete assurance that the costs of care and clean-up at hazardous waste facilities will be borne by the owners and operators of those facilities.

First, the bill sets up a procedure for post-closure care of hazardous waste facilities that will last as long as necessary to protect human health and the environment. Under current law, post-closure care lasts for 30 years, at which time the Administrator has the option to extend it for another 30 years. My bill requires the Administrator to continue the post-closure period until it can be conclusively demonstrated that such care is no longer needed. The bill requires the Administrator to hold hearings, so the public will have the chance to be heard before post-closure is terminated.

Second, the bill ensures that all costs associated with post-closure care of the facility are covered including responsibility for credible accidents and known corrective action, liability assurances, and changes in costs resulting from changes in the facility or its permit. This provision corrects a serious flaw in current law, which completely excludes these necessary adjustments from the amount which operators are required to show they can pay. In essence, operators aren't required to show their ability for the cost of clean-up until after a costly accident has occurred. At that point, it is too late. The full range of potential costs or these facilities must be provided for up front.

Third, the bill eliminates the practice of using a financial test or corporate guarantee to assure payment of closure and post-closure costs. Many operators of hazardous waste facilities are structured with a myriad of layers between parent corporation and operating subsidiary. The availability of the corporate guarantee makes it too easy, and too tempting, for skilled lawyers to devise corporate structures in which both the operating subsidiary and the nominal parent corporation are thrown into bankruptcy by unforeseen post-closure costs. Meanwhile, assets elsewhere in the corporate structure are protected.

A perfect example is a hazardous waste dump owned by Laidlaw/GSX located just outside my district in Pinewood, SC. In 1989, the accounting firm KPMG Peat Marwick did a study of this facility which revealed no less than five corporate layers between the company operating the landfill, and the deep-pocket corporate parent. Should a major accident at this facility occur, what assurance do taxpayers have that they won't be caught holding the bag? The Hazardous Waste Facilities Financial Responsibility Act will give them this assurance. Furthermore, prudent business practice dictates that a company should avoid having large potential liabilities uncovered by any insurance or financial instrument. We should demand no less protection for citizens and taxpayers.

A PROPOSAL TO ENHANCE THE FINANCIAL SECURITY OF CHILDREN BY PROVIDING FOR CONTRIBUTIONS BY THE FEDERAL GOVERNMENT TO CHILD RETIREMENT ACCOUNTS

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. HOUGHTON. Mr. Speaker, I am joined today by my colleague, Mrs. KENNELLY, in introducing legislation, the Children's Financial Security Act of 1996, which would establish tax-advantaged savings accounts for children. The approach is similar to the current one for individual retirement accounts, except that the accounts would be funded by the Government with $1,000 annual refundable credits for children from the year of birth through age 5—a total of $6,000. The credits would be invested in mutual funds that are government approved, but managed by the private sector. The credit would be phased-out at the higher income levels, e.g. between $100,000 and $150,000 for a married couple filing a joint return. The proposal also provides for make-up nondeductible contributions by parents for children under 19 at the date of enactment.

Why is the bill being introduced at this time? Hopefully, this can be a first step in starting a dialogue for the 105th Congress to address the needs of our children for education and retirement—and, at some future point, making this proposal part of any privatization of our Social Security system. We are concerned, like many others, that we must come up with long-term solutions to our government health and retirement systems.

Although this proposal would constitute an entitlement program, still it is not openended, as the credit and cost of the government is a maximum of $6,000 per child, plus deferral of tax on the earnings buildup. Distributions from such an account would be taxable. Also, the availability of the credit is phased out to individuals at the higher-income levels. Most importantly, it could be one leg of a four-legged

retirement stool, with the others being Social Security (adjusted for privatization), private savings and other retirement plans.

We need to do something to solve the long-term problems of our Social Security system. And of course, the crown jewel of this proposal is the effect of compounding earnings and contributions over the lifetime of an individual. The figures are impressive. For example, with an investment return of 10 percent, the $6,000 could grow to $2,350,000 by age 65. At 8 percent, the fund would total $740,000. The secret is to invest early.

The funds would be used for retirement purposes—to supplement other retirement funds, as well as Social Security benefits. However, funds could be withdrawn for education expenses and the purchase of a first-time home. The current and prior withdrawals could not exceed 50 percent of the earnings and contributions at the end of the prior year. Other nonexcepted withdrawals would be subject to significant penalties. The primary purpose is to encourage savings for retirement and to discourage withdrawals.

In summary, the proposal would (a) help to increase our national savings rate, (b) instill in individuals the advantages of saving for retirement at an early age, and (c) begin to address the very real problem of providing alternative options to company pension plans and Social Security benefits.

We welcome our colleagues support of this proposal and look forward to their involvement in debating these issues in the 105th Congress.

TRIBUTE TO RABBI REUVEN BEN-YAIR

HON. FLOYD D. SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SPENCE. Mr. Speaker, I rise today to recognize Reuven Ben-Yair, who has the distinction of being the first native-born South Carolinian to be ordained as a rabbi. Reuven Ben-Yair is a descendent of immigrants who came to South Carolina in the late 1600's. His family has contributed much to the Palmetto State and he has followed their example by leading a life that is dedicated to serving his fellow man.

Reuven Ben-Yair was born as Robert Tracy Schwartz in Kingstree, SC, in 1966. He has chosen to go by the name Reuven Ben-Yair, which is the Hebrew name that was given to him at birth. He was raised in Conway and graduated from high school there. In 1989, he received the Bachelor of Arts degree from the University of South Carolina, with a double major in religious studies and philosophy. He then entered a joint theological studies program conducted by Yeshivat Mercaz Ha-Rav Rabbinical Seminary and Hebrew University in Jerusalem. This summer, Reuven Ben-Yair was ordained as a rabbi.

In addition to his studies, Rabbi Ben-Yair has served in the Israeli Army in an elite paratrooper reconnaissance unit, where he attained the rank of lieutenant. He has also devoted much time to working with children.

Mr. Speaker, for the first time in the over 300-year history of our great State, a South Carolinian has been ordained as a rabbi. On behalf of those of all faiths in our State, I would like to congratulate Rabbi Reuven Ben-Yair and wish him much success.

100TH ANNIVERSARY OF THE LADIES' ANCIENT ORDER OF THE HIBERNIANS, DIVISION I

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. COSTELLO. Mr. Speaker, I rise today to recognize the Ladies' Ancient Order of Hibernians, Division I, in St. Clair County, IL. They will celebrate their 100th anniversary on Sunday, October 20, 1996.

The women of Division I received their charter in East Saint Louis, IL, on October 30, 1896. Originally, the primary purpose of the Ladies' AOH was to assist young immigrant Irish girls coming to the United States in security employment, offering them protection, and moral support. Today, Hibernians are primarily a Catholic action group and service organization. The preamble of the constitution of the Ladies' order states the intent and purpose of the group is to promote the interests and welfare of Americans of Irish descent, to aid the people of Ireland to achieve independence, to promote Catholic action and to assist in mission work.

Throughout the years the Ladies' AOH has supported local social work agencies such as the Catholic Urban League, Poor Clare Sisters, the Radio Service, the Bishop's Burse, St. Jude's Hospital, and the Special Olympics. Division I also supports the national organization's Irish essay contest for middle and high school students in order to foster an interest in the history of Ireland among young people.

Irish-Americans have long been an integral part of our common history. The contributions that the Ladies' Ancient Order of Hibernians have made their community and their heritage are invaluable to the people of St. Clair County. I ask my colleagues to join me in wishing them a wonderful centennial celebration and best wishes for the next 100 years.

INTRODUCTION OF H. RES. 518

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. MILLENDER-McDONALD. Mr. Speaker, I am inserting into the RECORD correspondence and a resolution having to do with the CIA involvement in introducing crack cocaine into the Los Angeles area to help support the Contras.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 20, 1996.

Hon. JANET RENO,
Attorney General, Department of Justice, Washington, DC.

DEAR MADAM ATTORNEY GENERAL: It is with great alarm that I have read, in the San Jose Mercury News and other news publications, of the involvement of the U.S. Central Intelligence Agency in the introduction, financing, and distribution of crack cocaine into the Compton and South Central areas of my District. As the elected representative of these areas, I am both appalled and extremely distressed by these reports and am asking that the Department of Justice conduct a full scale investigation into these allegations.

As you are no doubt aware, crack cocaine is one of today's major problems facing not only the area that I represent but also hundreds of thousands of Americans nationwide. The mere idea that our government could have, in any way, been involved in the financing or distribution of this horrendous drug is repulsive to me. I believe that it is incumbent upon us, the elected federal representatives of the people, to look into this matter and determine what, if any role, the federal government played in ruining the lives of hundreds of thousands, if not millions, of people. I am sure you would agree that we need to determine the extent to which the government was involved in the cocaine trade in Lose Angeles—or anywhere else for that matter—if we are to continue to hold the trust of the people.

Please advise me as soon as possible what you and your agency are doing to address these allegations. I will not allow this matter to rest until I am satisfied that we have the answers to the many questions that have been raised in the last few days. I look forward to working with you in investigating this matter as well as in addressing the larger question of how we help the millions of people whose lives have been adversely affectd by this insidious drug. Thank you in advance for your attention to this matter.

Sincerely,
JUANITA MILLENDER-McDONALD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 20, 1996.

Hon. JOHN DEUTCH,
Director, U.S. Central Intelligence Agency, Washington, DC.

DEAR DIRECTOR DEUTCH: It is with great alarm that I have read, in the San Jose Mercury News and other news publications, of the involvement of the U.S. Central Intelligence Agency in the introduction, financing, and distribution of crack cocaine into the Compton and South Central areas of my District. As the elected representative of these areas, I am both appalled and extremely distressed by these reports and am asking that the Department of Justice conduct a full scale investigation into these allegations.

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affectd by this insidious drug. Thank you in advance for your attention to this matter.

Sincerely,

JUANITA MILLENDER-MCDONALD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 20, 1996.

Hon. LARRY COMBEST,
Chairman, House Permanent Select Committee on Intelligence, Washington, DC. 20515

DEAR CONGRESSMAN LARRY COMBEST: It is with great alarm that I have read, in the San Jose Mercury News and other news publications, of the involvement of the U.S. Central Intelligence Agency in the introduction, financing, and distribution of crack cocaine into the Compton and South Central Los Angeles areas of my district. As the elected representative of these areas, I am both appalled and extremely distressed by these reports and am asking that your committee conduct a full scale investigation into these allegations.

As you are no doubt aware, crack cocaine is one of today's major problems facing not only the area that I represent but also hundreds of thousands of Americans nationwide. The mere idea that our government could have, in any way, been involved in the financing or distribution of this horrendous drug is repulsive to me. I believe that it is incumbent upon us, as elected representatives of the people, to look into this matter and determine what, if any role, the federal government played in ruining the lives of hundreds of thousands, if not millions, of people. I am sure you agree that we need to determine the extent to which the government was involved in the cocaine trade in Los Angeles—or anywhere else for that matter—if we are to continue to hold the trust of the people.

Please advise me as soon as possible what you committee intends to do to address these allegations. I will not allow this matter to rest until I am satisfied that we have all the answers to the many questions that have been raised in the last few days. I look forward to working with you in investigating this matter as well as in addressing the larger question of how we help the millions of people whose lives have been adversely affected by this insidious drug. Thank you in advance for your attention to this matter.

Sincerely,

JUANITA MILLENDER-MCDONALD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 20, 1996.

Hon. NORMAN DICKS,
Ranking Democratic Member, Select Committee on Intelligence, Washington, DC. 20515

DEAR CONGRESSMAN NORMAN DICKS: It is with great alarm that I have read, in the San Jose Mercury News and other news publications, of the involvement of the U.S. Central Intelligence Agency in the introduction, financing, and distribution of crack cocaine into the Compton and South Central Los Angeles areas of my district. As the elected representative of these areas, I am both appalled and extremely distressed by these reports and am asking that your committee conduct a full scale investigation into these allegations.

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Sincerely,

JUANITA MILLENDER-MCDONALD,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, September 3, 1996.

Hon. DONALD PAYNE,
Chairman, Congressional Black Caucus, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DONALD PAYNE: Please find enclosed a copy of my letter to Congressman Larry Combest, Chairman of the House Permanent Select Committee on Intelligence, requesting his committee to look into published news accounts which implicate the U.S. Central Intelligence Agency in the establishment and proliferation of drug trafficking in South Central Los Angeles in the early and mid-1980s.

I propose that the Congressional Black Caucus hold a field hearing on this issue in the 37th Congressional District on Saturday, October 19, 1996. California's 37th Congressional District includes the South Central Los Angeles communities of Watts, Willowbrook and Compton. These areas have been hard hit by the proliferation of crack cocaine, gangs and gun violence. A field hearing sponsored by the CBC and hosted by me and other Members of Los Angeles delegation would serve to keep this issue before the local news in the largest media market in the country and is certain to gain national exposure. It would also serve to maintain pressure on the Justice Department, Central Intelligence Agency and our Intelligence Committee colleagues to thoroughly investigate these issues. Moreover, we could announce the hearing during the Congressional Black Caucus Foundation Annual Legislative Conference.

I would appreciate your favorable consideration of this proposal and response as soon as possible so that I can direct my staff appropriately. Should you have any questions, or wish to discuss this matter further, please feel free to contact me at (310) 549–0537.

Warm regards,

JUANITA MILLENDER-MCDONALD,
Member of Congress.

Enclosure.

H. RES. 518

Resolved,

(a) There is established in the House of Representatives a select committee to be known as the Select Committee to Investigate CIA Involvement in Crack Cocaine Sales in South Central Los Angeles (thereafter referred to in this resolution as the ''select committee'').

(b) The select committee shall be composed of 27 Members of the House to be appointed by the Speaker, one of whom he shall designate as chairman, and one of whom he shall designate as vice chairman. Not more than 15 members of the select committee shall be of the same political party. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

(c) The select committee is authorized and directed to conduct a full and complete investigation and study, and to make such findings and recommendations to the House as the select committee deems appropriate, regarding the alleged involvement of the Central Intelligence Agency in the financing, distribution, and sale of crack cocaine in south central Los Angeles and the surrounding area and its further involvement in the use of profits from such alleged activities to fund anti-government forces in Nicaragua.

(d) One-third of the members of the select committee shall constitute a quorum for the transaction of business other than the reporting of a matter, which shall require a majority of the committee to be actually present, except that the select committee may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony. When a quorum for any particular purpose is present, general proxies may be counted for that purpose. The select committee may sit while the House is reading a measure for amendment under the five-minute rule. The rules of the House shall govern the select committee where not inconsistent with this resolution. The select committee shall adopt additional written rules, which shall be public, to govern its procedures, which shall not be inconsistent with this resolution or the rules of the House. Such rules may govern the conduct of the depositions, interviews, and hearings of the select committee, including the persons present.

(e) The select committee is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, or in any other country, whether the House is in session, has recessed, or has adjourned; to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, correspondence, memoranda, papers, documents, calendars, recordings, data compilations from which information can be obtained, tangible objects, and other things and information of any kind as it deems necessary, including all intelligence materials however classified; and to obtain evidence in other appropriate countries with the cooperation of their governments. Unless otherwise determined by the select committee the chairman, upon consultation with the ranking minority member, or the select committee, shall authorize and issue subpoenas. Subpoenas shall be issued under the seal of the House and attested by the Clerk, and may be served by any persons designated by the chairman or any member. Provisions may be included in the rules and process of the select committee to prevent the disclosure of committee demands for information. The select committee may request investigations, reports, and other assistance from any agency of the executive, legislative, and judicial branches of the Federal Government.

(f) The chairman, or in his absence the vice chairman, or in their absence a member designated buy the chairman, shall preside at all meetings and hearings of the select committee. All meetings and hearings of the committee shall be conducted in open session, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the purpose of hearings to take testimony, vote to close a meeting or hearing. Pursuant to rule XI(3)(f)(2), coverage of testimony of

subpoenaed witnesses will be limited at their request, unless a majority of members of the select committee voting, there being in attendance the requisite number required for the conduct of business, vote otherwise.

(g) The chairman, upon consultation with the ranking minority member, may employ and fix the compensation of such clerks, experts, consultants, technicians, attorneys, investigators, and clerical and stenographic assistants as it considers necessary to carry out the purposes of this resolution. No more than three such staff may receive compensation corresponding to Executive Level IV. The select committee shall be deemed a committee of the House for all purposes of law, including rule XI(2)(n), and sections 6005, 1505, and 1621 of title 18, section 192 of title 2, 1754(b)(1)(B)(ii) of title 22, and section 734(a) of title 31, United States Code. The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee, other than expenses in connection with meetings of the select committee held in the District of Columbia. Staff of the House of joint committees, at the direction of their Members, committee chairmen, or the Speaker, as appropriate, and upon request of the select committee, may serve as associate staff to the select committee for designated purposes. Associate staff shall be deemed staff of the select committee to the extent necessary for those designated purposes.

(h) Unless otherwise determined by the select committee the chairman, upon consultation with the ranking minority member, or the select committee, may authorize the taking of affidavits, and of depositions pursuant to notice or subpoena, by a Member or by designated staff, under oath administered by a Member or a person otherwise authorized by law to administer oaths. Deposition and affidavit testimony shall be deemed to have been taken in Washington, DC, before the select committee once filed there with the clerk of the committee for the committee's use. Unless otherwise directed by the committee, all depositions, affidavits, and other materials received in the investigation shall be considered nonpublic until received by the select committee, except that all such material shall, unless otherwise directed by the committee, be available for use by the Members of the select committee in open session.

(i) The select committee shall be authorized to respond to any judicial or other process, or to make any applications to court, upon consultation with the Speaker consistent with rule L.

(j) The select committee may submit to standing committees, including the Permanent Select Committee on Intelligence, specific matters within their jurisdiction, and may request that such committees pursue such matters further. Committees pursuing such requested inquiries may, in turn, receive the continuing assistance, consistent with the select committee's own jurisdiction, of the select committee's legal process, personnel, and records. Committees which pursue or have pursued inquiries, during the previous or current Congress, within the subjects of the select committee investigation shall furnish the select committee with copies of all testimony and documents.

(k) There shall be paid out of applicable accounts of the House such sums as may be necessary for the expenses of the select committee. Such payments shall be paid on vouchers signed by the chairman and approved in the manner directed by the Committee on House Oversight. Amounts made available under this subsection shall be expended in accordance with regulations prescribed by the Committee on House Oversight of the House.

(l) The select committee shall report to the House the final results of its investigation and study as soon as practicable during the present Congress. Following the filing of its final report, it shall have one month before the authority herein shall expire in order to close its affairs, including provision of assistance to committees pursuing remaining inquiries, transmittal of records to other committees, and storage of its remaining records by the Clerk of the House, who may, as directed by the select committee, store records in secure facilities of the intelligence community pursuant to agreement retaining control of access by the House.

TRIBUTE TO ARTHUR JAY FARO

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. ESHOO. Mr. Speaker, I rise today to pay tribute to Arthur Jay Faro, an outstanding health administrator and a respected citizen, on the occasion of the celebration of his 32 years of dedicated service to the Sequoia Hospital District and our community.

Mr. Faro, a graduate of the University of Vermont and recipient of a Masters in Business Administration from George Washington University, began his career with Sequoia Hospital in 1964 as Director of Personnel and Services and became Chief Executive in 1989. Since that time he has served with the diligence and distinction that have marked all his years at Sequoia. His unparalleled leadership and consensus-building skills were critical to seeing Sequoia Hospital and the Sequoia Hospital District through its growth in size and reputation, through some of its most difficult decisions, including the most recent one to save the hospital by affiliating with Catholic Healthcare West.

Mr. Faro currently serves as a member of the Sequoia Health Services Board of Directors. He has served as a member and director of many professional organizations, including the Hospital Consortium of San Mateo County, the American College of Health Care Executives and the West Bay Hospital Conference. He currently serves on the Board of the American Heart Association (San Mateo Chapter) and the Heart Association California Affiliate, the Redwood City Chamber of Commerce, the Sequoia Hospital Employees Credit Union and the Advisory Board of Bay Area Bank. He has served in the past as an advisor or director of the Committee for Radiology Technologist Education, the Sequoia Union High School District, the Sequoia YMCA, and the Sequoia Chapter of the American Red Cross. He also served honorably in our Nation's Armed Forces.

Art Faro is a licensed commercial pilot, a certified scuba diver, and an ardent photographer, jogger, bicyclist, backpacker and traveler.

Mr. Speaker, Art Faro has been an extraordinary leader in San Mateo County and has given important public service to his community and the Sequoia Hospital District. I've been privileged to work closely with him and I'm proud to call him my friend. I ask my colleagues to join me in saluting Art Faro as he retires from Sequoia Hospital and wish him well as he embarks on new chapters in life.

EXPRESSING SUPPORT FOR HOME- AND COMMUNITY-BASED CARE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GINGRICH. Mr. Speaker, as a cosponsor of important legislation introduced by my friend, colleague, and member of the Task Force on Disabilities, STEVE GUNDERSON, I wish to express my support for home-and community-based care. This initiative was advocated by people with a personal interest in attendant services—the disabled—and I believe that this bill is a step in the right direction toward personal empowerment.

I appointed Mr. GUNDERSON to the Task Force on Disabilities back in July 1995 because of his commitment to personal empowerment. He has demonstrated his ability to lead, and I applaud his leadership on this issue. During the debate over Medicaid reform during the 104th Congress, I submitted a statement in the CONGRESSIONAL RECORD in support of home- and community-based case for the disabled based on recommendations from the Sixth District Disabilities Task Force which I appointed in Georgia, and urged States to develop programs that provide these services. It is only by giving States more flexibility to develop these innovative programs that the Government can efficiently and effectively meet the health care needs of Medicaid recipients. I am aware that this proposal may have significant cost implications, and I believe that careful consideration and additional input will help ensure a sound policy decision.

I am hopeful that we can move away from the current bias toward institutionalization in favor of home- and community-based services, whenever appropriate. This is an important bill for helping the disabled to lead a fully integrated life.

MATERNAL AND FAMILY HEALTH SERVICES 25TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. KANJORSKI. Mr. Speaker, I am pleased today to have the opportunity to congratulate Maternal and Family Health Services Inc., on the occasion of its 25th anniversary. On October 3, 1996, the community will gather to commemorate this milestone and I am honored to have been asked to participate.

Maternal and Family Health Services was established in 1971 to address the needs of healthcare for the women of northeastern Pennsylvania. In the beginning the focus of the Maternal Health Services was to provide subsidized family planning services to women in need in northeastern Pennsylvania. In June of that year, the agency received its first funding from title X of the United States Department of Health, Education and Welfare.

Since 1971 the scope of the agency has progressed to encompass a variety of women's healthcare issues. Addressing the need of quality prenatal care for economically disadvantaged women, the agency began its Maternity Services Program. Adequate prenatal

care has been proven to minimize health care complications in pregnancies and later on in the life of the infant.

Located at Mercy Hospital Wilkes-Barre and Mercy Hospital Scranton, the program works with expectant mothers by providing prenatal healthcare and ensuring healthier pregnancies and births.

Maternal and Family Health Services also administers the important WIC [Women, Infants and Children] grant for the largest geographic area in Pennsylvania. Over 54,000 people depend on this program for supplemental nutrition at forty clinic sites.

Mr. Speaker, the list of programs of this important health service is lengthy. Another important service offered is the Healthy Women 50+ Program. This project is a breast and cervical cancer screening program funded by the Commonwealth of Pennsylvania. The program provides important preventive cancer screening to economically disadvantaged women over the age of 50.

Today, the workers of MFHS are challenged to provide more services to more clients with less funding. Considering the mission statement of the agency, ''To provide quality health and social services including, but not limited to, general health care, technical assistance and educational services provided primarily in the areas of reproduction, obstetrics and nutrition, delivered in sixteen northeastern Pennsylvania counties to persons in need,'' this has not been an easy task. In light of this mission statement it is easy to see that the agency has met and surpassed all of those challenges put forth by its original founders.

Mr. Speaker, I am pleased to join with the northeastern Pennsylvania community in recognizing the important work done by the dedicated staff of the Maternal and Family Health Services. The agency is under the capable leadership of my good friends Executive Director Mary Lou Schaefer, as well as Public Relations Director Rose Tucker. Both of these women have committed their lives and careers to improving the lives of women and bringing issues of women's health to the attention of our community. I congratulate these hardworking, dedicated professionals on a job well done.

IN HONOR OF GINGER KEMP: FOR YEARS OF DISTINGUISHED AND DEDICATED SERVICE TO THE BAYONNE COMMUNITY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to Ginger Boele Kemp, an outstanding individual and community leader who has distinguished herself through years of outstanding service to the Bayonne community. For years, she has displayed hard work, dedication, and community spirit. Her enormous contributions and devotion to multiple civic causes and local business projects have earned her the admiration of the Bayonne community. For her years of service, a celebration will be held in her honor on September 28, 1996.

Throughout her tenure in Bayonne, Ginger Kemp has demonstrated an ability to bring about positive change in her community. Her participation in the affairs of the community has fostered a heightened awareness and appreciation, especially among local businesses and organizations, toward individuals who devote their time to issues which affect the community in a positive way. Ginger Kemp's diligence has set a standard for all within the Bayonne community to emulate, and I commend her for all she has done to help the residents of her community.

Ginger Kemp's numerous accomplishments and contributions throughout the years are truly appreciated, and I hope that she continues to serve as a positive role model for many more years to come. Ginger Kemp is truly deserving of this recognition. Her recent memberships include: the City Improvement Committee, the Bayonne Economics Development Corporation, the Bayonne Chamber of Commerce, the Bayonne 2000: Steering Committee, the Bayonne Community Mental Health Committee, the Concerned Citizens of Bayonne 25th Anniversary Committee, and the YWCA of Hudson County. In the past, she had served as president of the Bayonne Rotary Club, and is the chairperson of the Bayonne Home Town Fair.

It is an honor to have such a hardworking individual living and contributing to my congressional district. I ask my colleagues to join me in honoring this outstanding leader of the Bayonne community and recognize the important role she has played throughout the years. Her actions exemplify the rule meaning of community service.

IN RECOGNITION OF THE SAVE TODAY FOR TOMORROW PROJECT

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. BENTSEN. Mr. Speaker, I rise today to honor the Save Today for Tomorrow Project in Houston. On October 9, 1996, the Harris County Medical Society, the Harris County Medical Society Alliance, the Texas Medical Association Alliance, and the American Medical Association Alliance will jointly present Members of the House of Representatives with ''black and blue knots'' ribbons to urge Americans to stop domestic violence. I am working with these groups to distribute these ribbons in Washington, DC.

Domestic violence is a nationwide epidemic that we must address. Domestic violence affects as many as one-fourth of all Americans; 6 out of 10 couples will experience violence at some time during their marriages. A woman is battered every 12 seconds in this country. Regrettably, 3 to 4 million women are battered each year by their husbands and partners. Domestic violence is one of the leading causes of injury to women aged 15 to 44.

People who are abused often repeat this vicious cycle. Approximately one-third of women who are abuse victims will abuse their children. Nearly 2 million children are abused and neglected each year and 1,000 children die each year from violence. In fact, violence has replaced disease as the No. 1 one killer of children. We need to stop this trend and eliminate violence in our society.

As part of this awareness campaign, State and local officials are issuing proclamations designating October 9, 1996, as Save Today for Tomorrow Day. This proclamation reads as follows:

PROCLAMATION TO SAVE TODAY FOR TOMORROW STOP AMERICA'S VIOLENCE EVERYWHERE

Whereas violence is among the leading causes of death in America, and has replaced disease as the number one killer of children; and

Whereas domestic violence has devastating effects on a woman's physical and emotional well-being, and her ability to care for her children; and

Whereas violence comes in many forms; sexual violence; gang and peer-related violence committed by youth of all ages; family violence; street violence; and violence in the media; and

Whereas billions of dollars per year are attributable to preventable violence-related deaths and injuries and add a tremendous burden to America's health care system; and

Whereas the first step toward unraveling the many layers of our nation's violence problems can begin with awareness; and

Whereas awareness and prevention are the heart of the SAVE program and its cornerstone event, SAVE Today, during which physician's spouses around the country will join efforts to Stop America's Violence Everywhere; and

Whereas members of the Harris County Medical Alliance will lead the effort to urge local citizens to search for ways we can all help SAVE Today for Tomorrow.

I am pleased to join in this effort to increase awareness about domestic violence.

I applaud the hard work and dedication of the Harris County Medical Alliance to increase awareness about domestic violence. It is my hope that with more awareness, all Americans will work toward reducing this national tragedy.

TRIBUTE TO RAUL VARGAS FOR HIS YEARS OF SERVICE TO THE COMMUNITY

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. TORRES. Mr. Speaker, I ask my colleagues to join me today in honoring a friend, Mr. Raul Vargas, executive director of the Office for Mexican American Programs at the University of Southern California. On October 24, 1996, I will join California State Senator Hilda Solis, Miller Brewing Co.'s Victor Franco, and Chicanos for Creative Medicine in paying tribute to Raul for his many years of selfless service to our community.

Raul was born in Miami, AZ, a small mining town, which is also my birthplace. He attended Arizona State University, and served in the U.S. Army. He also attended California State University, Los Angeles, as well as the University of Southern California, pursuing graduate studies. In 1973–74, Raul, along with eight other USC Alumnus, formed the USC Mexican-American Alumni Association. The USC MAAA was established to provide financial assistance to undergraduate Mexican-American students attending USC. To date, MAAA has provided over 3,700 undergraduate scholarships totaling over $5 million. In addition to the undergraduate scholarship program, the MAAA funds four medical school students in a joint venture with the USC School of Medicine.

The MAAA has successfully concluded a campaign to develop $1 million to establish the USC MAAA Endowment Fund, and for the 1995–96 academic year, the USC MAAA included graduate students as scholarship recipients for the first time.

Raul has received numerous awards and honors in recognition of his selfless service to our community. Among those have been the Arizona State University Hispanic Alumni Association Recognition Award, the Bishop Amat High School Msgr. Thomas A. Kiefer Humanitarian Award, the TRW Career Opportunities for Youth Award, the Fiesta Educativa Award, the Mexican-American Opportunity Foundation Aztec Award, the National Hispanic Scholarship Fund Hispanic of the Year Award, the National Network of Hispanic Women Leadership Award, and honorary membership to the Society of Hispanic Professional Engineers. His membership in professional organizations includes the USC Skull and Dagger Society, the USC Mortar Board, Fiesta Educativa, Inc., Navidad En El Barrio, Ramona Convent High School, The East Los Angeles Community Union Scholarship Committee, McDonald's Scholarship Committee, and staff advisor to the USC Latino Business Student Association.

Raul and his wife, Marcia, currently reside in Upland, CA. Both his daughter, Tracie, and his son, Cesar, followed in their father's footsteps and attended USC.

Mr. Speaker, it is with great pride that I ask my colleagues to rise and join me in paying tribute to my friend, Raul Vargas, a man who has lived his life serving others and creating opportunities for our community's students.

EASTERN BALTIMORE AREA CHAMBER OF COMMERCE

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. CARDIN. Mr. Speaker, I rise today to pay special tribute to the Eastern Baltimore Area Chamber of Commerce on its 50th anniversary of outstanding service to the community.

The Eastern Baltimore Area Chamber is one of Maryland's most effective local chambers. In the chamber's early days, it was instrumental in establishing the first public library and first YMCA in Baltimore County. Over the years, the chamber's influence has grown to include its involvement in important policy issues such as critical area legislation and Baltimore County's master plan. In bringing together leaders from business, industry, and the community, the chamber has been at the forefront of economic progress in our area.

In addition, the chamber has been an invaluable resource in helping Baltimore city and Baltimore County businesses expand and grow. From historic preservation, to infrastructure improvements to the health of the Port of Baltimore, the chamber has taken a leading role in fostering a strong economic environment. The chamber's involvement has played a key role in the overall economic health of our entire region.

I urge my colleagues to join me in congratulating the Eastern Baltimore Area Chamber of Commerce on a job well done. The time and effort put forth by the chamber and its many members have enabled Baltimore County and Baltimore city to develop into a strong competitive economic region.

THE TRAVEL AND TOURISM PARTNERSHIP ACT

HON. RON LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. LEWIS of Kentucky. Mr. Speaker, I am pleased that, yesterday, this body strongly supported H.R. 2579, the Travel and Tourism Partnership Act. This bill will establish a public—private organization to promote the tourism industry, which employs many folks in my district and over 7 million Americans nationwide. By combining public resources and private sector know how, we can find ways to promote tourism in the United States, create jobs and improve our economy.

I suspect that many of my colleagues have not traveled to the Second District, so I want to extend an open invitation to visit some of our public and private attractions such as:

My Old Kentucky Home State Park, located near Historic Bardstown, KY.

We have beautiful vacation areas such as Taylorsville Lake, Rough River Dam Park, Green River Lake, Nolin Lake, Barren River Lake.

Come see the birthplace of one of our greatest Presidents, Abraham Lincoln, which is now a beautiful Federal park, in Hodgenville, KY.

Or you may want to visit the many cave attractions such as Kentucky Down Under and Kentucky Caverns, or the American Cave Museum and Hidden River Cave, and of course, Mammoth Cave in Edmonson County.

The Second District is also home to the one and only Corvette Museum in Bowling Green, the International Bluegrass Museum in Owensboro, and the Museum of Coca-Cola Memorabilia in Elizabethtown.

And you will want to experience Fort Knox, the home of the National Gold Depository and the General Patton Museum.

Two years ago, I used this bill as a model to establish a Travel and Tourism Roundtable within the Second District. Since that time, the roundtable has tried to meet on a quarterly basis, bringing together representatives from tourism associations, commissions, and attractions in the Second District. Our meetings have provided an important forum to discuss initiatives that will collectively promote our beautiful and historic area of Kentucky.

On October 7, our roundtable will host a day long seminar with discussions from national tourism industry representatives, State officials, and local tourism experts. Our seminar will provide an opportunity to discuss positive tourism efforts underway and to share ideas for the future. I am looking forward to this event which, in the spirit of H.R. 2579, will combine private and public tourism interests, establish better working relationships within the industry, and lead to positive solutions to advance tourism throughout the Second District.

Again, I strongly support the creation of a National Travel and Tourism Board to establish on the national level, the same successful cooperation we have seen so far in the Second District.

PUBLIC SERVANT PRAISED FOR YEARS OF SERVICE

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in remembrance of Joe H. Golman who passed away September 23, 1996 in Dallas, TX. Mr. Golman was a distinguished member of the Dallas City Council, Texas Legislator, businessman and a religious leader in the Jewish community. At an early age, Mr. Golman brought his vision of public service to the greater Dallas area. A year after losing a council election at the age of 23, Mr. Golman won appointment to the city plan commission. His successful and effective political career continued as he became chairman of the Dallas Zoning Board of Adjustment, city council, deputy mayor pro-tem and the Texas State Legislature where he served with distinction until 1973.

Mr. Golman was also at the forefront of economic development, entrepreneurship and commerce, serving Dallas' food service industry as president of Golman-Hayden, a produce brokerage and consulting service; and president of Circle T Foods Co. He was a member of the Greater Dallas, East Dallas, and Oak Cliff Chambers of Commerce and a member of the Salesmanship Club of Dallas for more than 50 years. Mr. Golman also fulfilled the true measure of leadership: Passing on the torch of leadership to young people in his capacity as a charter member of the Dallas Assembly, which sought to groom young city leaders. Political and business success did not remove his compassion, activity and energy from his religious beliefs. Mr. Golman was a life board member of the Jewish Community Center and as president of the National Jewish Welfare Board's southern region.

I wish to extend my condolences to his family and his many friends and supporters. Mr. Golman was the epitome of the true public servant and his years of unselfish contributions to the political, business, and religious environments of Dallas are very much appreciated by its citizens. His work will be sorely missed, but not forgotten.

RELEASE OF OBSERVER REPORT ON BOSNIAN ELECTIONS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SMITH of New Jersey. Mr. Speaker, today the Helsinki Commission, which I Chair, is releasing its staff election observer report on one of the most important international events of the year—the September 14 elections in Bosnia-Herzegovina.

Among their conclusions, the Commission staff state the following:

The elections cannot be considered free and fair, and were held prematurely because of limited international support for existing peacekeeping burdens.

The campaign period detracted the most from the election process, due to a lack of freedom of movement, association and expression, as well as the continued political activity of persons indicted for war crimes.

The provisional results, challenged by allegations of more ballots than voters, showed clear victories for the ethnically based parties originally brought to power in 1990. Whether the elections have set the stage for Bosnia's partition along ethnic lines, or for movement toward its effective reunification remains an open question.

The election administration was extremely complex and required significant outside help from the OSCE, which performed considerably well given the political and logistical circumstances in which it had to work.

Voter registration was also controversial, including on election day. Balloting nevertheless went relatively smoothly. There was some confusion in the transport and counting of ballots.

Mr. Speaker, holding the municipal elections in November as tentatively planned by OSCE would be a mistake. Not only would the administrative problems associated with the September 14 elections unlikely be corrected, the newly elected national institutions which must now begin to function should be free from the tensions and partisanship of another campaign period. And, a delay would allow time for Bosnian local leaders who support a unified, multiethnic Bosnia to compete fairly, and then help Bosnia build its democracy from the bottom up.

The Commission has, since 1992, taken the lead in the Congress in trying to shape a response to the war in Bosnia. Actively following and reporting on developments in the region, the Commission also has a particular interest in the effectiveness of the OSCE's organization of the Bosnian elections. The Commission held several briefings and hearings leading up to these elections, including hearing testimony from Bosnian elections officials, representatives of Bosnian political parties, OSCE mission chief Robert Frowick, special United States envoy William Montgomery, and other experts. The Commission staff which compiled the election report benefited from being in various parts of Bosnia on election day, contributing to the large and important task of observing the voting and counting of ballots.

Bosnia-Herzegovina and most every country emerging from the former Yugoslavia will remain high on the United States foreign policy agenda through the end of this year and into 1997. I therefore encourage my colleagues to read the conclusions of the staff report, which I am submitting for the record, and contact the Commission should you wish a copy of the full report.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE—CONCLUSIONS OF STAFF REPORT ON SEPTEMBER 1996 ELECTIONS IN BOSNIA-HERZEGOVINA

On September 14, 1996, Bosnia-Herzegovina held its second multi-party elections since the collapse of the one-party Communist political system in the former Yugoslavia in 1989. These elections, however, were the first for that country since the break-up of the old Yugoslav federation and the warfare from 1992 to 1995 which accompanied Bosnia's emergency as an independent state. This fighting, largely directed against the civilian population, left an estimated quarter of a million people dead or unaccounted for, and half the original population of about 4.4 million displaced, internally or abroad as refugees. The warfare ended in December 1995 with the General Framework Agreement for Peace in Bosnia-Herzegovina (hereinafter the ''Dayton Agreement''), which divided the single Bosnian state into two entities with significant powers of their own. Even for those who survived the conflict in their own homes and villages, the economic, social and political upheaval associated with the war—let alone the almost universal personal loss of friend and/or family in it—made the holding of free and fair elections in Bosnia-Herzegovina virtually impossible, and filled any attempt to do so with risk.

Elections were held at the national and lower levels but did not include municipal elections, which were postponed. The election administration was extremely complex and required significant outside help from the OSCE, which performed well given the political and logistical circumstances. The campaign period detracted the most from the election process, due to insufficient freedom of movement, association and expression, as well as the continued political activity of persons indicted for war crimes. Voter registration was also controversial in preparing for elections, and remained a problem on election day itself. Balloting nevertheless went relatively smoothly, although the subsequent transport of counting of ballots was confusing and difficult.

Few have dared to characterize the September 14 elections in Bosnia-Herzegovina as free and fair. Voters generally had a free choice which could be secretly made when they stepped into the voting booth, but disenfranchisement and an intimidating atmosphere at certain locations detracted from this positive characterization. Moreover, on the basis of the campaign period alone, there was no doubt that the elections were not fair. Opposition parties had little chance to make their views known, let alone to counter aggressively the effects of years of war and propaganda on Bosnian voters from all ethnic groups. And, after the elections, questions regarding the total number of eligible voters make certification of the elections difficult.

The question, therefore, is not whether these elections were free and fair; they obviously were not. The question is whether the international community was wise to go forward with the elections within the timeframe mandated by Dayton. Based on the overwhelming nature of the victories for the ruling parties in the September 14 elections, there is little doubt that the results probably reflect the general will of the people of Bosnia-Herzegovina. With more time, during which more substantial efforts could have been undertaken to increase freedom of movement, of speech and of association, as well as to sideline more effectively those indicted for war crimes or otherwise responsible for the conflict in Bosnia-Herzegovina, the result might have been different.

Some who argued for holding the elections on schedule suggested that surprises may result, but they did not. They claimed that the situation might actually worsen unless elections were held soon rather than later, but little evidence of that possibility has surfaced. They argued that parties to the Dayton Agreement must adhere to the deadlines, but, in doing so, Dayton's own prerequisites for effective elections were not sufficiently met. They pointed out that all parties in Bosnia-Herzegovina wanted the elections to proceed, but this argument ignored the fact that the ruling parties wanted the elections because they knew they would win; that some other nationalist parties believed the elections could facilitate partition; and that moderate parties were hesitant but felt helpless in countering the larger forces dominating their country's politics. Those who prepared for the administration of the elections deserve credit for their hard work, but additional time would have enabled them to sort out the problems that caused so much confusion around election day.

Therefore, the main argument for holding the elections by the Dayton deadline seems driven mostly by the international community's limited desire to continue to provide Bosnia's peace and security through IFOR. The current IFOR mandate expires at the end of 1996, and the elections were considered a prerequisite to any withdrawal. Indeed, OSCE Mission Head Robert Frowick succeeded in delaying the initial withdrawal process until after the elections were held. If this influenced the decision on when to hold the elections, then U.S. Government pressure on the OSCE to hold elections prematurely deserves criticism. However, the European critics who wish to place full responsibility with the United States should recognize that, for all its faults, only the U.S.-brokered initiatives for peace in Bosnia-Herzegovina—both the Federation and the Dayton Agreement—have actually brought peace and produced some results. Also, not one government spoke within OSCE in opposition to holding the elections on September 14. Indeed, probably the greatest opposition came from non-government organizations based in the United States, which might have had greater success in achieving a postponement had some influential countries supported a delay.

Moreover, the peace process created by the Dayton Agreement may have largely run its course by September 1996, and this process needed something—the elections—to move to a new level. Pressure now rests on those elected to work together to resolve their problems, with less reliance on international involvement. If the international community at least maintains the resolve to prevent any party from resorting again to the use of force to achieve political ends, economic and other social forces may erode the political power of those now taking office and result in a more open, pluralistic society. This could even happen among Serbs, despite their present intention to become independent. Bosniacs, who have been the overwhelming victims, may actually become less willing to reconcile differences as a result. Bosnia's Croats can be expected generally to join with whichever side seems to have the upper hand. For all three, the pervasive fears and prejudices brought about by war and propaganda must be replaced by trust and tolerance if there is to be any hope of long-term success.

Unfortunately, the OSCE decided within days of the national and entity elections—and before finalizing and certifying the results of these elections—to proceed tentatively with more complex municipal elections in late November 1996. OSCE Coordinator for International Monitoring has personally expressed reservations about this decision. Some of the problems encountered with the national and entity-level elections can be corrected by that date, but the root cause of the original postponement—the registration of persons in specific localities—will be especially difficult to remedy. In the rush to organize the elections, other administrative mistakes are to be expected. Moreover, fledging Bosnian and entity institutions must now try to begin work in the context of a new campaign that will only encourage intransigence. Finally, postponing the local elections for six months or longer provides the best chance for opposition parties to score victories and build democracy in Bosnia-Herzegovina from the bottom up. Comfortable with ethnically oriented leaders offering protection from the top, or reacting to the inability of these leaders to move the country forward, voters could be prepared by that time to vote on the basis of interests other than the need for ethnic cohesion. The ruling parties will be able to ride the wave of victory into local elections held in November 1996, reenforcing splits along ethnic lines.

Bosnia's future remains uncertain. A genuinely unified state could still emerge, or the state could be partitioned by its neighbors. To some degree, at least, further action by the international community could influence the direction in which Bosnia will head.

The OSCE's performance in organizing and conducting the elections has come under considerable criticism. While some of the criticism might be warranted, the OSCE deserves credit for having undertaken an extremely difficult task. Its leadership resisted those governments which sought to pressure it to act one way or another, and was relatively candid in assessing the situation leading up to the elections. In this respect, OSCE was a considerable improvement on the United Nations in its political work in Bosnia-Herzegovina. Finally, the OSCE can no longer remain on the sidelines for the sake of its reputation. Perhaps the OSCE should have been given a larger role to play earlier. Considering the organization's direct involvement in restoring peace and stability to Bosnia-Herzegovina today, its effectiveness in bringing positive results to Bosnia-Herzegovina will depend largely on its ability to avoid repeating past mistakes and, like all international organizations, on the political will of its participating States.

Daily Digest

HIGHLIGHTS

Senate agreed to Coast Guard Authorizations Conference Report.

House passed Omnibus Consolidated Appropriations Act.

House agreed to DOD Appropriations Conference Report.

House passed Omnibus Parks and Public Lands Management Act.

House agreed to National Securities Improvement Act Conference Report.

House passed Veterans Health Care Reform, Disability, and Benefits Acts.

Senate

Chamber Action

Routine Proceedings, pages S11611–S11742

Measures Introduced: Eight bills and three resolutions were introduced, as follows: S. 2153–2160, and S. Res. 303–305. **Page S11720**

Measures Passed:

Amos F. Longoria Post Office Building: Committee on Governmental Affairs was discharged from further consideration of H.R. 2700, to designate the building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, as the ''Amos F. Longoria Post Office Building'', and the bill was then passed, after agreeing to the following amendment proposed thereto: **Page S11612**

Gregg (for Pryor) Amendment No. 5413, to clarify the provision of section 3626(b) of title 39, United States Code, defining an ''institution of higher education''. **Page S11612**

Joshua Lawrence Chamberlain Post Office Building: Senate passed S. 2153, to designate the United States Post Office building located in Brewer, Maine, as the ''Joshua Lawrence Chamberlain Post Office Building''. **Pages S11612–13**

United States-Cambodia Relations: Senate agreed to S. Res. 285, expressing the sense of the Senate that enforcement of the Cambodian Genocide Justice Act, improvements in Cambodia's record on human rights, the environment, narcotics trafficking and the royal Government of Cambodia's conduct should be among the primary objectives of the United States in its relations with Cambodia, after agreeing to a committee amendment in the nature of a substitute. **Pages S11638–40**

Medicaid Enrollment Waiver: Committee on Finance was discharged from further consideration of H.R. 3871, to waive temporarily the Medicaid enrollment composition rule for certain health maintenance organizations, and the bill was then passed, clearing the measure for the President. **Page S11640**

Alaska Natives Study: Senate passed H.R. 3973, to provide for a study of the recommendations of the Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives, clearing the measure for the President. **Pages S11640–41**

National Shaken Baby Syndrome Awareness Week: Committee on the Judiciary was discharged from further consideration of S. Res. 300, to designate the week of November 3, 1996, as ''National Shaken Baby Syndrome Awareness Week'', and the resolution was then agreed to. **Page S11641**

American Free Enterprise Day: Committee on the Judiciary was discharged from further consideration of S. Res. 291, to designate November 18, 1996, as ''American Free Enterprise Day'', and the resolution was then agreed to. **Pages S11641–42**

CAA Labor-Management Relations: Senate agreed to S. Res. 304, approving certain regulations

to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to employing offices of the Senate and employees of the Senate. **Page S11642**

Congressional Accountability Act Provisions: Committee on Rules and Administration was discharged from further consideration of H. Con. Res. 207, approving certain regulations to implement provisions of the Congressional Accountability Act of 1995 relating to labor-management relations with respect to covered employees, other than employees of the House of Representatives and employees of the Senate, and the resolution was then agreed to. **Page S11642**

Veterans' Health Care Eligibility Reform Act: Committee on Veterans Affairs was discharged from further consideration of H.R. 3118, to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs, to authorize major medical facility construction projects of the Department, and to improve administration of health care by the Department, and the bill was then passed, after agreeing to the following amendment proposed thereto: **Pages S11642–58**

Nickles (for Simpson) Amendment No. 5414, in the nature of substitute. **Pages S11642–58**

Hong Kong Economic and Trade Offices: Senate passed S. 2130, to extend certain privileges, exemptions, and immunities to Hong Kong Economic and Trade Offices. **Pages S11658–59**

Reclamation Recycling and Water Conservation Act: Senate passed H.R. 3660, to make amendments to the Reclamation Wastewater and Groundwater Study and Facilities Act, clearing the bill for the President. **Page S11666**

Propane Education and Research Act: Senate passed H.R. 1514, to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, clearing the bill for the President. **Pages S11666–67**

Uranium Mill Tailings Radiation Control Authorization: Senate passed H.R. 2967, to extend the authorization of the Uranium Mill Tailings Radiation Control Act of 1978, clearing the bill for the President. **Pages S11666–67**

Central Utah Project Completion Act: Senate passed H.R. 1823, to amend the Central Utah Project Completion Act to direct the Secretary of the Interior to allow for prepayment of repayment contracts between the United States and the Central Utah Water Conservancy District dated December 28, 1965, and November 26, 1985, clearing the bill for the President. **Pages S11666–67**

Department of Energy Hydrogen Programs: Senate passed H.R. 4138, to authorize the hydrogen research, development, and demonstration programs of the Department of Energy, clearing the bill for the President. **Page S11667**

Irrigation Project Contract Extension Act: Senate passed S. 1649, to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, after agreeing to committee amendments. **Pages S11667–68**

Marine Mineral Resources Research Act: Senate passed S. 1194, to promote the research, identification, assessment, and exploration of marine mineral resources, after agreeing to a committee amendment in the nature of a substitute. **Pages S11668–69**

Helium Recovery/Disposal: Senate passed H.R. 4168, to amend the Helium Act to authorize the Secretary to enter into agreements with private parties for the recovery and disposal of helium on Federal lands, clearing the measure for the President. **Page S11669**

Energy Policy and Conservation Act Extension: Senate passed H.R. 3868, to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996, after agreeing to the following amendment proposed thereto: **Pages S11669–70**

Lott (for Murkowski) Amendment No. 5415, in the nature of a substitute. **Pages S11669–70**

DOE Standardization Act: Senate passed S. 1874, to amend sections of the Department of Energy Organization Act that are obsolete or inconsistent with other statutes and to repeal a related section of the Federal Energy Administration Act of 1974. **Page S11670**

Health Professions Education Consolidation and Reauthorization Act: Senate passed S. 555, to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health education programs, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S11670–95**

Lott (for Kassebaum) Amendment No. 5416, to make certain modifications. **Pages S11683–95**

Savings in Construction Act: Committee on Commerce, Science, and Transportation was discharged from further consideration of H.R. 2779, to provide for soft-metric conversion, and the bill was then passed, after agreeing to the following amendment proposed thereto: **Pages S11704–07**

Lott (for Burns) Amendment No. 5417, in the nature of a substitute. **Pages S11704–07**

Counting of Electoral Votes: Senate passed S. 2158, to set the time for counting electoral votes. **(See next issue.)**

Convening of the 105th Congress: Senate passed S. 2159, to set the time for the convening of the 105th Congress. **(See next issue.)**

Private Relief: Senate passed H.R. 1031, for the relief of Oscar Salas-Velazquez, clearing the measure for the President. **(See next issue.)**

National Duck Calling Day: Senate agreed to S. Res. 305, to designate Saturday, November 30, 1996, as "National Duck Calling Day". **(See next issue.)**

Transportation Law: Committee on the Judiciary was discharged from further consideration of H.R. 2297, to codify without substantive change laws related to transportation and to improve the United States Code, and the bill was then passed, clearing the measure for the President. **(See next issue.)**

Enrollment Correction: Senate agreed to H. Con. Res. 221, directing the Clerk of the House to make corrections in the enrollment of H.R. 3159. **(See next issue.)**

Travel and Tourism Partnership Act: Senate passed H.R. 2579, to establish the National Tourism Board and the National Tourism Organization to promote international travel and tourism to the United States, clearing the measure for the President. **(See next issue.)**

National Film Preservation Foundation Act: Committee on the Judiciary was discharged from further consideration of H.R. 1734, to reauthorize the National Film Preservation Board, and the bill was then passed, clearing the measure for the President. **(See next issue.)**

Commending Hungary/Romania: Senate agreed to S. Res. 303, commending the Governments of Hungary and Romania on the occasion of the signing of a Treaty of Understanding, Cooperation and Good Neighborliness. **(See next issue.)**

International Broadcasting Technology: Senate passed H.R. 3916, to make available certain Voice of America and Radio Marti multilingual computer readable text and voice recordings, clearing the measure for the President. **(See next issue.)**

Commission on Service Members and Veterans Transition Assistance: Senate passed S. 1711, to amend title 38, United States Code, to improve the benefits programs administered by the Secretary of Veterans Affairs, and to provide for a study of the Federal programs for veterans, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **(See next issue.)**

Nickles (for Simpson) Amendment No. 5418, in the nature of a substitute. **(See next issue.)**

Enrollment Correction: Senate agreed to H. Con. Res. 229, directing the Secretary of the Senate to make corrections in the enrollment of S. 1004. **(See next issue.)**

United States-Estonia Fishery Agreement: Senate passed H.R. 543, to approve a governing international fishery agreement between the United States and the Republic of Estonia, clearing the measure for the President. **(See next issue.)**

Trade Law Corrections: Senate passed H.R. 3815, to make technical corrections and miscellaneous amendments to trade laws, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **(See next issue.)**

Nickles (for Roth) Amendment No. 5419, to add a table of contents and make technical corrections. **(See next issue.)**

Coast Guard Authorizations Conference Report: Senate agreed to the conference report on S. 1004, to authorize appropriations for the United States Coast Guard, clearing the measure for the President. **(See next issue.)**

Fort Peck Rural County Water Supply System: Senate concurred in the amendment of the House to S. 1467, to authorize the construction of the Fort Peck Rural County Water Supply System, to authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, and for the planning, design, and construction of the water supply system, clearing the measure for the President. **(See next issue.)**

Treaties Approved: The following treaties having passed through their various parliamentary stages, up to and including the presentation of the resolution of ratification, upon division, two-thirds of the Senators present and having voted in the affirmative, the resolutions of ratification were agreed to:

Income Tax Convention with Kazakstan, with a proviso. (Treaty Doc. No. 103–33)

Exchange of Notes Relating to the Tax Convention with Kazakstan, with a proviso. (Treaty Doc. No. 104–15)

Taxation Protocol Amending Convention with Indonesia. (Treaty Doc. No. 104–32)

Protocol Amending Article VIII of the 1948 Tax Convention with Respect to the Netherlands Antilles. (Treaty Doc. No. 104–23) **Page S11659**

Committee Authority: Committees were authorized to file special reports on non-legislative matters on Thursday, November 21, 1996, from 10 a.m. until 2 p.m. **(See next issue.)**

Messages From the House: **Pages S11719–20**

Statements on Introduced Bills: **Pages S11720–31**

Additional Cosponsors: **Page S11731**

Amendments Submitted: **Page S11732 (continued next issue)**

Additional Statements: **(See next issue.)**

Adjournment: Senate convened at 10 a.m., and adjourned at 7:08 p.m., until 10 a.m., on Monday, September 30, 1996. (For Senate's program, see the remarks of the Assistant Majority Leader in the next issue of the Record.)

Committee Meetings

No committee meetings were held.

House of Representatives

Chamber Action

Bills Introduced: 55 public bills, H.R. 4274–4328; and 7 resolutions, H.J. Res. 197–198, H. Con. Res. 229–231, and H. Res. 551–552 were introduced. **(See next issue.)**

Reports Filed: Reports were filed as follows:

H.R. 3307, to amend title 5, United States Code, to provide for a limitation on sanctions imposed by agencies, amended (H. Rept. 104–859);

H.R. 2392, to amend the Umatilla Basin Project Act to establish boundaries for irrigation districts within the Umatilla Basin, amended (H. Rept. 104-860);

Federal Government Management: Examining Government Performance As We Near The Next Century (H. Rept. 104-861);

Investigation into the White House and Department of Justice on Security of FBI Background Investigation Files (H. Rept. 104–862);

Conference report on H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997 (H. Rept. 104–863);

Conference report on 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 (H. Rept. 104–864); and

H.R. 2976, to prohibit health plans from interfering with health care provider communications with their patients, amended (H. Rept. 104–865 Part I). **(See next issue.)**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Hastert to act as Speaker pro tempore for today. **Page H11597**

Order of Business: Pursuant to H. Res. 525, the rule providing for expedited procedures for the remainder of the 2nd Session of the 104th Congress:

Representative Walker announced the consideration today of H.R. 3487, H.R. 3163, H.R. 4165, and H.R. 4123. **Page H11603**

Representative Lazio announced the consideration today of H.R. 543, H.R. 4236, H.R. 4264, H.R. 3633, and H.R. 2779. **Page H11603**

Representative Saxton announced the consideration today of H.R. 3632. **Page H11626**

Representative Pryce announced the consideration today of S. 3005 and S. 2003. **Page H11636**

Recess: The House recessed at 9:25 a.m. and reconvened at 12:18 p.m. **Page H11603**

Suspensions: The House voted to suspend the rules and take the following actions:

Metric Conversion: Passed H.R. 4233, to provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects; **Pages H11599–H11602 (continued next issue)**

Metric Conversion: Subsequently, agreed to the Senate amendment to H.R. 2779, to provide for soft-metric conversion—clearing the measure for the President; **(See next issue.)**

Stanislaus County, California Land Conveyance: Passed H.R. 4088, amended, to provide for the conveyance of certain property from the United States to Stanislaus County, California; **Page H11602**

Native American Housing Assistance: Passed H.R. 3219, amended, to provide Federal assistance for Indian tribes in a manner that recognizes the right of tribal self-governance; **Pages H11603–22**

Omnibus Territories Act: Passed H.R. 1332, amended, to establish certain policies and responsibilities with respect to the administration of the Rongelap Resettlement Trust Fund. Motion to reconsider the vote was not agreed to. Agreed to amend the title (agreed to by a yea-and-nay vote of 398 yeas to 5 nays, Roll No. 451);

Pages H11622–26 (continued next issue)

National Marine Sanctuaries: Passed H.R. 543, amended, to approve a governing international fishery agreement between the United States and the Republic of Estonia. Agreed to amend the title.

Pages H11626–28

Canadian Boater Landing: Passed H.R. 4165, amended, to provide for certain changes with respect to requirements for a Canadian boater landing permit pursuant to section 235 of the Immigration and Nationality Act. Agreed to amend the title.

Pages H11629–30

Patient Reviews in Nursing Facilities: Passed H.R. 3632, to amend title XIX of the Social Security Act to repeal the requirement for annual resident review for nursing facilities under the Medicaid program and to require resident reviews for mentally ill or mentally retarded residents when there is a significant change in physical or mental condition;

Pages H11633–35

Omnibus Parks and Public Lands Management: Passed H.R. 4236, amended, to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer. The Clerk was authorized to make technical and conforming changes in the engrossment of the bill. Motion to reconsider the vote was not agreed to (agreed to by a yea-and-nay vote of 404 yeas to 4 nays, Roll No. 453);

(See next issue.)

National Securities Improvement Act: Agreed to the conference report on 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; **(See next issue.)**

Suspension Failed:

Oregon-Washington State Tax: House failed to suspend the rules and pass H.R. 3163, to provide that Oregon may not tax compensation paid to a resident of Washington for services as a Federal employee at a Federal hydroelectric facility located on the Columbia River (failed to pass by a yea-and-nay vote of 199 yeas to 209 nays, Roll No. 452).

Pages H11630–33 (continued next issue)

Recess: The House recessed at 2:16 p.m. and reconvened at 5:00 p.m. **Pages H11635–36**

Unanimous-Consent Consideration: By unanimous consent, the House agreed to consider the following measures:

Enrollment Correction: Agreed to H. Con. Res. 229, directing the Secretary of the Senate to make corrections in the enrollment of S. 1004, to authorize appropriations for fiscal year 1996 for the Coast Guard; **(See next issue.)**

Waiving Enrollment Requirements: Passed H.J. Res. 197, waiving certain enrollment requirements with respect to any bill or joint resolution of the One Hundred Fourth Congress making general or continuing appropriations for fiscal year 1997;

Pages H11636–44 (continued next issue)

Veterans Health Care Reform: Agreed to the Senate amendments to H.R. 3118, to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs—clearing the measure for the President;

(See next issue.)

Veterans Disability Compensation: Agreed to the Senate amendments to H.R. 3458, 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—clearing the measure for the President;

(See next issue.)

Veterans Benefits: Passed 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—clearing the measure for the President;

(See next issue.)

Impact Aid: Passed H.R. 4282, to amend the National Defense Authorization Act for FY 1993 to make a technical correction relating to the provisions of Department of Defense assistance to local educational agencies. **(See next issue.)**

Comprehensive Methamphetamine Control: Passed S. 1965, to prevent the illegal manufacturing and use of methamphetamine—clearing the measure for the President; **(See next issue.)**

Proprietary Economic Information Protection: Agreed to the Senate amendment with an amendment to H.R. 3723, to amend title 18, United States Code, to protect proprietary economic information; **(See next issue.)**

Joshua Lawrence Chamberlain Post Office Building: Passed S. 2153, to designate the United States Post Office building located in Brewer, Maine, as

the "Joshua Lawrence Chamberlain Post Office Building"—clearing the measure for the President;

(See next issue.)

Amos F. Longoria Post Office Building: Agreed to the Senate amendment to H.R. 2700, to designate the United States Post Office building located at 7980 FM 327, Elmendorf, Texas, as the "Amos F. Longoria Post Office Building"—clearing the measure for the President; **(See next issue.)**

Invasive Species Act: H.R. 4283, to provide for ballast water management to prevent the introduction and spread of nonindigenous species into the waters of the United States. The Clerk was authorized to make technical and conforming changes in the engrossment of the bill; **(See next issue.)**

Amendments to Trade Laws: Agreed to Senate amendments to H.R. 3815, to make technical corrections and miscellaneous amendments to trade laws—clearing the measure for the President; and

(See next issue.)

Navajo-Hopi Land Dispute: Passed S. 1973, to provide for the settlement of the Navajo-Hopi land dispute—clearing the measure for the President.

(See next issue.)

Recess: The House recessed at 6:45 p.m. and reconvened at 7:00 p.m. **(See next issue.)**

Bill Returned: House agreed to H. Res. 554, returning to the Senate, H.R. 400, to authorize the Secretary of the Interior to consolidate the surface and subsurface estates of certain lands within 3 conservation system units on the Alaska Peninsula, and the Senate amendment thereto. **(See next issue.)**

Late Report: Committee on Resources received permission to have until 5:00 p.m. on October 11, 1996 to file a report on H.R. 2041, to amend the Organic Act of Guam to provide restitution to the people of Guam who suffered atrocities such as personal injury, forced labor, forced marches, internment, and death during the occupation of Guam in World War II. **(See next issue.)**

Order of Business—Omnibus Consolidated Appropriations: By unanimous consent, the House agreed to consider the conference report to accompany H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, that all points of order against the conference report and against its consideration be waived; that the conference report be considered as read; and that upon adoption of the conference report notwithstanding any rule of the House to the contrary, H.R. 4278, making omnibus consolidated appropriations for the fiscal year ending September 30, 1997, be considered as passed. **(See next issue.)**

DOD Appropriations Conference Report: By a yea-and-nay vote of 370 yeas to 37 nays with 1 voting "present", Roll No. 455, the House agreed to the conference report on H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997.

Pages H11644–H12021 (continued next issue)

Rejected the Coleman motion to recommit the Conference Report to the Committee of Conference.

(See next issue.)

Omnibus Consolidated Appropriations: Pursuant to the unanimous-consent agreement, and upon adoption of the DOD Appropriations Conference Report, H.R. 4278, making omnibus consolidated appropriations for the fiscal year ending September 30, 1997 was considered passed. **(See next issue.)**

Preparation for the Adjournment of the Second Session Sine Die: The House agreed to H. Res. 546, providing for consideration of certain resolutions in preparation for the adjournment of the second session sine die. Agreed to order the previous question by a recorded vote of 223 ayes to 183 noes, Roll No. 454. **(See next issue.)**

Printing of House Rules and Manual: Pursuant to the provisions of H. Res. 546, adopted H. Res. 552, providing for the printing of a revised edition of the House Rules and Manual for the 105th Congress. **(See next issue.)**

Organizational Caucus: Pursuant to the provisions of H. Res. 546, adopted H. Res. 551, providing that any organizational caucus or conference in the House for the 105th Congress may begin on or after November 15, 1996. **(See next issue.)**

Convening Day for the 105th Congress: House passed H.J. Res. 198, appointing the day for the convening of the first session of the One Hundred Fifth Congress and the day for the counting in Congress of the electoral votes for President and Vice President cast in December 1996. **(See next issue.)**

Adjournment Sine Die: Agreed to H. Con. Res. 230, providing for the adjournment of both Houses sine die. **(See next issue.)**

Designation of Speaker Pro Tempore: Read and accepted a letter from the Speaker wherein he designates Representative Morella or Representative Wolf to act as Speaker pro tempore for the remainder of the 104th Congress. **(See next issue.)**

Meeting Hour: Agreed that when the House adjourns today, it adjourn to meet at 2:00 p.m. on Monday, September 30. **(See next issue.)**

Referrals: S. 737 was referred to the Committee on Commerce and S. 2153 was referred to the Committee on Government Reform and Oversight.

(See next issue.)

Senate Messages: Messages received from the Senate appear on pages H11598, H11636 (continued next issue).

Quorum Calls—Votes: Five yea-and-nay votes developed during the proceedings of the House today and will appear in the next issue. There were no quorum calls.

Adjournment: Met at 9:00 a.m. and adjourned at 11:42 p.m.

Committee Meetings

No committee meetings were held.

CONGRESSIONAL PROGRAM AHEAD

Week of September 30 through October 5, 1996

For Congressional Program Ahead, see Congressional Record of Friday, September 27, 1996.

Next Meeting of the SENATE

10 a.m., Monday, September 30

Senate Chamber

Program for Monday: Senate will consider H.R. 4278, Omnibus Continuing Appropriations, conference report on H.R. 3610, DOD Appropriations, conference report on H.R. 1296, Presidio Properties, conference report on H.R. 3539, FAA Authorizations, and any further items cleared for consideration.

Next Meeting of the HOUSE OF REPRESENTATIVES

2 p.m., Monday, September 30

House Chamber

Program for Monday: Conduct routine business prior to adjournment sine die.

Extensions of Remarks, as inserted in this issue

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