Mr. COCHRAN, Mr. DOMENICI, Mr. GREGG, Mr. ABRAHAM, Mr. JEFFORDS, Mr. FAIRCLOTH, Mr. THOMPSON, Mr. COVERDELL, Mr. CHAFEE, Mr. KENNEDY, Mr. DURBIN, Mr. GLENN, Mr. KOHL, Mr. GRAHAM, Mr. BIDEN, Mr. ROBB, Mr. REID, Ms. MOSELEY-BRAUN, Mr. KERRY, Ms. MIKULSKI, Mr. REED, Mr. LEVIN, Mr. HOLLINGS, Mr. INOUYE, Mr. LIEBERMAN, Mrs. BOXER, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mr. WYDEN, Mr. LAUTENBERG, Mrs. MURRAY, Mr. BYRD, Mr. SARBANES, Mr. DODD, and Mr. TORRICELLI):

S. Res. 56. A resolution designating March 25, 1997, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy''; to the Committee on the Judiciary.

By Mr. DORGAN (for himself, Mr. BOND, Mr. BURNS, Mr. CONRAD, Mr. COCHRAN, Mr. CRAIG, Mr. DASCHLE, Mr. GORTON, Mr. KERREY, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mr. SMITH, and Mr. REID):

S. Res. 57. A resolution to support the commemoration of the bicentennial of the Lewis and Clark Expedition; to the Committee on Energy and Natural Resources.

By Mr. ROTH (for himself, Mr. THOMAS, Mr. MACK, and Mr. ROCKEFELLER):

S. Res. 58. A resolution to state the sense of the Senate that the Treaty of Mutual Cooperation and Security Between the United States of America and Japan is essential for furthering the security interests of the United States, Japan, and the countries of the Asia-Pacific region, and that the people of Okinawa deserve recognition for their contributions toward ensuring the Treaty's implementation; to the Committee on Foreign Relations.

STATEMENT ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MOSELEY-BRAUN (for herself and Mrs. MURRAY):

S. 320. A bill to amend the Internal Revenue Code of 1986 to provide comprehensive pension protection for women; to the Committee on Finance.

THE COMPREHENSIVE WOMEN'S PENSION PROTECTION ACT OF 1997

Ms. MOSELEY-BRAUN. Mr. President, I introduce the Comprehensive Women's Pension Protection Act of 1997. At the end of the 104th Congress, Congresswoman KENNELLY and I introduced the Comprehensive Women's Pension Protection Act of 1996. When we introduced that legislation at the end of the last Congress we made a commitment to reintroduce this legislation at the beginning of the 105th Congress and to make women's retirement security a priority in the 105th Congress. Today we are keeping that promise.

The Comprehensive Women's Pension Protection Act of 1997 combines some of the best ideas on women's pension legislation that have come before the House or the Senate and new proposals to increase the security, equity, and accessibility of our pension system.

Many of America's women are facing a retirement without economic security. The majority of the elderly in this country are, and will continue to be, women, and our retirement system is failing them.

Younger women are not earning sufficient pension benefits to provide for their secure retirement. Due to the demands of child rearing and elder care, which often take women out of the workforce for a time, and to lower lifetime earnings due to continuing wage inequities, the average 35-year-old woman with a $50,000 salary must have accumulated retirement savings of $35,000 in order to have a comfortable retirement. A man need only have saved $3,000 by the time he is 35.

Many older women worked in the home or took time off to raise families, and when pension benefits of their own. For many older women too, widowhood or divorce can rob them of their part of their husband's pension benefits. To ensure that the golden years are not the disposable years women need to take charge of their own retirement, but Congress must ensure that the Nation's retirement system enables them to do so.

On May 14, of last year I introduced, and many of my colleagues cosponsored, the Women's Pension Equity Act of 1996, to begin to address one of the leading causes of poverty for the elderly—little or no pension benefits. Less than a third of all female retirees have pensions, and the majority of those that do earn less than $5,000 a year. The lack of pension benefits for many women means the difference between a comfortable retirment and a difficult one. Three of the six provisions of that bill are now law.

This legislation is a continuation of my effort to enact real pension reforms that will allow women to achieve a secure retirement. Since introducing the first of my women's pension equity bills, I have heard from hundreds of women from States across the country about the need for pension policy that allows women to retire with dignity.

Addressing pension issues is an integral part of the solution to women's economic insecurity. In addition, pension issues are critical to our Nation as a whole. In light of the demographic trends facing America, retirement security is increasingly important to the quality of life of all of our citizens. Social Security is the focus of much discussion and debate in Congress and throughout the Nation, and it should be. However, addressing the problems facing Social Security alone will not provide women, or any American, with the tools to create a secure retirement. The intent, from its inception, was that Social Security would provide a floor—a minimum amount of resources for retirement. The average retiree will only have about 40 percent of his or her wages replaced by Social Security.

Clearly, women must take charge of their own retirement and not just rely on Social Security. I have advocated that every woman create her own ''pension eight'' checklist to prepare for economic security. The 8 items that should be on any woman's checklist include: (1) finding out if she is earning or has ever earned a pension; (2) learning if her employer has a pension plan, and how to be eligible for the plan; (3) contributing to a pension plan if she has the chance; (4) not spending pension earnings if given a one-time payment when leaving a job: (5) if married, finding out if her husband has a pension; (6) not signing away a future right to her husband's pension if he dies; (7) during a divorce, considering the pension as a valuable, jointly earned asset to be divided; and (8) finding out about pension rights and fighting for them.

Even when women take charge of their own retirement, however, they can face a brick wall of pension law that prevents them from investing enough for their future. Pension laws were not written to reflect the patterns of women's work or women's lives. Women are more likely to move in and out of the workforce, work at home, earn less for the work they do, and work in low paying industries. These factors limit our ability to access or accrue pension benefits. Women are also more likely to be widowed or divorced, live alone, and live longer in their retirement years, leaving them without adequate coverage.

This bill, which is also being introduced in the House of Representatives today by Congresswoman KENNELLY, a long-time champion of women's pension rights, addresses the range of concerns that women face as they consider retirement.

This legislation preserves women's pensions by ending the practice of integration by the year 2004, the practice whereby pension benefits are reduced by a portion of Social Security benefits. It provides for the automatic division of pensions upon divorce if the divorce decree is silent on pension benefits. It allows a widow or divorced widow to collect her husband's civil service pension if he leaves his job and dies before collecting benefits. And it continue the payment of court ordered Tier II railroad retirement benefits to a divorced widow.

This legislation protects women's pensions by prohibiting 401(k) plans, the fastest growing type of plans in the country, from investing employee contributions in the company's own stock. It requires annual benefits statements for plan participants. And it applies spousal consent rules governing pension fund withdrawals to 401(k) plans.

This legislation helps prepare women for retirement by creating a women's pension hotline, providing a real opportunity for women to get answers to their questions.

By preserving and protecting women's pensions, we in Congress can provide women with the tools they need to prepare for their own retirement. By reintroducing this legislation today we are giving notice that pension policy will be at the top of the agenda for the 105th Congress.

Pension policy decisions will determine, in no small part, the kind of life Americans will live in their older

years. With a baby boomer turning 50 every 9 seconds, we cannot ignore the problems facing people as they grow older. Now, more than ever, all Americans need to consider the role that pensions play in determining the kind of life every American will lead. We look forward to being joined, on a bipartisan basis, by all of our colleagues in the fight for pension equity.

Senator MURRAY joins me today in introducing the Comprehensive Women's Pension Protection Act of 1997. Mr. President, I ask unanimous consent that a summary of the bill and a copy of the legislation be printed in the RECORD.

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

S. 320

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 ''Comprehensive Women's Pension Protection Act of 1997''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title.

TITLE I—PENSION REFORM

Sec. 101. Pension integration rules.
Sec. 102. Application of minimum coverage requirements with respect to separate lines of business.
Sec. 103. Division of pension benefits upon divorce.
Sec. 104. Clarification of continued availability of remedies relating to matters treated in domestic relations orders entered before 1985.
Sec. 105. Entitlement of divorced spouses to railroad retirement annuities independent of actual entitlement of employee.
Sec. 106. Effective dates.

TITLE II—PROTECTION OF RIGHTS OF FORMER SPOUSES TO PENSION BENEFITS UNDER CERTAIN GOVERNMENT AND GOVERNMENT-SPONSORED RETIREMENT PROGRAMS

Sec. 201. Extension of tier II railroad retirement benefits to surviving former spouses pursuant to divorce agreements.
Sec. 202. Survivor annuities for widows, widowers, and former spouses of Federal employees who die before attaining age for deferred annuity under civil service retirement system.
Sec. 203. Court orders relating to Federal retirement benefits for former spouses of Federal employees.

TITLE III—REFORMS RELATED TO 401(K) PLANS

Sec. 301. Requirement of annual, detailed investment reports applied to certain 401(k) plans.
Sec. 302. Section 401(k) investment protection.

TITLE IV—MODIFICATIONS OF JOINT AND SURVIVOR ANNUITY REQUIREMENTS

Sec. 401. Modifications of joint and survivor annuity requirements.

TITLE V—SPOUSAL CONSENT REQUIRED FOR DISTRIBUTIONS FROM SECTION 401(K) PLANS

Sec. 501. Spousal consent required for distributions from section 401(k) plans.

TITLE VI—WOMEN'S PENSION TOLL-FREE PHONE NUMBER

Sec. 601. Women's pension toll-free phone number.

TITLE VII—PERIODIC PENSION BENEFITS STATEMENTS

Sec. 701. Periodic pension benefits statements.

TITLE I—PENSION REFORM

SEC. 101. PENSION INTEGRATION RULES.

(a) APPLICABILITY OF NEW INTEGRATION RULES EXTENDED TO ALL EXISTING ACCRUED BENEFITS.—Notwithstanding subsection (c)(1) of section 1111 of the Tax Reform Act of 1986 (relating to effective date of application of nondiscrimination rules to integrated plans) (100 Stat. 2440), effective for plan years beginning after the date of the enactment of this Act, the amendments made by subsection (a) of such section 1111 shall also apply to benefits attributable to plan years beginning on or before December 31, 1988.

(b) INTEGRATION DISALLOWED FOR SIMPLIFIED EMPLOYEE PENSIONS.—

(1) IN GENERAL.—Subparagraph (D) of section 408(k)(3) of the Internal Revenue Code of 1986 (relating to permitted disparity under rules limiting discrimination under simplified employee pensions) is repealed.

(2) CONFORMING AMENDMENT.—Subparagraph (C) of such section 408(k)(3) is amended by striking ''and except as provided in subparagraph (D),''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to taxable years beginning on or after January 1, 1998.

(c) EVENTUAL REPEAL OF INTEGRATION RULES.—Effective for plan years beginning on or after January 1, 2004—

(1) subparagraphs (C) and (D) of section 401(a)(5) of the Internal Revenue Code of 1986 (relating to pension integration exceptions under nondiscrimination requirements for qualification) are repealed, and subparagraph (E) of such section 401(a)(5) is redesignated as subparagraph (C); and

(2) subsection (*l*) of section 401 of such Code (relating to nondiscriminatory coordination of defined contribution plans with OASDI) is repealed.

SEC. 102. APPLICATION OF MINIMUM COVERAGE REQUIREMENTS WITH RESPECT TO SEPARATE LINES OF BUSINESS.

(a) IN GENERAL.—Subsection (b) of section 410 of the Internal Revenue Code of 1986 (relating to minimum coverage requirements) is amended—

(1) in paragraph (1), by striking ''A trust'' and inserting ''In any case in which the employer with respect to a plan is treated, under section 414(r), as operating separate lines of business for a plan year, a trust'', and by inserting ''for such plan year'' after ''requirements''; and

(2) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULE WHERE EMPLOYER OPERATES SINGLE LINE OF BUSINESS.—In any case in which the employer with respect to a plan is not treated, under section 414(r), as operating separate lines of business for a plan year, a trust shall not constitute a qualified trust under section 401(a) unless such trust is designated by the employer as part of a plan which benefits all employees of the employer.''.

(b) LIMITATION ON LINE OF BUSINESS EXCEPTION.—Paragraph (6) of section 410(b) of such Code (as redesignated by subsection (a)(2) of this section) is amended by inserting ''other than paragraph (1)(A)'' after ''this subsection''.

SEC. 103. DIVISION OF PENSION BENEFITS UPON DIVORCE.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—Paragraph (1) of section 414(p) of the Internal Revenue Code of 1986 (relating to qualified domestic relations order defined) is amended by adding at the end the following new subparagraph:

''(C) DEEMED DOMESTIC RELATIONS ORDER UPON DIVORCE.—

''(i) IN GENERAL.—Except as provided in clause (iv), a domestic relations order with respect to a marriage of at least 5 years duration between the participant and the former spouse (including an annulment or other order of marital dissolution) shall, if the former spouse, within 60 days after the receipt of notice under paragraph (6)(B)(i)(II), so elects, be deemed by the plan to be a domestic relations order that specifies that 50 percent of the marital share of the participant's accrued benefit is to be provided to such former spouse.

''(ii) MARITAL SHARE.—The marital share shall be the accrued benefit of the participant under the plan as of the date of the first payment under the plan (to the extent such accrued benefit is vested at the date of the divorce or any later date) multiplied by a fraction, the numerator of which is the period of participation by the participant under the plan starting with the date of marriage and ending with the date of divorce, and the denominator of which is the total period of participation by the participant under the plan.

''(iii) INTERPRETATION AS QUALIFIED DOMESTIC RELATIONS ORDER.—Each plan shall establish reasonable rules for determining how any such deemed domestic relations order is to be interpreted under the plan so as to constitute a qualified domestic relations order that satisfies paragraphs (2) through (4) (and a copy of such rules shall be provided to such former spouse promptly after delivery of the divorce decree). Such rules—

''(I) may delay the effect of such an order until the earlier of the date the participant is fully vested or has terminated employment,

''(II) may allow the former spouse to be paid out immediately,

''(III) shall permit the former spouse to be paid not later than the earliest retirement age under the plan or the participant's death,

''(IV) may require the submitter of the divorce decree to present a marriage certificate or other evidence of the marriage date to assist in benefit calculations, and

''(V) may conform to the rules applicable to qualified domestic relations orders regarding form or type of benefit.

''(iv) APPLICATION.—This subparagraph shall not apply—

''(I) if the domestic relations order states that pension benefits were considered by the parties and no division is intended, or

''(II) to the extent that a qualified domestic relations order issued in connection with such divorce provides otherwise.''.

(2) NOTIFICATION PROCEDURES.—Section 414(p)(6) of such Code (relating to plan procedures with respect to orders) is amended by striking subparagraph (A), by redesignating subparagraph (B) as subparagraph (C), and by inserting before subparagraph (C) (as so redesignated) the following new subparagraphs:

''(A) NOTICE AND DETERMINATION BY ADMINISTRATOR.—In the case of any domestic relations order received by a plan, including such an order received under subparagraph (B) or section 4980B(f)(6)(C)—

''(i) within 14 days after receipt of such order, the plan administrator shall—

''(I) notify the participant and each alternate payee of the receipt of such order and the plan's procedures for determining the qualified status of domestic relation orders, and

''(II) notify the former spouse of such former spouse's rights under paragraph (1)(C), and

''(ii) within a reasonable period after receipt of such order, the plan administrator shall determine whether such order is a qualified domestic relations order and notify the participant and each alternate payee of such determination.

''(B) NOTIFICATION OF PLAN ADMINISTRATOR.—In the case of a domestic relations order which is not a qualified domestic relations order, each plan—

''(i) shall require that each participant is responsible for notifying the plan administrator of the occurrence of a divorce of the participant from the former spouse and for delivery to the plan administrator of the domestic relations order along with the information required by paragraph (2)(A) within 60 days after the date of the divorce, and

''(ii) shall allow a former spouse to so notify the plan administrator and deliver to the plan administrator the domestic relations order within 60 days after the date of the divorce.''.

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—Subsection (d)(3)(B) of section 206 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056) is amended—

(A) by striking ''this paragraph—'' and inserting ''this paragraph:'',

(B) in clause (i)—

(i) by striking ''the term'' and inserting ''The term'', and

(ii) by striking ''met, and'' and inserting ''met.'',

(C) in clause (ii), by striking ''the term'' and inserting ''The term'', and

(D) by adding at the end the following new clause:

''(iii)(I) Except as provided on subclause (IV), a domestic relations order with respect to a marriage of at least 5 years duration between the participant and the former spouse (including an annulment or other order of marital dissolution) shall, if the former spouse, within 60 days after the receipt of notice under subparagraph (G)(ii)(I)(bb), so elects, be deemed by the plan to be a domestic relations order that specifies that 50 percent of the marital share of the participant's accrued benefit is to be provided to such former spouse.

''(II) The marital share shall be the accrued benefit of the participant under the plan as of the date of the first payment under the plan (to the extent such accrued benefit is vested at the date of the divorce or any later date) multiplied by a fraction, the numerator of which is the period of participation by the participant under the plan starting with the date of marriage and ending with the date of divorce, and the denominator of which is the total period of participation by the participant under the plan.

''(III) Each plan shall establish reasonable rules for determining how any such deemed domestic relations order is to be interpreted under the plan so as to constitute a qualified domestic relations order that satisfies subparagraphs (C) through (E) (and a copy of such rules shall be provided to such former spouse promptly after delivery of the divorce decree). Such rules—

''(aa) may delay the effect of such an order until the earlier of the date the participant is fully vested or has terminated employment,

''(bb) may allow the former spouse to be paid out immediately,

''(cc) shall permit the spouse to be paid not later than the earliest retirement age under the plan or the participant's death,

''(dd) may require the submitter of the divorce decree to present a marriage certificate or other evidence of the marriage date to assist in benefit calculations, and

''(ee) may conform to the rules applicable to qualified domestic relations orders regarding form or type of benefit.

''(IV) This clause shall not apply—

''(aa) if the domestic relations order states that pension benefits were considered by the parties and no division is intended, or

''(bb) to the extent that a qualified domestic relations order issued in connection with such divorce provides otherwise.''.

(2) NOTIFICATION PROCEDURES.—Section 206(d)(3)(G) of such Act (29 U.S.C. 1056(d)(3)(G)) is amended by striking all matter before clause (ii), by redesignating clause (ii) as clause (iii), and by inserting before clause (iii) (as so redesignated) the following:

''(G)(i) In the case of any domestic relations order received by a plan, including such an order received under clause (ii) or section 606(a)(3)—

''(I) within 14 days after receipt of such order, the plan administrator shall—

''(aa) notify the participant and each alternate payee of the receipt of such order and the plan's procedures for determining the qualified status of domestic relation orders, and

''(bb) notify the former spouse of such former spouse's rights under subparagraph (B)(iii), and

''(II) within a reasonable period after receipt of such order, the plan administrator shall determine whether such order is a qualified domestic relations order and notify the participant and each alternate payee of such determination.

''(ii) In the case of a domestic relations order which is not a qualified domestic relations order, each plan—

''(I) shall require that each participant is responsible for notifying the plan administrator of the occurrence of a divorce of the participant from the former spouse and for delivery to the plan administrator of the domestic relations order along with the information required by subparagraph (C)(i) within 60 days after the date of the divorce, and

''(II) shall allow a former spouse to so notify the plan administrator and deliver to the plan administrator the domestic relations order within 60 days after the date of the divorce.''.

SEC. 104. CLARIFICATION OF CONTINUED AVAILABILITY OF REMEDIES RELATING TO MATTERS TREATED IN DOMESTIC RELATIONS ORDERS ENTERED BEFORE 1985.

(a) IN GENERAL.—In any case in which—

(1) under a prior domestic relations order entered before January 1, 1985, in an action for divorce—

(A) the right of a spouse under a pension plan to an accrued benefit under such plan was not divided between spouses,

(B) any right of a spouse with respect to such an accrued benefit was waived without the informed consent of such spouse, or

(C) the right of a spouse as a participant under a pension plan to an accrued benefit under such plan was divided so that the other spouse received less than such other spouse's pro rata share of the accrued benefit under the plan, or

(2) a court of competent jurisdiction determines that any further action is appropriate with respect to any matter to which a prior domestic relations order entered before such date applies,

nothing in the provisions of section 104, 204, or 303 of the Retirement Equity Act of 1984 (Public Law 98–397) or the amendments made thereby shall be construed to require or permit the treatment, for purposes of such provisions, of a domestic relations order, which is entered on or after the date of the enactment of this Act and which supersedes, amends the terms of, or otherwise affects such prior domestic relations order, as other than a qualified domestic relations order solely because such prior domestic relations order was entered before January 1, 1985.

(b) DEFINITIONS.—For purposes of this section—

(1) IN GENERAL.—Terms used in this section which are defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002) shall have the meanings provided such terms by such section.

(2) PRO RATA SHARE.—The term ''pro rata share'' of a spouse means, in connection with an accrued benefit under a pension plan, 50 percent of the product derived by multiplying—

(A) the actuarial present value of the accrued benefit, by

(B) a fraction—

(i) the numerator of which is the period of time, during the marriage between the spouse and the participant in the plan, which constitutes creditable service by the participant under the plan, and

(ii) the denominator of which is the total period of time which constitutes creditable service by the participant under the plan.

(3) PLAN.—All pension plans in which a person has been a participant shall be treated as one plan with respect to such person.

SEC. 105. ENTITLEMENT OF DIVORCED SPOUSES TO RAILROAD RETIREMENT ANNUITIES INDEPENDENT OF ACTUAL ENTITLEMENT OF EMPLOYEE.

Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended—

(1) in subsection (c)(4)(i), by striking ''(A) is entitled to an annuity under subsection (a)(1) and (B)''; and

(2) in subsection (e)(5), by striking ''or divorced wife'' the second place it appears.

SEC. 106. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title, other than section 101, shall apply with respect to plan years beginning on or after January 1, 1998, and the amendments made by section 103 shall apply only with respect to divorces becoming final in such plan years.

(b) SPECIAL RULE FOR COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this Act, subsection (a) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for ''January 1, 1998'' the date of the commencement of the first plan year beginning on or after the earlier of—

(1) the later of—

(A) January 1, 1999, or

(B) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after the date of the enactment of this Act), or

(2) January 1, 2000.

(c) PLAN AMENDMENTS.—If any amendment made by this title requires an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after January 1, 2000, if—

(1) during the period after such amendment made by this title takes effect and before such first plan year, the plan is operated in accordance with the requirements of such amendment made by this title, and

(2) such plan amendment applies retroactively to the period after such amendment

made by this title takes effect and such first plan year.

A plan shall not be treated as failing to provide definitely determinable benefits or contributions, or to be operated in accordance with the provisions of the plan, merely because it operates in accordance with this subsection.

TITLE II—PROTECTION OF RIGHTS OF FORMER SPOUSES TO PENSION BENEFITS UNDER CERTAIN GOVERNMENT AND GOVERNMENT-SPONSORED RETIREMENT PROGRAMS

SEC. 201. EXTENSION OF TIER II RAILROAD RETIREMENT BENEFITS TO SURVIVING FORMER SPOUSES PURSUANT TO DIVORCE AGREEMENTS.

(a) IN GENERAL.—Section 5 of the Railroad Retirement Act of 1974 (45 U.S.C. 231d) is amended by adding at the end the following new subsection:

''(d) Notwithstanding any other provision of law, the payment of any portion of an annuity computed under section 3(b) to a surviving former spouse in accordance with a court decree of divorce, annulment, or legal separation or the terms of any court-approved property settlement incident to any such court decree shall not be terminated upon the death of the individual who performed the service with respect to which such annuity is so computed unless such termination is otherwise required by the terms of such court decree.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 202. SURVIVOR ANNUITIES FOR WIDOWS, WIDOWERS, AND FORMER SPOUSES OF FEDERAL EMPLOYEES WHO DIE BEFORE ATTAINING AGE FOR DEFERRED ANNUITY UNDER CIVIL SERVICE RETIREMENT SYSTEM.

(a) BENEFITS FOR WIDOW OR WIDOWER.—Section 8341(f) of title 5, United States Code, is amended—

(1) in the matter preceding paragraph (1) by—

(A) by inserting ''a former employee separated from the service with title to deferred annuity from the Fund dies before having established a valid claim for annuity and is survived by a spouse, or if'' before ''a Member''; and

(B) by inserting ''of such former employee or Member'' after ''the surviving spouse'';

(2) in paragraph (1)—

(A) by inserting ''former employee or'' before ''Member commencing''; and

(B) by inserting ''former employee or'' before ''Member dies''; and

(3) in the undesignated sentence following paragraph (2)—

(A) in the matter preceding subparagraph (A) by inserting ''former employee or'' before ''Member''; and

(B) in subparagraph (B) by inserting ''former employee or'' before ''Member''.

(b) BENEFITS FOR FORMER SPOUSE.—Section 8341(h) of title 5, United States Code, is amended—

(1) in paragraph (1) by adding after the first sentence ''Subject to paragraphs (2) through (5) of this subsection, a former spouse of a former employee who dies after having separated from the service with title to a deferred annuity under section 8338(a) but before having established a valid claim for annuity is entitled to a survivor annuity under this subsection, if and to the extent expressly provided for in an election under section 8339(j)(3) of this title, or in the terms of any decree of divorce or annulment or any court order or court-approved property settlement agreement incident to such decree.''; and

(2) in paragraph (2)—

(A) in subparagraph (A)(ii) by striking ''or annuitant,'' and inserting ''annuitant, or former employee''; and

(B) in subparagraph (B)(iii) by inserting ''former employee or'' before ''Member''.

(c) PROTECTION OF SURVIVOR BENEFIT RIGHTS.—Section 8339(j)(3) of title 5, United States Code, is amended by inserting at the end the following:

''The Office shall provide by regulation for the application of this subsection to the widow, widower, or surviving former spouse of a former employee who dies after having separated from the service with title to a deferred annuity under section 8338(a) but before having established a valid claim for annuity.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply only in the case of a former employee who dies on or after such date.

SEC. 203. COURT ORDERS RELATING TO FEDERAL RETIREMENT BENEFITS FOR FORMER SPOUSES OF FEDERAL EMPLOYEES.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—

(1) IN GENERAL.—Section 8345(j) of title 5, United States Code, is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

''(3) Payment to a person under a court decree, court order, property settlement, or similar process referred to under paragraph (1) shall include payment to a former spouse of the employee, Member, or annuitant.''.

(2) LUMP-SUM BENEFITS.—Section 8342 of title 5, United States Code, is amended—

(A) in subsection (c) by striking ''Lump-sum benefits'' and inserting ''Subject to subsection (j), lump-sum benefits''; and

(B) in subsection (j)(1) by striking ''the lump-sum credit under subsection (a) of this section'' and inserting ''any lump-sum credit or lump-sum benefit under this section''.

(b) FEDERAL EMPLOYEES RETIREMENT SYSTEM.—Section 8467 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) Payment to a person under a court decree, court order, property settlement, or similar process referred to under subsection (a) shall include payment to a former spouse of the employee, Member, or annuitant.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE III—REFORMS RELATED TO 401(K) PLANS

SEC. 301. REQUIREMENT OF ANNUAL, DETAILED INVESTMENT REPORTS APPLIED TO CERTAIN 401(k) PLANS.

(a) IN GENERAL.—Section 104(b)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(b)(3)) is amended—

(1) by inserting ''(A)'' after ''(3)''; and

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

''(B)(i) If a plan includes a qualified cash or deferred arrangement (as defined in section 401(k)(2) of the Internal Revenue Code of 1986) and is maintained by an employer with less than 100 participants, the administrators shall furnish to each participant and to each beneficiary receiving benefits under the plan an annual investment report detailing such information as the Secretary by regulation shall require.

''(ii) Clause (i) shall not apply with respect to any participant described in section 404(c).''.

(b) REGULATIONS.—

(1) IN GENERAL.—The Secretary of Labor, in prescribing regulations required under section 104(b)(3)(B)(i) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1023(b)(3)(B)(i)), as added by subsection (a), shall consider including in the information required in an annual investment report the following:

(A) Total plan assets and liabilities as of the beginning and ending of the plan year.

(B) Plan income and expenses and contributions made and benefits paid for the plan year.

(C) Any transaction between the plan and the employer, any fiduciary, or any 10-percent owner during the plan year, including the acquisition of any employer security or employer real property.

(D) Any noncash contributions made to or purchases of nonpublicly traded securities made by the plan during the plan year without an appraisal by an independent third party.

(2) ELECTRONIC TRANSFER.—The Secretary of Labor in prescribing such regulations shall also make provision for the electronic transfer of the required annual investment report by a plan administrator to plan participants and beneficiaries.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after the date of the enactment of this Act.

SEC. 302. SECTION 401(k) INVESTMENT PROTECTION.

(a) LIMITATIONS ON INVESTMENT IN EMPLOYER SECURITIES AND EMPLOYER REAL PROPERTY BY CASH OR DEFERRED ARRANGEMENTS.—Paragraph (3) of section 407(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1107(d)) is amended by adding at the end the following new subparagraph:

''(D) The term 'eligible individual account plan' does not include that portion of an individual account plan that consists of elective deferrals (as defined in section 402(g)(3) of the Internal Revenue Code of 1986) pursuant to a qualified cash or deferred arrangement as defined in section 401(k) of the Internal Revenue Code of 1986 (and earnings thereon), if such elective deferrals (or earnings thereon) are required to be invested in qualifying employer securities or qualifying employer real property or both pursuant to the documents and instruments governing the plan or at the direction of a person other than the participant (or the participant's beneficiary) on whose behalf such elective deferrals are made to the plan. For the purposes of subsection (a), such portion shall be treated as a separate plan. This subparagraph shall not apply to an individual account plan if the fair market value of the assets of all individual account plans maintained by the employer equals not more than 10 percent of the fair market value of the assets of all pension plans maintained by the employer.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TRANSITION RULE FOR PLANS HOLDING EXCESS SECURITIES OR PROPERTY.—

(A) IN GENERAL.—In the case of a plan which on the date of the enactment of this Act, has holdings of employer securities and employer real property (as defined in section 407(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1107(d)) in excess of the amount specified in such section 407, the amendment made by this section applies to any acquisition of such securities and property on or after such date, but does not apply to the specific holdings which constitute such excess during the period of such excess.

(B) SPECIAL RULE FOR CERTAIN ACQUISITIONS.—Employer securities and employer real property acquired pursuant to a binding written contract to acquire such securities and real property entered into and in effect on the date of the enactment of this Act, shall be treated as acquired immediately before such date.

TITLE IV—MODIFICATIONS OF JOINT AND SURVIVOR ANNUITY REQUIREMENTS

SEC. 401. MODIFICATIONS OF JOINT AND SURVIVOR ANNUITY REQUIREMENTS.

(a) AMENDMENTS TO ERISA.—

(1) AMOUNT OF ANNUITY.—

(A) IN GENERAL.—Paragraph (1) of section 205(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(a)) is amended by inserting ''or, at the election of the participant, shall be provided in the form of a qualified joint and ⅔ survivor annuity'' after ''survivor annuity,''.

(B) DEFINITION.—Subsection (d) of section 205 of such Act (29 U.S.C. 1055) is amended—

(i) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(ii) by inserting ''(1)'' after ''(d)'', and

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

''(2) For purposes of this section, the term ''qualified joint and ⅔ survivor annuity'' means an annuity—

''(A) for the participant while both the participant and the spouse are alive with a survivor annuity for the life of surviving individual (either the participant or the spouse) equal to 67 percent of the amount of the annuity which is payable to the participant while both the participant and the spouse are alive,

''(B) which is the actuarial equivalent of a single annuity for the life of the participant, and

''(C) which, for all other purposes of this Act, is treated as a qualified joint and survivor annuity.''.

(2) ILLUSTRATION REQUIREMENT.—Clause (i) of section 205(c)(3)(A) of such Act (29 U.S.C. 1055(c)(3)(A)) is amended to read as follows:

''(i) the terms and conditions of each qualified joint and survivor annuity and qualified joint and ⅔ survivor annuity offered, accompanied by an illustration of the benefits under each such annuity for the particular participant and spouse and an acknowledgement form to be signed by the participant and the spouse that they have read and considered the illustration before any form of retirement benefit is chosen,''.

(b) AMENDMENTS TO INTERNAL REVENUE CODE.—

(1) AMOUNT OF ANNUITY.—

(A) IN GENERAL.—Clause (i) of section 401(a)(11)(A) of the Internal Revenue Code of 1986 (relating to requirement of joint and survivor annuity and preretirement survivor annuity) is amended by inserting ''or, at the election of the participant, shall be provided in the form of a qualified joint and ⅔ survivor annuity'' after ''survivor annuity,''.

(B) DEFINITION.—Section 417 of such Code (relating to definitions and special rules for purposes of minimum survivor annuity requirements) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) DEFINITION OF QUALIFIED JOINT AND ⅔ SURVIVOR ANNUITY.—For purposes of this section and section 401(a)(11), the term ''qualified joint and ⅔ survivor annuity'' means an annuity—

''(1) for the participant while both the participant and the spouse are alive with a survivor annuity for the life of surviving individual (either the participant or the spouse) equal to 67 percent of the amount of the annuity which is payable to the participant while both the participant and the spouse are alive,

''(2) which is the actuarial equivalent of a single annuity for the life of the participant, and

''(3) which, for all other purposes of this title, is treated as a qualified joint and survivor annuity.''.

(2) ILLUSTRATION REQUIREMENT.—Clause (i) of section 417(a)(3)(A) of such Code (relating to explanation of joint and survivor annuity) is amended to read as follows:

''(i) the terms and conditions of each qualified joint and survivor annuity and qualified joint and ⅔ survivor annuity offered, accompanied by an illustration of the benefits under each such annuity for the particular participant and spouse and an acknowledgement form to be signed by the participant and the spouse that they have read and considered the illustration before any form of retirement benefit is chosen,''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning on or after January 1, 1998.

(2) SPECIAL RULE FOR COLLECTIVELY BARGAINED PLANS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of enactment of this Act, the amendments made by this section shall apply to the first plan year beginning on or after the earlier of—

(A) the later of—

(i) January 1, 1999, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after the date of enactment of this Act), or

(B) January 1, 2000.

(3) PLAN AMENDMENTS.—If any amendment made by this section requires an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after January 1, 2000, if—

(A) during the period after such amendment made by this section takes effect and before such first plan year, the plan is operated in accordance with the requirements of such amendment made by this section, and

(B) such plan amendment applies retroactively to the period after such amendment made by this section takes effect and such first plan year.

A plan shall not be treated as failing to provide definitely determinable benefits or contributions, or to be operated in accordance with the provisions of the plan, merely because it operates in accordance with this paragraph.

TITLE V—SPOUSAL CONSENT REQUIRED FOR DISTRIBUTIONS FROM SECTION 401(k) PLANS

SEC. 501. SPOUSAL CONSENT REQUIRED FOR DISTRIBUTIONS FROM SECTION 401(k) PLANS.

(a) IN GENERAL.—Paragraph (2) of section 401(k) of the Internal Revenue Code of 1986 (defining qualified cash or deferred arrangement) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) which provides that no distribution may be made unless—

''(i) the spouse of the employee (if any) consents in writing (during the 90-day period ending on the date of the distribution) to such distribution, and

''(ii) requirements comparable to the requirements of section 417(a)(2) are met with respect to such consent.''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions in plan years beginning on or after January 1, 1998.

TITLE VI—WOMEN'S PENSION TOLL-FREE PHONE NUMBER

SEC. 601. WOMEN'S PENSION TOLL-FREE PHONE NUMBER.

(a) IN GENERAL.—The Secretary of Labor shall contract with an independent organization to create a women's pension toll-free telephone number and contact to serve as—

(1) a resource for women on pension questions and issues;

(2) a source for referrals to appropriate agencies; and

(3) a source for printed information.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $500,000 for each of the fiscal years 1998, 1998, 2000, and 2001 to carry out subsection (a).

TITLE VII—PERIODIC PENSION BENEFITS STATEMENTS

SEC. 701. PERIODIC PENSION BENEFITS STATEMENTS.

(a) IN GENERAL.—Subsection (a) of section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025) is amended by striking ''shall furnish to any plan participant or beneficiary who so requests in writing,'' and inserting ''shall furnish at least once every 3 years, in the case of a defined benefit plan, and annually, in the case of a defined contribution plan, to each plan participant, and shall furnish to any plan participant or beneficiary who so requests,''.

(b) RULE FOR MULTIEMPLOYER PLANS.—Subsection (d) of section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025) is amended to read as follows:

''(d) Each administrator of a plan to which more than 1 unaffiliated employer is required to contribute shall furnish to any plan participant or beneficiary who so requests in writing, a statement described in subsection (a).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after the earlier of—

(1) the date of issuance by the Secretary of Labor of regulations providing guidance for simplifying defined benefit plan calculations with respect to the information required under section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025), or

(2) December 31, 1997.

COMPREHENSIVE WOMEN'S PENSION PROTECTION ACT OF 1997

Section-by-Section Summary

SECTION 101—INTEGRATION

Problem—Social Security integration is a little known, but potentially devastating mechanism whereby employers can reduce a portion of employer-provided pension benefits by the amount of Social Security to which an employee is entitled. The Tax Reform Act of 1986 limited integration so as to guarantee a minimum level of benefits, but the formula only applied to benefits accrued in plan years beginning after December 31, 1998. Low wage workers are disproportionately affected by integration and are often left with minimal benefits.

Solution—Apply the integration limitations of Tax Reform Act of 1986 to all plan years prior to 1988, thereby minimizing integration for low and moderate wage workers. In addition, eliminate integration entirely for plan years beginning on or after January 1, 2004. The lag between enactment and 2004 is designed to be a transition period for employers. No integration would be permissible for Simplied Employee Pensions for taxable years beginning after January 1, 1998.

SECTION 102—APPLICATION OF MINIMUM COVERAGE REQUIREMENTS WITH RESPECT TO SEPARATE LINES OF BUSINESS

Problem—Current law allows companies with several lines of business to deny a substantial percentage of employees pension coverage. The employees denied coverage are disproportionately low-wage workers.

Solution—Requires that all employees within a single line of business be provided pension coverage to the extent the employer provides coverage and the employee meets other statutory requirements such as minimum age and hours.

SECTION 103—DIVISION OF PENSION BENEFITS UPON DIVORCE

Problem—Pension assets are often overlooked in divorce even though they can be a couple's most valuable asset.

Solution—Using COBRA as a model for the process, provide for an automatic division of defined benefit pension benefits earned during the marriage upon divorce, provided that the couple has been married for five years. The employee would notify his or her employer of a divorce. The employer would then send a letter to the ex-spouse informing him or her that he or she may be entitled to half of the pension earned while the couple was married. The ex-spouse would then have 60 days, as under COBRA, to contact the employer and determine eligibility. If a Qualified Domestic Relations Order (QDRO) dealt with the pension benefits, then this provision would not apply.

SECTION 104—CLARIFICATION OF CONTINUED AVAILABILITY OF REMEDIES RELATING TO MATTERS TREATED IN DOMESTIC RELATIONS ORDERS ENTERED INTO BEFORE 1985

Problem—In response to both the greater propensity of women to spend their retirement years in poverty and the fact that women were much less likely to earn private pension rights based on their own work history, the Retirement Equity Act of 1984 gave the wife the right to a share of her husband's pension assets in the case of divorce. This law only applied to divorces entered into after January 1, 1985.

Solution—Where a divorce occurred prior to 1985, allow the Qualified Domestic Relations Order (QDRO) to be reopened to provide for the division of pension assets pursuant to a court order.

SECTION 105—ENTITLEMENT OF DIVORCED SPOUSES TO RAILROAD RETIREMENT ANNUITIES INDEPENDENT OF ACTUAL ENTITLEMENT OF EMPLOYEE

Problem—Under the Railroad Retirement System a divorced wife is automatically entitled to 50% of her husband's pension under Tier I benefits as long as four conditions are met: 1) the divorced wife and her husband must both be at least 62 years old; 2) the couple must have been married for at least 10 consecutive years; 3) she must not have remarried when she applies; and 4) her former husband must have started collecting his own railroad retirement benefits. There have been situations where a former husband has delayed collection of benefits so as to deny the former wife benefits.

Solution—Eliminate the requirement that the former husband has started collecting his own railroad retirement benefits.

SECTION 201—EXTENSION OF TIER II RAILROAD RETIREMENT BENEFITS TO SURVIVING FORMER SPOUSES PURSUANT TO DIVORCE AGREEMENTS

Problem—The Tier I benefits under the Railroad Retirement Board take the place of social security. The Tier II benefits take the place of a private pension. Under current law, a divorced widow loses any court ordered Tier II benefits she may have been receiving while her ex-husband was alive, leaving her with only a Tier I annuity.

Solution—All payment of a Tier II survivor annuity after divorce.

SECTION 202—COURT ORDERS RELATING TO FEDERAL RETIREMENT BENEFITS FOR FORMER SPOUSES OF FEDERAL EMPLOYEES

Problem—Currently, under CSRS, if the husband dies after leaving the government (either before or after retirement age) and before starting to collect retirement benefits, no retirement or survivor benefits are payable to the spouse or former spouse.

Solution—Make widow or divorced widow benefits payable no matter when the ex-husband dies or starts collecting his benefits.

SECTION 203—SURVIVOR ANNUITIES FOR WIDOWS, WIDOWERS, AND FORMER SPOUSES OF FEDERAL EMPLOYEES WHO DIE BEFORE ATTAINING AGE FOR DEFERRED ANNUITY UNDER CSRS

Problem—In the case of a husband dying before collecting benefits, his contributions to the Civil Service Retirement System are paid to the person named as the ''beneficiary.'' The employee may name anyone as the beneficiary. A divorce court cannot order him to name his former spouse as the beneficiary to receive a refund of contributions upon his death, even if she was to receive a portion of his pension.

Solution—Authorize courts to order the ex-husband to name his former wife as the beneficiary of all or a portion of any refunded contributions.

SECTION 301—SMALL 401(K) PLANS REQUIRED TO PROVIDE ANNUAL INVESTMENT REPORTS TO PARTICIPANTS

Problem—Current law requires that pension plans file an annual detailed investment report with the Treasury Department and make it available to any participant upon request. Pension plans, including 401(k)s, with fewer than 100 participants and beneficiaries are not required to file or make detailed investment reports available to participants. 401(k)s, unlike traditional pension plans, do not have the plan sponsor guaranteeing their pension benefits nor do they have PBGC pension insurance. Consequently small 401(k) participants bear the investment risks, but are not told what the investments are.

Solution—The Secretary of Labor must issue regulations requiring small 401(k) plans to provide each participant with an annual investment report. The details of the report are left to the Secretary.

SECTION 302—SECTION 401(K) INVESTMENT PROTECTION

Problem—Under federal law, a traditional defined benefit pension plan may not invest more than 10 percent of its assets in the company sponsoring the plan. The purpose of the limitation is to protect employees from losing their jobs and pensions at the same time. The 10 percent limitation does not apply to 401(k) plans, despite their having become the predominant form of pension plan, enrolling 23 million employees and investing more than $675 billion.

Solution—Apply the 10 percent limit to employee contributions to 401(k) plans—unless the participants, not the company sponsoring the plan, make the investment decisions.

SECTION 401—MODIFICATIONS OF JOINT AND SURVIVOR ANNUITY REQUIREMENTS

Problem—Under current federal law, traditional defined benefit pension plans can offer unequal survivor benefit options. That option can pay the surviving spouse (most often the wife) only half the survivor's benefit paid to the spouse who participated in the plan. Plans may, but are not required, to offer more equitable options. Current law also requires that pension plans disclose retirement benefit options to one spouse, the spouse who participated in the plan. This leaves the other spouse (usually the wife) uninformed about an irrevocable decision that affects her income for the rest of her life.

Solution—Require that pension plans offer an additional option that provides either surviving spouse with two-thirds of the benefit received while both were alive. Require that both spouses be given a illustration of benefits before any benefit can be chosen.

SECTION 501—SPOUSAL CONSENT REQUIRED FOR DISTRIBUTIONS FROM SECTION 401(K) PLANS

Problem—Under current federal law, in order for a plan participant to take a lump sum distribution from a defined benefit plan, the participant must have the consent of his or her spouse. This is not true of a 401(k) plan. This means that a participant can, at any time, drain his or her pension plan and leave the spouse with no access to retirement savings.

Solution—Require that 401(k) plans be covered by the same spousal consent protections as defined benefit plans when it comes to lump-sum distributions.

SECTION 601—WOMEN'S PENSION TOLL-FREE PHONE NUMBER

Problem—One of the key obstacles to women's pension security is lack of information. Too many women do not know whether or not they are eligible for retirement income, the implications of the decisions they are asked to make regarding divorce and survivor benefits, the steps they should take to provide for a secure retirement, or even how to gather the necessary information.

Solution—Create a women's pension hotline that can provide basic information to women regarding pension law and their options under that law.

SECTION 701—PERIODIC PENSION BENEFITS STATEMENTS

Problem—Under federal law, pension plans are required to provide a benefits statement annually, upon request by the employee. Many employees, especially young employees, do not consider pension income or do not feel secure requesting information from their employer. Thus, many employees do not know the amount of their accrued benefits, or payout upon retirement. In addition, there are numerous instances of defined contribution plans misappropriating money by failing to place funds in the employee's account. Unless an employee asks for a statement, he or she does not have a clear idea of the state of his or her retirement security, or if the funds are being properly placed.

Solution—Require that 401(k) plans provide benefits statements automatically at least once a year. For defined benefit plans, due to the more complicated calculations required to produce an accurate future benefits statement be automatically provided every three years.

By Mr. GRAMS (for himself, Mr. FEINGOLD, Mr. ABRAHAM, Mr. CONRAD, Mr. DORGAN, Mr. KERREY, Mr. KOHL, Mr. KYL, Mr. LEVIN, Ms. MOSELEY-BRAUN, Mr. HAGEL, and Mr. WELLSTONE):

S. 322. A bill to amend the Agricultural Market Transition Act to repeal the Northeast Interstate Dairy Compact provision; to the Committee on Agriculture, Nutrition, and Forestry.

THE NORTHEAST INTERSTATE DAIRY COMPACT REPEAL ACT OF 1997

Mr. GRAMS. Mr. President, I rise today, along with my colleague from Wisconsin, Senator FEINGOLD, to introduce the Dairy Fairness Act. In short, this bill repeals the provision in the 1996 farm bill creating the so-called Northeast Interstate Dairy Compact.

Senator FEINGOLD and I offer this legislation with 10 other colleagues,

both Democrats and Republicans, for two basic reasons: Fair process and sound policy. The compact sets a very dangerous precedent by violating both. Let me be specific, first regarding process.

Back in the 103d Congress—to give history—the Senate Judiciary Committee held a business meeting to consider the compact, without the benefit of a prior public hearing, and reported the bill to the floor. The full Senate never considered it. A House Judiciary subcommittee held a hearing on the proposal, but eventually sent it to full committee without a recommendation because the vote was evenly divided for and against the compact. The bill died in full committee. It is important to note that the official Department of Agriculture witness at the House hearing stated the administration had no position and twice stated that, we believe this is a matter that warrants further review and consideration.

In the 104th Congress, the compact was the subject of not one single hearing in either the Judiciary Committee or the Agriculture Committee of the Senate. Nor was it the topic of a single hearing in counterpart committees in the House. The importance of all this is that veteran lawmakers knew, at best, that the Department of Agriculture was not sure about the compact. And, 11 freshmen senators and 87 House freshmen knew little-to-nothing about the compact because of the lack of any public record.

Despite this, the compact was exhumed from its crypt and found its way into the Senate's version of the farm bill. Fortunately, many of my colleagues and I led a successful bipartisan effort to strip the compact from the farm bill. The House had never included the compact in its version.

Now, here is the kicker. The compact never had ample consideration in the 103d Congress. It never had a single hearing in the 104th. The compact was not included in the House version of the farm bill. And, it was stripped out of the Senate's version. But the compact came back to life in conference. It was included in the 1996 farm bill and, due to time constraints on passage of farm legislation, as we know, the compact became law.

Now, my purpose in reciting this litany of events is not to disparage the respective committees for not considering the compact. They have their priorities. Nor do I mean to disparage those in the conference committee for agreeing to the compact.

They worked hard to present a timely and—aside from the compact—excellent farm bill for farmers who were already making planting decisions, if not already planting at the time the bill was passed.

Now my point is best summarized by the late Justice Oliver Wendell Holmes who said that ''the best test of truth is the power of the thought to get itself accepted in the competition of the market, and that truth is the only ground upon which their wishes can be carried out.''

I would like to think that my colleagues in what's been called the most deliberative body in the world would want nothing less for the compact or any other proposal. Unfortunately, the compact never faced the test and, as a consequence it has never been accepted.

Mr. President, there is no doubt about it, the compact circumvented a very important process.

In regard to policy, the scenario does not improve. In a nutshell, the compact would permit a six-State compact commission to fix prices for that region's dairy producers. Yet, simple economics tells us that the higher minimum price set by the commission will result in even more milk production in the six-State region—which is great news for producers in those six States. But the overproduction will undoubtedly further depress producer income for every other region of the country.

Unfortunately, as many of my colleagues know, producer income nationally is already so depressed that the Secretary announced some emergency steps to correct the problem including the purchase of $5 million in cheese and advanced cheese purchases for the School Lunch Program. In the Midwest, it's reported to be so bad that small- and mid-sized producers aren't even recovering the cost of production. But despite all this, the compact will drive national dairy prices down even further in 44 States in order to boost producer income in 6, even though the 6 have traditionally received higher class I prices in the first place.

The compact is patently unfair. The inequity it creates for dairy farmers in 44 States is exactly the problem the Framers of the Constitution thought Congress would protect against in providing us with the power to regulate commerce among the States.

Now, I understand that even more States are pondering the idea of a compact of their own. I cannot underscore how destructive this course is: using government-condoned, anticompetitive programs to the disadvantage of other domestic producers in other regions of the country. In an era of freer and fairer trade, I find it very troubling that what we don't want to do with our foreign competitors, we're now doing to ourselves. That's no way to encourage a national industry and that's no way to compete abroad.

Of course, it is not just dairy producers who are hurt by the compact. According to Public Voice, a leading consumer advocacy group, the compact will cost New England consumers over $300 million in just 3 years, especially affecting the region's poor, and drive up the cost of Federal, State, and local food nutrition programs. Indeed, the St. Paul Pioneer Press, the Washington Post, the New York Times, and the Boston Herald—whose employees as New Englanders are ostensibly served by the compact—have called it ''noxious,'' ''absurd,'' an ''ugly precedent,'' and the ''OPEC of milk.''

The compact is being challenged in Federal court. In fact, last week, the court issued an order allowing the Secretary of Agriculture 45 days to bolster his arguments for the compact before the case proceeds any further. But what was most telling was the tenor of the order and I'll offer just an excerpt. The order reads:

> As the Court tried to make plain in its December 11, 1996 Opinion, [the court] could not even tell whether anyone at the Department of Agriculture had read all the comments in the administrative record or just counted them since the only expressed reason . . . for his finding of compelling public interest . . . was that 95 percent of the comments . . . supported the implementation of the Compact. But, a simple head count will not do . . . particularly in view of the numerous concerns the Secretary himself expressed [about the Compact]. Those concerns, expressed in four paragraphs, overshadow the four reasons, expressed in two sentences, that the Secretary gave for finding a compelling public interest.

I ask unanimous consent to have the order printed in the RECORD.

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

[U.S. District Court for the District of Columbia, Civil Action No. 96–2027 (PLF)]

MILK INDUSTRY FOUNDATION, PLAINTIFF, *v.* DANIEL R. GLICKMAN, SECRETARY, U.S. DEPARTMENT OF AGRICULTURE, DEFENDANT, AND NORTHEAST DAIRY COMPACT COMMISSION, DEFENDANT-INTERVENOR

ORDER

This matter is before the Court on defendant's motion for a stay of proceedings in this case to allow the Secretary of Agriculture 45 days to provide what defendant characterizes as ''an Amplified Decision on its finding that there is compelling public interest in the compact region for the Northeast Interstate Dairy Compact.'' Plaintiff opposes the motion for a variety of reasons, while defendant-intervenor supports it.

The parties to this case are all aware that Congress placed a particular condition on its consent to the Compact—that the Secretary make a finding of compelling public interest. As the Court tried to make plain in its December 11, 1996 Opinion, it could not even tell whether anyone at the Department of Agriculture had read all the comments in the administrative record or just counted them, since the only expressed reason the secretary gave for his finding of compelling public interest (other than congressional consent and state approval) was that 95 percent of the comments the Department received supported implementation of the Compact. Opinion at 8, 24–25. But ''a simple head count will not do,'' *id.* at 24, particularly in view of the numerous concerns the Secretary himself expressed about the potential adverse effects the Compact might have, concerns presumably based on material in the record. *Id.* at 9–10, 25. ''Those concerns, expressed in four paragraphs, overshadow the four reasons, expressed in two sentences, that the Secretary gave for finding a compelling public interest.'' *Id.* at 25.

If the Secretary wants time now ''to amplify'' his decision, he must make sure that the entire administrative record, including the comments submitted, is thoroughly reviewed and analyzed and approached from a

fresh perspective. It is not open to the Secretary under this Court's Opinion of December 11, 1996, to approach his task with a preconceived view that a compelling public interest exists. His job is not merely to cull out from the favorable comments reasons to support a pre-determined decision. His responsibility is to review the quality of the comments in the record and to decide whether his earlier finding is justified at all.

The Court is prepared to grant the stay requested by the defendant, so long as the Secretary of Agriculture and his counsel understand what is required over the course of the next 45 days. The Court agrees with plaintiff that if a stay is granted the Secretary's responsibility is much broader than he and defendant-intervenor suggest. The Secretary must now be as open to reaching a finding of no public interest as he is to concluding that there is one. Regardless of which conclusion he reaches, he must articulate his reasons in accordance with the Administrative Procedure Act and the case law. With the foregoing in mind, it is hereby

Ordered that all proceedings in this case are stayed until March 20, 1997, during which time the Secretary of Agriculture shall review the Administrative Record in this case, reach a conclusion with respect to the existence of a compelling public interest, and provide a reasoned explanation for that decision in accordance with this Court's Opinion of December 11, 1996, and today's order, it is

Further ordered that the stay does not preclude plaintiff from renewing its motion for a preliminary injunction should the Compact attempt to move forward and impose higher milk prices or for any other appropriate reason; it is

Further ordered that the briefing and argument schedule set forth in this Court's Order of December 11, 1996, is rescinded; and it is

Further ordered that the parties shall jointly propose within ten days from the date of this Order a revised briefing and argument schedule.

So ordered.

PAUL L. FRIEDMAN,
United States District Judge.

Mr. GRAMS. Mr. President, in short, a Federal judge cannot even find the merit behind the compact. But, despite earlier misgivings, the Department seems resigned to embarking on what appears to be the herculean task of making some sense out of the compact in order to save it from a court.

Now, Mr. President, I believe this Congress has a unique opportunity to save an overcrowded court some time, help the Department focus its energies on the consolidation and reform of milk marketing orders, and do it all while guaranteeing New England consumers and dairy producers in 44 States a little fairness. We can do this by passing the Dairy Fairness Act.

I urge my colleagues to support this important legislation.

I see some of my other colleagues who have helped sponsor this legislation, including Senator KOHL and Senator FEINGOLD, are on the floor, and I yield some time to them if they would like to add their support to this bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise to express my continued opposition to the Northeast Dairy Compact. As I have said many times in the past, it does not make me happy to oppose efforts by dairy farmers in other parts of the country to reap a higher price for their milk. For years, I have worked with many of the proponents of the compact in efforts to help farmers get a better price for their product. But in the past, these efforts have been national. And I believe we should continue with national efforts to bring farmers together, instead of regional efforts that pit farmer against farmer.

The Northeast Compact is an effort by six Northeastern States to establish a regional cartel, to guarantee the farmers in that region alone get a higher price for their milk, to the detriment of the consumers in the Northeast, and farmers in other parts of the country, including Wisconsin. In my view, it is the exact opposite of what we should be doing; which is establishing a fair and reasonable national dairy policy that gives farmers in all regions an opportunity to prosper, free of structural impediments from the Federal Government.

In my region of the country, the discriminatory nature of the current milk pricing system has contributed to a dangerous erosion of our farm economy. In Wisconsin alone, we have lost 12,000 dairy farms in the last 10 years. And I believe that the Northeast Compact will worsen the regional inequities that exist today, and be detrimental to farmers in regions outside the Northeast.

To those outside the upper Midwest, who have not witnessed the destruction caused by the current milk pricing system, it may be difficult to understand how pricing schemes in one region could affect other regions of the country. But we cannot ignore that dairy markets are national, and any effort to artificially boost prices in one region alone will have effects throughout the national system. History has proven that point time and time again, and unfortunately, Wisconsin is the proving ground of that destruction.

And even prior to its implementation, the evidence is beginning to build proving that the Northeast Dairy Compact sets a dangerous precedent in U.S. economic policy. Recently, the secretaries of agriculture from 15 southeastern States announced that they would be seeking to establish a Southeastern Dairy Compact, citing the precedent established by the Northeast Compact. So we must ask ourselves, where does it stop? A 6-State dairy cartel in the Northeast, a 15-State dairy cartel in the Southeast. This disintegration of our national economic unity does not come without cost. We may not be able to predict where this new regional cartel movement will stop, but it is clearly dangerous.

So I join my colleagues in introducing this legislation that would repeal the section of the 1996 farm bill that gives the Secretary of Agriculture authority to approve the Northeast Compact. Whether it is stopped legislatively, or by the Secretary of Agriculture, to whom it has been returned by a Federal judge for reconsideration, I believe it should be stopped. And I urge my colleagues to join us in opposing this dangerous precedent for U.S. economic policy.

The PRESIDING OFFICER. The Chair recognizes the junior Senator from Wisconsin under time controlled by the Senator from Minnesota.

Mr. FEINGOLD. Thank you, Mr. President. I, too, am pleased to rise in support of the legislation introduced by the Senator from Minnesota, and also by my friend and colleague, the senior Senator from Wisconsin, Senator KOHL.

I was prepared to give a longer speech but I am informed that the mother-in-law of the Senator from Vermont, Mr. LEAHY, has passed away, and he is not able to be here today because of that. For that reason, I simply associate my remarks with the Senator from Minnesota, and the senior Senator from Wisconsin so we can take this debate up on another day when Senator LEAHY is able to respond. He is very able to respond himself. We have a strong disagreement on this issue, but I am a great friend of his and I believe he is a fine Senator and prefer at this point to wait.

Mr. President, I rise in support of the legislation introduced by the Senator from Minnesota, Senator GRAMS, to repeal the Northeast Interstate Dairy Compact. The Northeast Dairy Compact was included in the 1996 farm bill during conference negotiations after it had been struck from the Senate version of the farm bill during floor consideration of the farm bill early last year.

Mr. President, the Northeast Interstate Dairy Compact establishes a commission for six Northeastern States—Vermont, Maine, New Hampshire, Massachusetts, Rhode Island, and Connecticut—empowered to set minimum prices for fluid milk above those established under Federal Milk Marketing Orders. Ironically, the Federal milk marketing order system already provides farmers in the designated compact region with minimum milk prices higher than those received by most other dairy farmers throughout the nation. The compact not only allows the six States to set artificially high fluid milk prices for their producers, it also allows those States to keep out lower priced milk from producers in competing States and provides processors within the region with a subsidy to export their higher priced milk to noncompact States.

Mr. President, the arguments against this type of price-fixing scheme are numerous: It interferes with interstate commerce by erecting barriers around one region of the Nation; It provides preferential price treatment for farmers in the Northeast at the expense of farmers nationally; It encourages excess milk production in one region without establishing effective supply control which may drive down milk prices for producers throughout the

country; It imposes higher costs on the millions of consumers in the Compact region; It imposes higher costs to taxpayers who pay for nutrition programs such as food stamps and the national school lunch programs which provide for milk and other dairy products in their programs; and as a price-fixing compact it is unprecedented in the history of this Nation.

Most important to my home State of Wisconsin, Mr. President, is that the Northeast Dairy Compact exacerbates the inequities within the Federal milk marketing orders system that already discriminates against dairy farmers in Wisconsin and throughout the upper Midwest. Federal orders provide higher fluid milk prices to producers the further they are located from Eau Claire, WI, for markets east of the Rocky Mountains.

Wisconsin farmers have complained for many years that this inherently discriminatory system provides other regions, such as the Northeast, the Southeast, and the Southwest with milk prices that encourage excess production in those regions. Of course, that excess production drives down prices throughout the Nation and results in excessive production of cheese, butter, and dry milk. Cheese and other manufactured dairy products constitute the pillar of our dairy industry in Wisconsin. Competition for the production and sale of these products by other regions spurred on by artificial incentives under milk marketing orders has eroded our markets for cheese and other products.

Mr. President, my State of Wisconsin loses more than 1,000 dairy farms per year either through bankruptcy or attrition. The number of manufacturing plants has declined from 400 in 1985 to less than 230 in 1996. These losses are due in part, to the systematic discrimination and market distortions created by Federal dairy policies that provide artificial regional advantages that cannot be justified on any rational economic grounds.

Mr. President, my colleague from Minnesota, Senator GRAMS and I are on the floor today offering this legislation because the Northeast Dairy Compact reinforces the discrimination that has so damaged the dairy industry in our States. We have fought to change Federal milk marketing orders and we will fight to prevent the Northeast Dairy Compact from ever going into effect.

Less damaging but more insulting to Wisconsin dairy farmers than the increase in regional inequities is the inherent assumption of the compact proponents that either the financial distress of Northeast dairy farmers is worse than that experienced by farmers in other regions or that farmers in the Northeast are more important than farmers elsewhere. Either assumption is ludicrous.

As all Senators are aware, when milk prices plummet, as they did last fall by 26 percent in 3 months, the financial pain is felt by farmers throughout the Nation, no worse and no less by any particular region.

And yet the Northeast Compact provides price protection for dairy farmers in six States, insulating them from market conditions which noncompact farmers must confront and to which they must adjust. Compact proponents have never been able to explain how conditions in the Northeast merit greater protection from market price fluctuations than other regions of the country. The fact that there are no compelling arguments made in favor of the compact that justified special treatment for the Northeast was emphasized by a vote in the full Senate to strike the compact from the 1996 farm bill. It was the only recorded vote on approval or disapproval of the Northeast Dairy Compact—and it killed the compact in the Senate. The way in which the compact was ultimately included in the 1996 farm bill also illustrates the weak justification and the lack of support for its approval. It was never included in a House version of the farm bill and yet emerged as part of the bill after a closed door Conference negotiation. Legislation which is difficult to defend must frequently be negotiated behind closed doors rather than in the light of day.

The 1996 farm bill provided authority to approve the compact to the Secretary of Agriculture if he found a compelling public interest for the compact in the Northeast. Congress, still unwilling to accept responsibility for what I believe to be an unjustifiable compact, delegated their authority to the Secretary. The Secretary approved the compact last August but even he, with his teams of economists and marketing specialists, was unable to come up with an economic justification for the compact. The Secretary's finding of ''compelling public interest'' justifying his approval of the compact was so weak and unsupported by the public record that a suit was filed by compact opponents in Federal court charging that the Secretary violated the Administrative Procedures Act. Last December, a Federal District Court judge found that, in fact, the plaintiffs in that suit were likely to prevail on their claim that the Secretary's decision was arbitrary and capricious. More recently, the same Federal judge told USDA to review the public record and determine whether in fact that compact should have been approved.

Mr. President, the Northeast Dairy compact can't be justified because it is just plain bad policy. It is bad public policy because it increases costs to taxpayers nationally and consumers in the Northeast to benefit few. It is bad dairy policy because it exacerbates regional discrimination of existing Federal milk marketing orders by providing artificial advantages to a small group of producers at the expense of all others. And it is bad economic policy because it establishes barriers to interstate trade—barriers of the type the United States has been working hard to eliminate in international markets.

Mr. President, Congress should never have provided Secretary Glickman with authority to approve the compact. That in my view, was an improper and potentially unconstitutional delegation of our authority and it was irresponsible. It is the role of Congress to approve interstate compacts and we irresponsibly abrogated our responsibility in this matter. It is time to make it right.

I hope the Secretary rescinds his earlier decision to approve the compact in the additional time the courts have provided him. If he does not, I hope the courts strike down the compact both on the grounds that it violated the APA and on constitutional grounds. However, in any event, it is incumbent upon Congress to undo the mistake it made in the 1996 farm bill. Congress can and should act independently of both the administrative and judicial process to repeal the Northeast Interstate Dairy compact. As the other branches of Government are doing their jobs, we must continue to do ours.

I urge my colleagues to support this legislation.

By Mr. SHELBY (for himself, Mr. BYRD, Mr. COVERDELL, Mr. CRAIG, Mr. FAIRCLOTH, Mr. GREGG, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. LUGAR, Mr. SANTORUM, Mr. THURMOND, Mr. SESSIONS, Mr. COCHRAN, Mr. MURKOWSKI, Mr. ENZI, and Mr. HAGEL):

S. 323. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States; to the Committee on Governmental Affairs.

THE LANGUAGE OF GOVERNMENT ACT OF 1997

Mr. SHELBY. Mr. President, I rise today to introduce what I consider to be one of the most important pieces of legislation that will be offered this year. It is the Language of Government Act of 1997, which designates English as the official language of the U.S. Government. I have as original cosponsors on that legislation Senators BYRD, COVERDELL, CRAIG, FAIRCLOTH, GREGG, HELMS, HUTCHINSON of Arkansas, INHOFE, LUGAR, SANTORUM, THURMOND, COCHRAN, and SESSIONS.

Mr. President, language, as we all know, is a powerful factor in society. As de Tocqueville observed more than a hundred years ago, ''The tie of language is perhaps the strongest and the most durable that can unite mankind.'' That was true then, and it is true today.

Just as surely as language has the power to unite us, it has the power to divide us. One year after French-speaking Quebec rejected by a razor-thin margin the referendum to secede from Canada, our neighbor to the north is still grappling with the repercussions of the vote. English-speaking residents of Quebec have threatened to secede if Quebec proceeds with another referendum. There are many examples in the world of what happens to nations that are divided among language and ethnic lines. Bosnia, as we all know, has been decimated by ethnic strife. The countries of the former Soviet Union are in constant internal conflict and turmoil.

Today, more than 320 different languages are spoken in our country. We should respect each of these languages and those individuals who speak them. But in order to assimilate the various cultures and ethnic groups that comprise our great Nation, I believe we must use English. Furthermore, the Federal Government should not, in my opinion, be expected to administer its official business in all of these languages. Yet, the Federal Government continues to expand the number and types of services that it administers in foreign languages.

Layers of bureaucracy have been added as these governmental agencies have evolved into permanent multilanguage service providers. In light of this fact, Mr. President, I believe it is imperative that we establish in America a responsible, coherent language policy for all of us.

The legislation that I offer today, on behalf of myself and the colleagues I mentioned earlier, is simple and straightforward. It designates English as the language of the Federal Government and requires that most Government functions be performed in English. There are exceptions to that rule, Mr. President, for safety, emergencies, and health-related services.

I want to emphasize that ''official English'' is directed at the Federal Government and its agents, but does not cover private citizens. In no way, Mr. President, does the bill limit an individual's use of his or her native language in home, church, community, or other private communications.

Mr. President, since last December, the Nation has engaged in a heated debate over using ''ebonics'' in public schools. We are all familiar with that. I do not intend to join that debate today. Instead, I raise this in order to mention a fundamental point. In the words of Maya Angelo, ''The very idea * * * can be very threatening, because it can encourage young men and women not to learn standard English.'' Without mastering English, our children and grandchildren cannot succeed. Indeed, as so many Americans know from their own experiences, proficiency in English propelled them from a life of poverty to a future full of opportunity.

A substantial body of evidence supports that notion and confirms that there is a direct correlation between an individual's ability to speak English in America and that person's economic fortunes.

A recent Ohio University study concluded that if immigrant knowledge of English were raised to that of native-born Americans, their income levels would increase by $63 billion annually. In 1994, the Texas Office of Immigration and Refugee Affairs published a study of Southeast Asian refugees in Texas. It conclusively demonstrated that in that population, individuals proficient in English earned over 20 times the annual income of those who could not speak English. Analysis of 1990 census data shows that immigrants' incomes rise 30 percent as a result of being able to communicate in English.

So, without question, fluency in the English language will do more to empower people coming to America than all Federal Government services combined. The Federal Government, however, is offering more services and producing more publications in a multitude of foreign languages, at a cost of $14 billion annually. Conducting official Government functions in a foreign language supposedly facilitates assimilation into our society. What began in a piecemeal fashion to facilitate assimilation has mutated into institutionalized and permanent multilingual programs and services.

The effect, Mr. President, is that it destroys the incentive to learn English, which undermines one of the key objectives of integration in this country. As I stated earlier, the plain truth is that immigrants who do not develop proficiency in English will almost always be relegated to a lower rung on the economic ladder, often far below their earnings potential.

By designating English as the official language of our Government, we send a clear and unmistakable message that English is a necessary part of life in America. But it is not just a symbolic gesture. If most communication with the Federal Government is conducted in English, it encourages fluency in English. At the same time, establishing a language policy will stop the frivolous expenditure of printing Government documents in foreign languages. There is no justification for the money wasted to produce, for example, ''The Reproductive Behavior of Young People in the City of Sao Paulo'' in Portuguese or publication on the U.S. Mint in Chinese. The money squandered on those documents would be better spent teaching English to those who cannot speak it. My bill states that the savings from this initiative be used to teach English in America.

Mr. President, national polling indicates that 86 percent of Americans support making English the official language of this country. In fact, Mr. President, 8 out of 10 first-generation immigrants in America support this legislation. As our Nation becomes more diverse, it becomes more and more important for Congress to deal with the establishment of an official language policy. Our consideration of this bill shows that we take our national heritage and democracy seriously.

By Mrs. MURRAY (for herself and Mr. CAMPBELL):

S. 324. A bill to amend title 32, United States Code, to provide that performance of honor guard functions at funerals for veterans by members of the National Guard may be recognized as a Federal function for National Guard purposes; to the Committee on Armed Services.

NATIONAL GUARD LEGISLATION

Mrs. MURRAY. Mr President, I come to the floor today to introduce a common sense piece of legislation of great importance to the veterans of our country.

Let me begin by thanking the veterans of my State for bringing this important issue to my attention. I particularly want to thank Mr. Fran Agnes, past national chairman, with the Former Prisoners of War veterans service organization. Fran is a champion for the veterans of my State and he never lets an opportunity pass to share with me the views of Washington State veterans.

My State is home to nearly 700,000 veterans, and one of the few States with a growing veterans population. Washington State vets are active; virtually every veterans service organization has chapters, posts, and members all across my State. At the State level, Washington veterans are also blessed with a team of dedicated veterans' advocates. For me, this means I have a statewide ''unofficial'' advisory team to provide me with regular information about the issues of importance to veterans. I hear from Washington vets in the classroom, in the grocery store, at VA facilities, on the street, in my office and through the mail. My service on the Veterans' Affairs Committee is a genuine partnership with the veterans of my State.

The bill I am introducing today is a direct result of this partnership. Simply stated, my bill proposes to allow the performance of honor guard functions by members of the National Guard at funerals for veterans.

It may shock my colleagues to know why this legislation is so important. Sadly, decorated U.S. veterans are being laid to rest all across this country without the appropriate military honors.

For years, military installations trained personnel to provide color guard services at the funerals of veterans. Oftentimes, as many as 10 active duty personnel were made available by local military installations to provide funeral services for a compatriot and his or her grieving family. These services were immensely important to the veterans community. It allowed veterans to see fellow veterans treated with the appropriate respect and admiration they deserved, and to know that they would also be afforded a dignified service.

As the military has downsized in recent years, many installations are no longer able to provide personnel to perform color guard services and aid the veteran's family. Some installations do provide limited assistance if the deceased served in that branch of the military. In my State, that means very little to the Navy family who loses a loved one near the Air Force or Army installations nearby. And we all know, when a family member passes away there is little time or emotional capacity to plan a funeral. Too often, the result for a veteran is a funeral service

without the requested and the deserved military honors. This must change.

Veterans' service organizations have stepped in and tried to provide the color guard services for fellow deceased veterans. By most accounts, they do a very good job. But VSO's cannot meet the need for color guard services. By their own admission, they often lack the crispness and the precision of trained military personnel. Our veterans population is getting older, and we cannot expect a group of older veterans to provide these services day in and day out for their military peers. We are simply asking too much of a generation that has already given so much.

My bill is an important first step toward ensuring that every veteran receives a funeral worthy of the valiant service he or she has given to our country. I believe every single Member of Congress believes our veterans deserve to be remembered with the appropriate military honors during a funeral service. By passing my legislation, the Congress can send a message to veterans that their service to us all will never be forgotten. I urge my colleagues to join me in this effort to pass this legislation at the earliest opportunity.

Mr. President, I also want to thank Senator and Korean war veteran BEN NIGHTHORSE CAMPBELL for joining me in this effort. Senator CAMPBELL also serves on the Veterans' Affairs Committee and I know personally of his great commitment to the veterans of our country. And I'd also like to thank Congressman PAUL KANJORSKI, who has previously introduced this legislation on the House side. As I understand it, his constituents in Pennsylvania originally asked him to get involved in this effort. I look forward to working closely with both Senator CAMPBELL and Congressman KANJORSKI in support of this legislation.

By Mr. BUMPERS (for himself, Mr. FEINGOLD, Mr. LEAHY, and Mr. KOHL):

S. 325. A bill to repeal the percentage depletion allowance for certain hardrock mines; to the Committee on Finance.

By Mr. BUMPERS:

S. 326. A bill to provide for the reclamation of abandoned hardrock mines, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BUMPERS (for himself, Mr. AKAKA, Mr. LEAHY, Mr. FEINGOLD, and Mr. KOHL):

S. 327. A bill to ensure that Federal taxpayers receive a fair return for the extraction of locatable minerals on public domain lands, and for other purposes; to the Committee on Labor and Human Resources.

HARDROCK MINING REFORM LEGISLATION

Mr. BUMPERS. Mr. President, I rise today to introduce three bills which are intended to reform hardrock mining on public land and recover, for taxpayers, lost revenues resulting from the patenting process under the 1872 mining law.

The 1872 mining law was signed into law by President Ulysses S. Grant during a time when our national policy was to encourage the settlement of the West with the enticement of free land and minerals. However, 124 years have now passed and the mining law has become a relic. Rather than serve the interests of the public, the mining law gives away billions of dollars worth of land and minerals to mining companies for practically nothing.

While there are many flaws with the 1872 law, some of the most outrageous include: allowing the sale of public lands and minerals for $2.50 to $5.00 per acre; allowing the mining of valuable minerals without a dime in royalty payments to the taxpayers for those minerals; allowing patented land bought for $2.50 an acre to be resold at market prices—sometimes thousands of dollars per acre; and not adequately protecting the environment.

Our attitudes toward public resources have changed since the 19th century and so have most of our public policies. While the mining law has been amended indirectly over the years, its basic provisions remain unchanged and are in dire need of reform. Over the years numerous private, government and congressional studies have recommended either revising the mining law or repealing it completely. One of the most thorough modern studies of the mining law was conducted by the Public Land Law Review Commission during the 1960's. The commission's work formed the basis for the Federal Land Policy and Management Act of 1976 [FLPMA]. In ''One Third of the Nation's Land—A Report to Congress and the President'' the commission stated:

> The general mining law of 1872 has been abused, but even without that abuse, it has many deficiencies. Individuals whose primary interest is not in mineral development and production have attempted, under the guise of that law, to obtain use of public lands for various other purposes. The 1872 law offers no means by which the Government can effectively control environmental impacts.

While the Public Land Review Commission and many others have called for comprehensive mining law reform for some time now, Congress has failed to respond. At a time when the public is clamoring for a more efficient government and a government that treats the taxpayers with dignity and respect, the 1872 mining law instead condones the giveaway of public lands and valuable minerals worth billions of dollars for practically nothing and which permits long-term environmental degradation of our public lands.

In the last four Congresses I introduced legislation which would have comprehensively reformed the mining law. On each occasion the mining industry went to great lengths to successfully ensure that the 1872 mining law would not be comprehensively reformed. However, Mr. President, as we continue to strive to balance the Federal budget, the day of reckoning for beneficiaries of corporate welfare is getting closer. Eventually, Congress is going to enact real mining law reform.

The legislation I am introducing today is an effort to seek to protect the interests of the very people that Members of Congress purport to represent—the American people. One hundred twenty-four years after Ulysses Grant signed the mining law the time has come to bring our Nation's mineral policy into the present.

As always, I am willing to work with people on all sides of this issue in an attempt to develop a solution amenable to all. However, I will not be a party to the efforts of those who, in an effort to end debate on the subject, attempt to enact ''sham reform'' legislation drafted by the mining industry.

The problems of the mining law and the proposed solutions contained in the three bills I am introducing today are described more fully below.

Under the existing mining law, a patent-fee simple title—to a mining claim on Federal lands may be obtained for the purchase price of $2.50 an acre for a placer claim—or $5 an acre for a lode claim—a price which has not changed since 1872. During the last 124 years, the Government has sold more than 3.2 million acres of land under the patent provision of the 1872 mining law, an area similar to the size of the State of Connecticut. This is a giveaway—pure and simple—and is directly contrary to the national policy enunciated in the Federal Land Policy and Management Act—that, in most cases, public lands should be retained in public ownership.

It doesn't take a rocket scientist to figure out that $5 an acre is far less than the fair market value of the patented land and the minerals thereon. In 1994 we witnessed one of the biggest taxpayer ripoffs in the history of the mining law when the Federal Government was forced to grant patents to a subsidiary of a Canadian-owned mining company. In exchange for 1,800 acres of land in Nevada containing more than $10 billion in gold, the Federal Government received the princely sum of less than $10,000. Mr. President, believe it or not, the taxpayers stand to do worse in the very near future. The Stillwater Mining Co., which is jointly owned by Chevron and Manville, has applied for patents on approximately 2,000 acres of Forest Service land in Montana. In exchange for $10,000, the company will receive fee title to land containing, according to Stillwater's own reserve estimates, $35 billion worth of platinum and palladium.

Congress finally took action in 1994 by imposing a 1-year moratorium on the processing of new patent applications and those applications that were still in the early stages of processing. This moratorium has been renewed the last 2 years, albeit after an effort was made by Senators from the West to repeal it.

Under the Hardrock Mining Royalty Act of 1997, which I am introducing

today, mining claim holders would no longer be able to patent their claims. The sale of Federal lands for $2.50 or $5.00 an acre would be permanently halted.

In addition to allowing the sale of lands for far less than fair market value, the mining law also permits corporations to mine valuable minerals from public domain lands without paying a nickel in royalties to the landowner—the taxpayers. While oil, gas, and coal producers all pay royalties to the U.S. Treasury for production on Federal lands, the Government doesn't receive anything for hardrock minerals produced on Federal lands subject to the 1872 mining law.

The hardrock mining companies contend that they would be forced to shut down operations if they were required to pay royalties to the Federal Government. However, these same companies find themselves able to pay royalties for mining operations on State and private lands. In fact, the Newmont Mining Co. pays an 18 percent royalty on land acquired from private interests on a portion of its gold quarry mine in Nevada's Carlin Trend. Ironically, a hardrock miner operating on acquired Federal lands pays a royalty to the Federal Government while his counterpart on lands subject to the mining law pays nothing. There is no justifiable reason for this difference.

Billions of dollars' worth of hardrock minerals are extracted from the public lands. It is absolutely unfair to the taxpayers of this country to permit hardrock mining companies to enjoy the same tax breaks as others, while failing to adequately compensate the public landowners. The legislation I am introducing today seeks to remedy this result. First, the Hardrock Mining Royalty Act of 1997 would require the payment of a royalty of 5 percent of the net smelter return from mineral production on public lands. Because the royalty would not apply to minerals extracted on lands already patented under the mining law, the Abandoned Mines Reclamation Act of 1997 would required mining companies operating on patented land to pay a net-income-based reclamation fee. Finally, because it makes absolutely no sense to permit mining companies to take advantage of a mineral depletion allowance when they are using taxpayer land without compensating the taxpayers, the elimination of double subsidies for the Hardrock Mining Industry Act of 1997 would repeal the depletion allowance for mining operations on land subject to the 1872 mining law.

Originally, the mining law required claimants to certify that they performed 100 dollars' worth of work on their mining claims each year in order to maintain their claims. Because many claimants were not serious about mining their claims, Congress replaced the work requirement with a $100 per claim maintenance fee. In conjunction with the administration's proposal the Hardrock Mining Royalty Act increases the fee for new claims to $125.

Mr. President, past mining activities have left a legacy of unreclaimed lands, acid mine drainage, and hazardous waste. More than 50 abandoned hardrock mining sites are currently on the Superfund national priority list. Some estimate that it could cost taxpayers upward of $70 billion to clean all the abandoned mining sites.

The legislation I am introducing today would create an abandoned mine reclamation fund to help reclaim the many hardrock mining sites which have been abandoned. Money for the fund would come from the royalties and holding fees collected under the Hardrock Mining Royalty Act of 1997 and the reclamation fees collected under the Abandoned Hardrock Mining Reclamation Act of 1997.

Mr. President, the mining industry knows that the public is slowly learning about the 1872 mining law and the associated atrocities and believe me, the industry is worried. As they have done in the past, I suspect the mining industry will once again raise a smokescreen by proposing so-called reforms. For instance, the mining industry has proposed that instead of paying $2.50 or $5.00 an acre for patents, that instead they pay the fair market value of the surface, regardless of the value of the minerals located on the land. While the concept of fair market value is certainly a good one, it is absurd to argue that the Stillwater Mining Co. would really be paying fair market value if they paid for the surface—probably worth less than $100 an acre—and ignored the value of the platinum and palladium—estimated to be $35 billion. Mr. President, if you or I ran a company which sold land for such fair market value, we would be fired in a New York minute. Mr. President, I urge my colleagues to beware of such sham reform.

Mr. President and colleagues, I urge you to support the long overdue reform of the 1872 mining law and to cosponsor my three bills. Both Republicans and Democrats are always talking about change and the need to end business as usual in Washington. My legislation is intended to end business as usual and bring the 1872 mining law into the 20th century. I ask unanimous consent that the text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 325

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 ''Elimination of Double Subsidies for the Hardrock Mining Industry Act of 1997.''

SEC. 2. REPEAL OF DEPLETION ALLOWANCE FOR CERTAIN HARDROCK MINES.

(a) IN GENERAL.—The first sentence of section 611(a) of the Internal Revenue Code of 1986, 26 U.S.C. 611(a), is amended by inserting immediately after ''mines'' the following: ''(except for hardrock mines located on land currently subject to the general mining laws or on land patented under the general mining laws)''.

(b) DEFINITIONS.—Section 611 of the Internal Revenue Code of 1986 is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

''(c) DEFINITIONS.—For purposes of subsection (a)—

''(1) 'general mining laws' means those Acts which generally comprise chapters 2, 12A, and 16, and sections 161 and 162 of title 30 of the United States Code.

SEC. 3. EFFECTIVE DATE.

The amendments made by section 2 shall apply to taxable years beginning after December 31, 1996.

S. 326

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 ''Abandoned Hardrock Mines Reclamation Act of 1997''.

SEC. 2. RECLAMATION FEE.

(a) RESERVATION OF RECLAMATION FEE.—Any person producing hardrock minerals from a mine that was within a mining claim that has subsequently been patented under the general mining laws shall pay a reclamation fee to the Secretary under this section. The amount of such fee shall be equal to a percentage of the net proceeds from such mine. The percentage shall be based upon the ratio of the net proceeds to the gross proceeds related to such production in accordance with the following table:

Net Proceeds as Percentage of Gross Proceeds	Rate of Fee as Percentage of Net Proceeds
Less than 10	2.00
10 or more but less than 18	2.50
18 or more but less than 26	3.00
26 or more but less than 34	3.50
34 or more but less than 42	4.00
42 or more but less than 50	4.50
50 or more	5.00

(b) EXEMPTION.—Gross proceeds of less than $500,000 from minerals produced in any calendar year shall be exempt from the reclamation fee under this section for that year if such proceeds are from one or more mines located in a single patented claim or on two or more contiguous patented claims.

(c) PAYMENT.—The amount of all fees payable under this section for any calendar year shall be paid to the Secretary within 60 days after the end of such year.

(d) DISBURSEMENT OF REVENUES.—The receipts from the fee collected under this section shall be paid into an Abandoned Minerals Mine Reclamation Fund.

(e) EFFECTIVE DATE.—This section shall take effect with respect to hardrock minerals produced in calendar years after December 31, 1996.

SEC. 3. ABANDONED MINERALS MINE RECLAMATION FUND.

(a) ESTABLISHMENT.—

(1) There is established on the books of the Treasury of the United States an interest-bearing fund to be known as the Abandoned Minerals Mine Reclamation Fund (hereinafter referred to in this section as the ''Fund''). The Fund shall be administered by the Secretary.

(2) The Secretary shall notify the Secretary of the Treasury as to what portion of the Fund is not, in his judgment, required to meet current withdrawals. The Secretary of the Treasury shall invest such portion of the Fund in public debt securities with maturities suitable for the needs of such Fund and

bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketplace obligations of the United States of comparable maturities. The income on such investments shall be credited to, and from a part of, the Fund.

(b) USE AND OBJECTIVES OF THE FUND.—The Secretary is, subject to appropriations, authorized to use moneys in the Fund for the reclamation and restoration of land and water resources adversely affected by past mineral (other than coal and fluid minerals) and mineral material mining, including but not limited to, any of the following:

(1) Reclamation and restoration of abandoned surface mined areas.

(2) Reclamation and restoration of abandoned milling and processing areas.

(3) Sealing, filling, and grading abandoned deep mine entries.

(4) Planting of land adversely affected by past mining to prevent erosion and sedimentation.

(5) Prevention, abatement, treatment and control of water pollution created by abandoned mine drainage.

(6) Control of surface subsidence due to abandoned deep mines.

(7) Such expenses as may be necessary to accomplish the purposes of this section.

(c) ELIGIBLE AREAS.—

(1) Land and waters eligible for reclamation expenditures under this section shall be those within the boundaries of States that have lands subject to the general mining laws—

(A) which were mined or processed for minerals and mineral materials or which were affected by such mining or processing, and abandoned or left in an inadequate reclamation status prior to the date of enactment of this title;

(B) for which the Secretary makes a determination that there is no continuing reclamation responsibility under State or Federal laws; and

(C) for which it can be established that such lands do not contain minerals which could economically be extracted through the reprocessing or remining of such lands.

(2) Sites and areas designated for remedial action pursuant to the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7901 and following) or which have been listed for remedial action pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 and following) shall not be eligible for expenditures from the Fund under this section.

SEC. 4. DEFINITIONS.

As sued in this Act:

(1) The term ''gross proceeds'' means the value of any extracted hardrock mineral which was:

(A) solid;

(B) exchanged for any thing or service;

(C) removed from the country in a form ready for use of sale; or

(D) initially used in a manufacturing process or in providing a service.

(2) The term ''net proceeds'' means gross proceeds less the sum of the following deductions:

(A) The actual cost of extracting the mineral.

(B) The actual cost of transporting the mineral to the place or places of reduction, refining and sale.

(C) The actual cost of reduction, refining and sale.

(D) The actual cost of marketing and delivering the mineral and the conversion of the mineral into money.

(E) The actual cost of maintenance and repairs of:

(i) All machinery, equipment, apparatus and facilities used in the mine.

(ii) All milling, refining, smelting and reduction works, plants and facilities.

(iii) All facilities and equipment for transportation.

(F) The actual cost of fire insurance on the machinery, equipment, apparatus, works, plants and facilities mentioned in subseciton (E).

(G) Depreciation of the original capitalized cost of the machinery, equipment, apparatus, works, plants and facilities mentioned in subsection (E).

(H) All money expended for premiums for industrial insurance, and the actual cost of hospital and medical attention and accident benefits and group insurance for all employees.

(I) The actual cost of developmental work in or about the mine or upon a group of mines when operated as a unit.

(J) All royalties and severance taxes paid to the Federal government or State governments.

(3) The term ''hardrock minerals'' means any mineral other than a mineral that would be subject to disposition under any of the following if located on land subject to the general mining laws:

(A) the Mineral Leasing Act (30 U.S.C. 181 and following);

(B) the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following);

(C) the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following); or

(D) the Mineral Leasing for Acquired Lands Act (30 U.S.C. 351 and following).

(4) The term ''Secretary'' means the Secretary of the Interior.

(5) The term ''patented mining claim'' means an interest in land which has been obtained pursuant to 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, or section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims.

(6) The term ''general mining laws'' means those Acts which generally comprise Chapters 2, 12A, and 16, and sections 161 and 162 of title 30 of the United States Code.

S. 327

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 ''Hardrock Mining Royalty Act of 1997''.

SEC. 2. ROYALTY.

(a) RESERVATION OF ROYALTY.—Each person producing locatable minerals (including associated minerals) from any mining claim located under the general mining laws, or mineral concentrates derived from locatable minerals produced from any mining claim located under the general mining laws, as the case may be, shall pay a royalty of 5 percent of the net smelter return from the production of such locatable minerals or concentrates, as the case may be .

(b) ROYALTY PAYMENTS.—Each person responsible for making royalty payments under this section shall make such payments to the Secretary not later than 30 days after the end of the calendar month in which the mineral or mineral concentrates are produced and first placed in marketable condition, consistent with prevailing practices in the industry.

(c) REPORTING REQUIREMENTS.—All persons holding mining claims located under the general mining laws shall provide to the Secretary such information as determined necessary by the Secretary to ensure compliance with this section, including, but not limited to, quarterly reports, records, documents, and other data. Such reports may also include, but not be limited to, pertinent technical and financial data relating to the quantity, quality, and amount of all minerals extracted from the mining claim.

(d) AUDITS.—The Secretary is authorized to conduct such audits of all persons holding mining claims located under the general mining laws as he deems necessary for the purposes of ensuring compliance with the requirements of this section.

(e) DISPOSITION OF RECEIPTS.—All receipts from royalties collected pursuant to this section shall be deposited into the Fund established under section 3.

(f) COMPLIANCE.—Any person holding mining claims located under the general mining laws who knowingly or willfully prepares, maintains, or submits false, inaccurate, or misleading information required by this section, or fails or refuses to submit such information, shall be subject to a penalty imposed by the Secretary.

(g) EFFECTIVE DATE.—This section shall take effect with respect to minerals produced from a mining claim in calendar months beginning after enactment of this Act.

SEC. 3. ABANDONED MINERALS MINE RECLAMATION FUND.

(a) ESTABLISHMENT.—

(1) There is established on the books of the Treasury of the United States a trust fund to be known as the Abandoned Minerals Mine Reclamation Fund (hereinafter referred to as the ''Fund''). The Fund shall be administered by the Secretary.

(2) The Secretary shall notify the Secretary of the Treasury as to what portion of the Fund is not, in his judgement, required to meet current withdrawals. The Secretary of the Treasury shall invest such portion of the Fund in public debt securities and maturities suitable for the needs of such Fund and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketplace obligations of the United States of comparable maturities. The income on such investments shall be credited to, and from a part of, the Fund.

(b) AMOUNTS.—The following amounts shall be credited to the Fund for the purposes of this Act:

(1) All moneys received from royalties under section 1 of this Act and the mining claim maintenance fee under section 4 of this Act.

(2) All donations by persons, corporations, associations, and foundations for the purposes of this title.

(c) USE AND OBJECTIVES OF THE FUND.—The Secretary is, subject to appropriations, authorized to use moneys in the Fund for the reclamation and restoration of land and water resources adversely affected by past mineral (other than coal and fluid minerals) and mineral material mining, including but not limited to, any of the following:

(1) Reclamation and restoration of abandoned surface mined areas.

(2) Reclamation and restoration of abandoned milling and processing areas.

(3) Sealing, filling, and grading abandoned deep mine entries.

(4) Planting of land adversely affected by past mining to prevent erosion and sedimentation.

(5) Prevention, abatement, treatment and control of water pollution created by abandoned mine drainage.

(6) Control of surface subsidence due to abandoned deep mines.

(7) Such expenses as may be necessary to accomplish the purposes of this section.

(d) ELIGIBLE AREAS.—

(1) Land and waters eligible for reclamation expenditures under this section shall be those within the boundaries of States that have lands subject to the general mining laws—

(A) which were mined or processed for minerals and mineral materials or which were affected by such mining or processing, and abandoned or left in an inadequate reclamation status prior to the date of enactment of this Act;

(B) for which the Secretary makes a determination that there is no continuing reclamation responsibility under State or Federal laws; and

(C) for which it can be established that such lands do not contain minerals which could economically be extracted through the reprocessing or remining of such lands.

(2) Notwithstanding paragraph (1), sites and areas designated for remedial action pursuant to the Uranium Mill Tailings Radiation Control Act of 1978 (42 U.S.C. 7901 and following) or which have been listed for remedial action pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 and following) shall not be eligible for expenditures from the Fund under this section.

(e) FUND EXPENDITURES.—Moneys available from the Fund may be expended directly by the Director, Bureau of Land Management. The Director may also make such money available through grants made to the Chief of the United States Forest Service, and the Director of the National Park Service.

(f) AUTHORIZATION OF APPROPRIATIONS.—Amounts credited to the Fund are authorized to be appropriated for the purpose of this title without fiscal year limitation.

SEC. 4. LIMITATION ON PATENT ISSUANCE.

No patents shall be issued by the United States for any mining or mill site claim located under the general mining laws unless the Secretary determines that, for the claim concerned a patent application was filed with the Secretary on or before September 30, 1994, and 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 place 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.

SEC. 5. MINING CLAIM MAINTENANCE REQUIREMENTS.

(a) IN GENERAL.—

(1) Effective October 1, 1998, the holder of each mining claim located under the general mining laws prior to the date of enactment shall pay to the Secretary an annual claim maintenance fee of $100 per claim per calendar year.

(2) The holder of each mining claim located under the general mining laws subsequent to the date of enactment shall pay to the Secretary an annual claim maintenance fee of $125 per claim per calendar year.

(b) PURCHASING POWER ADJUSTMENT.—The Secretary shall adjust the amount of the claim maintenance fee payable pursuant to subsection (a) for changes in the purchasing power of the dollar after the calendar year 1993, employing the Consumer Price Index for all urban consumers published by the Department of Labor as the basis for adjustment, and rounding according to the adjustment process of conditions of the Federal Civil Penalties Inflation Adjustment Act of 1990.

(c) TIME OF PAYMENT.—Each claim holder shall pay the claim maintenance fee payable under subsection (a) for any year on or before August 31 of each year, except that for the initial calendar year in which the location is made, the initial claim maintenance fee shall be paid at the time the location notice is recorded with the Bureau of Land Management.

(d) OIL SHALE CLAIMS SUBJECT TO CLAIM MAINTENANCE FEES UNDER ENERGY POLICY ACT OF 1992.—The section shall not apply to any oil shale claims for which a fee is required to be paid under section 2511(e)(2) of the Energy Policy Act of 1992 (30 U.S.C. 242(e)(2))

(e) CLAIM MAINTENANCE FEES PAYABLE UNDER 1993 ACT.—The claim maintenance fees payable under this section for any period with respect to any claim shall be reduced by the amount of the claim maintenance fees paid under section 10101 of the Omnibus Budget Reconciliation Act of 1993 with respect to that claim and with respect to the same period.

(f) WAIVER.—

(1) The claim maintenance fee required under this section may be waived for a claim holder who certifies in writing to the Secretary that on the date the payment was due, the claim holder and all related parties held not more than 10 mining claims on land open to location. Such certification shall be made on or before the date on which payment is due.

(2) For purposes of this subsection, with respect to any claim holder, the term ''related party'' means each of the following:

(A) The spouse and dependent children (as defined in section 152 of the Internal Revenue Code of 1986), of the claim holder.

(B) Any affiliate of the claim holder.

(g) CO-OWNERSHIP.—Upon the failure of any one or more of several co-owners to contribute such co-owner or owners' portion of the fee under this section, any co-owner who has paid such fee may, after the payment due date, give the delinquent co-owner or owners notice of such failure in writing (or by publication in the newspaper nearest the claim for at least once a week for at least 90 days). If at the expiration of 90 days after such notice in writing or by publication, any delinquent co-owner fails or refused to contribute his portion, his interest, in the claim shall become the property of the co-owners who have paid the required fee.

SEC. 6. DEFINITIONS.

As used in this Act:

(1) The term ''affiliate'' means with respect to any person, each of the following:

(A) Any partner of such person.

(B) Any person owning at least 10 percent of the voting shares of such person.

(C) Any person who controls, is controlled by, or is under common control with such person.

(2) The term ''locatable minerals'' means minerals not subject to disposition under any of the following:

(A) the Mineral Leasing Act (30 U.S.C. 181 and following);

(B) the Geothermal Steam Act of 1970 (30 U.S.C. 100 and following);

(C) the Act of July 31, 1947, commonly known as the Materials Act of 1947 (30 U.S.C. 601 and following); or

(D) the Mineral Leasing for Acquired Lands Act (30 U.S.C. 351 and following).

(3) The term ''net smelter return'' has the same meaning provided in section 613 of the Internal Revenue Code of 1986 (26 U.S.C. 613) for ''gross income from mining''.

(4) The term ''Secretary'' means the Secretary of the Interior.

(5) The term ''general mining laws'' means those Acts which generally comprise chapters 2, 12A, and 16, and sections 161 and 162 of title 30, United States Code.

By Mr. HUTCHINSON (for himself, Mr. NICKLES, Mr. WARNER, Mr. MACK, Mr. KYL, Mr. BROWNBACK, Mr. COCHRAN, Mr. ROBERTS, Mr. HATCH, Mr. GORTON, Mr. ENZI, Mr. GREGG, Mr. ALLARD, Mr. LOTT, Mr. SESSIONS, and Mr. FAIRCLOTH):

S. 328. A bill to amend the National Labor Relations Act to protect employer rights, and for other purposes; to the Committee on Labor and Human Resources.

TRUTH IN EMPLOYMENT ACT OF 1997

Mr. HUTCHINSON. Mr. President, I am pleased to introduce today an important piece of legislation which will enable thousands of businesses in my home State of Arkansas, and across the Nation, to avoid an unscrupulous practice which is literally crippling business.

The Truth in Employment Act will protect these businesses and curtail the destructive union tactic known as salting. It may not be in the same magnitude of issues as the balanced budget amendment, which I am deeply concerned about and in which we have had prolonged debate, but it is nonetheless a very, very significant issue that is affecting the economic well-being of thousands of businesses across America. So I am glad to be able to introduce this today with 14 cosponsors joining me on S. 328.

Salting is the calculated practice of placing trained union professional organizers and agents in a nonunion workplace whose sole purpose is to harass or disrupt company operations, apply economic pressure, increase operating and legal costs, and ultimately the purpose of putting that company out of business. The objectives of these union agents are accomplished through filing frivolous and unfair labor practice complaints or discrimination charges against the employer with the National Labor Relations Board [NLRB], the Occupational Safety and Health Administration [OSHA], and the Equal Employment Opportunity Commission [EEOC]. Salting campaigns have been used successfully to cause economic harm to construction companies and are quickly expanding into other industries across the country as well.

To my colleagues I would say, Mr. President, the average cost to the employer to defend himself or defend herself against this practice runs upwards of $5,000 per case.

Salting is not merely a union organizing tool. It has become an instrument of economic destruction aimed at nonunion companies. This is what happens. Unions send their agents into nonunion workplaces under the guise of seeking employment. Hiding behind the shield of the National Labor Relations Act, these salts use its provisions offensively to bring hardship on their employers. They deliberately increase the operating costs of their employers through actions such as sabotage and frivolous discrimination complaints.

In the 1995 Town & Country decision, the U.S. Supreme Court held that paid union organizers are employees within the meaning of the National Labor Relations Act. Because of their broad interpretation of this act, employers who

refuse to hire paid union employees or their agents violate the act if they are shown to have discriminated against the union salts.

This leaves employers in a precarious and vulnerable situation. If employers refuse to hire union salts, they will file frivolous charges and accuse the employer of discrimination. Yet if salts are employed, they will create internal disruption through a pattern of dissension and harassment. They are not there to work—only to disrupt. For many small businesses this means that whenever hiring decisions are made, the future of the company may actually be at stake. A wrong decision can mean frivolous charges, legal fees, and lost time, which may threaten the very existence of their business.

I have received many accounts from across the Nation of how salting is affecting small businesses. In Carmel, IN, John Gaylor, of Gaylor Electric, is a favorite target of the local International Brotherhood of Electrical Workers. Mr. Gaylor has to budget almost $200,000 annually to defend himself against frivolous charges. In fact, Gaylor has been forced to defend himself against at least 80 unfair labor practice complaints. However, in each case the charges against him were dismissed as frivolous. Nonetheless, he is bound to pay hundreds of thousands of dollars to attorneys to defend himself.

In a classic example of salting tactics, Gaylor had to fire one employee after his refusal to wear his hardhat on his head. This employee would strap the hardhat to his knee and then dare Gaylor, his boss, to fire him because he said the employee manual stated only that he had to wear the hardhat, it did not state where he had to wear it.

Another common salting practice is for salts to actually create Occupational Safety and Health Administration [OSHA] violations and then report those violations to OSHA. When the employer terminates these individuals, they file frivolous unfair labor practice violations against the employer. This results in wasted time and money, as well as bad publicity for the company.

These are just a few of the many examples of how devastating this practice can be to small businesses. What makes this practice even more appalling is how organized labor openly advocates its use. According to the group, ''Workplaces against Salting Abuse,'' the labor unions are even advocating this practice in their manuals.

The Union Organizing Manual of the International Brotherhood of Electrical Workers explains why salts are used. Their purpose is to gather information that will

> * * * shape the strategy the organizer will use later in the campaign to threaten or actually apply the economic pressure necessary to cause the employer to * * * raise his prices to recoup additional costs, scale back his business, leave the union's jurisdiction, go out of business, * * *

The International Vice President of the United Food and Commercial Workers Union has been quoted as saying that:

> If we can't organize them, the best thing to do is erode their business as much as possible.

That is what we are facing. The balance of rights must be restored between employers, employees, and labor organizations. The Truth in Employment Act seeks to do this by inserting a provision in the National Labor Relations Act establishing that an employer is not required to employ a person seeking employment for the primary purpose of furthering the objectives of an organization other than that employer. Furthermore, this legislation will continue to allow employees to organize and engage in activities designed to be protected by the National Labor Relations Act.

This measure is not intended to undermine those legitimate rights or protections that employees have had. Employers will gain no ability to discriminate against union membership or activities. This bill only seeks to stop the destructive practice of salting. Salting abuses must be curtailed if we are to protect the small business owners of this Nation. This legislation will ensure these protections are possible.

I am glad that Senator NICKLES, Senator WARNER, Senator MACK, Senator KYL, Senator BROWNBACK, Senator COCHRAN, Senator ROBERTS, Senator HATCH, Senator GORTON, Senator ENZI, Senator GREGG, Senator ALLARD, Senator SESSIONS, Senator FAIRCLOTH, and the majority leader, Senator LOTT, have joined as original cosponsors of this legislation.

It is for these reasons I am introducing the Truth in Employment Act. I ask more of my colleagues to support this bill and restore fairness to the American workplace.

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. 328

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 ''Truth in Employment Act of 1997''.

SEC. 2 FINDINGS.

Congress finds the following:

(1) An atmosphere of trust and civility in labor-management relationships is essential to a productive workplace and a healthy economy.

(2) The tactic of using professional union organizers and agents to infiltrate a targeted employer's workplace (a practice commonly referred to as ''salting'') has evolved into an aggressive form of harassment not contemplated when the National Labor Relations Act (29 U.S.C. 151 et seq.) was enacted and threatens the balance of rights that is fundamental to the collective bargaining system of the United States.

(3) Increasingly, union organizers are seeking employment with nonunion employers not because of a desire to work for such employers but primarily to organize the employees of such employers or to inflict economic harm specifically designed to put nonunion competitors out of business.

(4) While no employer may discriminate against employees based upon the views of the employees concerning collective bargaining, an employer should have the right to expect job applicants to be primarily interested in utilizing the skills of the applicants to further the goals of the business of the employer.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to preserve the balance of rights between employers, employees, and labor organizations that is fundamental to a system of collective bargaining;

(2) to preserve the rights of employees to organize, or otherwise engage in concerted activities protected under the National Labor Relations Act; and

(3) to alleviate pressure on employers to hire individuals who seek or gain employment in order to disrupt the workplace of the employer or otherwise inflict economic harm designed to put the employer out of business.

SEC. 4. PROTECTION OF EMPLOYER RIGHTS.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended by adding at the end the following flush sentence:

''Nothing in this subsection shall be construed as requiring an employer to employ any person who seeks or has sought employment with the employer in furtherance of the objectives of an organization other than the employer.''.

By Mr. ABRAHAM:

S. 329. A bill to provide that pay for Members of Congress shall be reduced whenever total expenditures of the Federal Government exceed total receipts in any fiscal year, and for other purposes; to the Committee on Governmental Affairs.

• Mr. ABRAHAM. Mr. President, today I am introducing legislation to reduce the salaries of Members of Congress by 10 percent for every year that the budget remains out of balance or Congress fails to enact a balanced budget amendment to the Constitution. Since the Senate is currently debating a balanced budget to the Constitution, I think it is an appropriate time to renew this legislation.

Mr. President, the Federal budget has been out of balance since 1969. If you exclude trust fund surpluses—as some argue we should—then the Federal Government has not had a surplus since the Kennedy administration. Since that time, the on-budget deficit has risen from $4 billion in 1961 to $26 billion in 1971, $74 billion in 1981, and $321 billion in 1991. According to the CBO, despite recent improvements, the deficit will continue to be a problem—over $200 billion per year out into the future.

Uninterrupted deficits mean rising debt and debt service costs. The gross debt right now is over $5 trillion. By 2002, it will be over $6 trillion. At that time, as we all have been warned, interest payments on the debt will be the largest single portion of the Federal budget. A child born today faces close to $200,000 in extra taxes over his/her lifetime just to pay interest on the Federal debt.

In other words, Mr. President, after 35 years of uninterrupted presence, I

think we can call the Federal deficit an institution here in Washington and admit that there's an institutional bias toward operating in the red. The legislation I am reintroducing today would create an institutional bias in the other direction—toward balance.

Specifically, the bill provides that the salary of Members of Congress be reduced by 10 percent whenever the Federal Government is unable to balance the budget at the close of a fiscal year. It further provides that such a reduced salary level remain in effect until the Government is successful in achieving a balanced budget. The bill's requirements would sunset, however, upon passage of a balanced budget constitutional amendment by both Houses of the Congress.

Mr. President, I believe it is a fundamental responsibility of Government to live within its means. Yet, Members of Congress find it tempting to spend more money than they are willing to take from taxpayers. On the one hand, they reap the benefits by pleasing their constituents. On the other hand, they avoid displeasing the taxpayers who have to foot the bill. In the end, it is future generations of taxpayers who will pick up the tab.

Last Congress, we came close to reversing this destructive trend. We came within one vote of adopting a balanced budget amendment to the Constitution, and we came within one Presidential veto of instituting a plan to reduce spending, cut taxes, and balance the budget by the year 2002. As we all know, however, close does not count, and the debt we impose upon our children continues to rise.

For that reason, I will continue to fight for a balanced budget constitutional amendment and I will continue to work as a member of the Budget Committee to enact a balanced budget plan. Until either of these initiatives is adopted, however, I will continue to propose holding Members collectively responsible for year-end deficits by reducing their pay.

Mr. President, as I said last year, the Congressional Fiscal Policy Act of 1997 is not a panacea for our current fiscal problems. However, until such time as a balanced budget amendment is placed into the Constitution, it would effect a small but potentially important step toward more responsible Government.●

By Mr. DORGAN (for himself, Mr. KEMPTHORNE, Mr. BINGAMAN, Mr. CONRAD, Mr. CRAIG, Mr. DOMENICI, Mr. THOMAS and Mr. DASCHLE):

S. 331. A bill to amend title 23, United States Code, to provide a minimum allocation of highway funds for States that have low population densities and comprise large geographic areas; to the Committee on Environment and Public Works.

Mr. DORGAN. Mr. President, I come to the floor today to introduce a piece of legislation on behalf of myself, Senator KEMPTHORNE, Senator BINGAMAN, Senator CONRAD, Senator CRAIG, Senator DOMENICI, Senator THOMAS, and Senator DASCHLE.

At the conclusion of my remarks I will send a copy of the bill and the statement to the desk.

Mr. President, we will have in this Congress a lot of debates about a lot of issues. One of them that will be very interesting and have great consequence will be the issue of reauthorizing the highway bill. And the question of how much money is available to which States and under what conditions will the money be available to build, to construct, and to maintain highways, roads, and bridges across our country. And to some that may seem like kind of a dull uninteresting subject. But the development, the building, and the maintenance of highways and bridges is critically important to regions of our country. It determines where people live, and where people can travel. It determines economic development, jobs and opportunity.

I come from a rural State. I recognize that there will be a formula fight, as there always is—a formula fight about how to apportion the highway dollars, and who gets what. I do not intend to take sides between one big State and another big State. But I come from a State that is rather large in geography but small in population simply to say that when all of the fighting is over we want to make certain that States like North Dakota and others, where you have large expanses of territory and relatively few people living in those States, are not left out of this process.

Some may not understand the frame of reference to a North Dakota. Let me describe it, if I might, as I begin talking about this bill.

I come from southwestern North Dakota, a town of 300 people, and graduated from a high school class of 9. The county I come from is called Hettinger County. The county next to Hettinger is Slope County, a wonderful territory. Southwestern North Dakota is ranching country with wonderful people. Slope County has fewer than 1,000 people. It is a land mass the size the State of Rhode Island. Slope County is the size of the State of Rhode Island but has fewer than 1,000 people.

There were a lot of births in Slope County last year. There were 7,900 calves born. There were 2,500 pigs born. There were about 1,500 lambs born. And there were seven children born in Slope County; seven children born in Slope County, a land expanse the size of the State of Rhode Island.

I have said—and I do it just I guess because it is obvious—that there is not a lot of childbearing going on in the Medicare years. The fact is that the average age of the population in counties like Slope County, a rural county, is increasing, and there just are not a lot of children born in those counties. In North Dakota, we have 11 counties that are growing and 42 counties that are shrinking. Slope County is an example of that.

I mention all of this to you for one reason. Roads are important. How hard do you think it is to support road building or road maintenance in a county that size with so few people? I can say the same thing about Hettinger County not only in North Dakota, but in South Dakota, New Mexico, Wyoming, Montana, and other States as well. It is very hard with a small population base and a lot of miles of road to support them with our current circumstance.

As we have a fight about highway funding here in the Congress—and the fight is a big-stakes fight over billions and tens of billions of dollars to be sliced up and divided between 50 States, and the big States have an enormous amount of money at stake, New York, Florida, California, and others—an enormous amount of money is at stake for these States. I am going to be someone who helps move this along by saying that I think highway building, highway maintenance, highway construction, and bridge repair is very important for our country's future. We must rebuild our country's infrastructure. We must pay attention to these kinds of things. All you have to do is go to some less-developed country and drive the first mile and understand how important infrastructure is and what we have here versus what they have in many other areas of the world.

But much of our infrastructure is in trouble, and we must reauthorize a highway funding bill that gives us the resources across this country to rebuild our infrastructure.

How do we divide up the money? Well, that then becomes part of this formula fight. How much does one State get versus another?

There are about eight States in this country where you have a large land mass, and only a few people. That makes it very difficult for the few people living in those States to maintain the network of highways necessary. Why is it necessary? It is necessary for the country. It is necessary for an entire transportation system.

You can imagine perhaps President Eisenhower sitting at the White House probably having Speaker Rayburn down to talk about his idea of an Interstate Highway System across our country connecting various parts of our country. And, if someone in that meeting when they talked about building an interstate highway program had said, ''Well, gee, how could you conceivably support building a four-lane, expensive interstate highway that goes among other places from Fargo, ND, in the east and exits at Beach, ND, in the west as it enters Montana, for the number of people it serves in North Dakota, how on Earth could this country justify that investment in the interstate highway program?'' the answer was simple. It was a national program. And the fact that you build a highway across a State with low populations such as North Dakota means that frozen fish and fresh fruit move from Boston to Seattle, not across gravel roads

in the center of the country because there are only a few people living there, but across an interstate highway system that is part of a national network of highways and roads that are important for our entire country. That is the purpose of all of it this.

Those of us that come from the less-densely populated States drive a lot. Gas taxes mean a lot to us. The price of gasoline means a lot to us. In North Dakota, for example, we drive exactly twice as much per person as they do in New York.

Why? Well, if you are going to go someplace in North Dakota, it is not two blocks to the hospital. It might be 50 miles to the hospital. It might not be a block and a half to a movie. It might be 10 miles or 15 miles from the farmstead to the small town with a theater.

The fact is we drive just almost exactly twice as much in North Dakota per person as they do in New York City. Therefore, per person we pay twice as much in highway taxes as they do, for example, in New York City or the State of New York. Is that unfair, unfortunate? Probably unfortunate. We do not like that necessarily, but we choose where we live.

The point I am making with that is that in terms of burden, we have a very substantial burden with respect to highway taxes. Our burden is much higher than the burden per person in other States.

The contribution to the Federal highway trust fund in terms of gas taxes by the average North Dakotan is $116 a year; the average Florida resident, $73; Massachusetts, $61; Rhode Island, $55, and the list goes down. We are fourth from the top in per person contribution to the Federal highway trust fund.

Some will come to this floor in all of this fight about money and they will say, well, there are donor States and donee States, and the donor States are the ones that pay more into the highway trust fund than they get back and that ought to change; it is unfair. The donee States are the recipient States and they are the ones that get more back than they paid in and they ought not to.

That is one way of looking at it. I suppose if you want to look at that in the context of funding the Coast Guard, we do not have any coast to guard up in North Dakota so whatever our taxpayers in North Dakota are paying into the Federal Government for the purpose of running a Coast Guard, I suppose we are a donor State. We are a donor State for the Coast Guard. But so what. That is not the way you ought to measure this, nor should you measure it that way from a highway funding standpoint. Measure it in terms of what citizens are having to contribute to the highway trust funds relative to the amount of driving they are doing and the amount of tax they are having to pay, and what you will see is a State such as North Dakota is right near the top.

A group of us who come from States similarly situated, States with very large expanses of land and not as many people, and therefore not having the tax base to raise the funds necessary to meet the needs of road maintenance and road building and bridge making, and so on, want to be a part of this debate on the reauthorization of ISTEA or the highway reauthorization bill in a manner that says the following. We want at the end of this discussion for these eight States that are situated in this manner not to be a part of the juggling between the formula fights that will go on on this floor from time to time this year on highway funding, but instead to be a part of a solution that says with respect to those States with unique circumstances, we will provide a guarantee that those States will receive what they have received in the past in terms of the percentage of the highway funds that have gone to these eight States with large expanses of land, many miles of highway to maintain and a lower population base, and in addition to that we will have a highway preservation fund of 1 percent—1 percent out of 100 percent of the money that is available—to be put in a pool to be distributed back to those eight States on a need basis to preserve those highways, roads and bridges, build and maintain and preserve that infrastructure in those eight States that face this unique challenge and face these unique circumstances.

That is all we say in this legislation—two things. One, North Dakota's share, for example, of the current formula is about .62 of 1 percent. North Dakota and the other seven States would be guaranteed that allocation at the end of the reauthorization bill for the coming years, plus we would be the recipients on a need basis of a pool equal to 1 percent of the highway fund that would then be reallocated on a need basis to the eight States that face these special and unique challenges.

There are a number of us, 16 Senators specifically that come from these 8 States, who have already cosponsored this legislation. I hope others will. And when we do, I hope we will be able to make a case to the rest of the Congress that we want to be helpful to others. We want to be helpful to all of those who believe there ought to be a robust highway funding program, that funding for it ought to be certain, that funding for it ought to be adequate to meet the needs in this country and we are prepared to support that. But that when the larger formula fights are completed, those eight States, uniquely situated, the eight States which include North Dakota, situated in a circumstance where their population base does not allow them to raise the resources to meet their infrastructure and transportation needs, they will be dealt with in a fair and equitable way. That is what our legislation does. It is what it would provide. And we hope that when this is over at the end of this Congress, we will look back and say we did something that was important for our States.

I want to mention one additional point. Some say let us not have a Federal highway program anymore. Let us abolish the Federal gas tax, and then say to the States, you go ahead and raise your own money. All that I have been discussing so far describes the unique problem we have raising our own money with a large road network to deal with and a smaller population base. If we were required under a program like that, a devolution of the highway program, saying we will not have a Federal program, let us let the States do it, and therefore a State like North Dakota, we were told, you go ahead and raise this yourself, just to meet the current revenue stream we now have from the Federal highway program in North Dakota, we would be required to raise the current State gas tax by 27 cents per gallon simply to replace the revenue the State currently receives. Other States would not fare the same way. Other States would be able to decide they could raise their gas tax at the State level by a very small amount of money.

For example, Florida would have to raise their State gas tax 11 cents to raise the amount of money they now have under their road program. So when you take a look at the impact and the burden on taxpayers here, that approach, the devolution approach, saying let us not have a Federal highway program, let us tell the States raise your own money by your own gas tax, would say to Florida, you raise your gas tax by 11 cents, and would say to North Dakota, you raise yours by 27 cents.

That is the inequity of it. That moves us away from the notion that highways represent a national need, that transportation is a national system and is part of a unifying force in this country that we have always felt should work to meet our country's universal needs, and that includes especially the area of transportation.

Mr. President, this year the Congress will be debating the reauthorization of the Intermodal Surface Transportation Efficiency Act [ISTEA]. Some have focused the debate around the question of the ratio between how much States receive in highway funding related to what they pay in. However, framing the debate around the donor verses donee State concept fails to address the real issues in the reauthorization of ISTEA: that is, how do we allocate resources to maintain a national transportation system and ensure that all States have the necessary resources to participate in that system. If the heavily populated States want to ship their frozen fish and fresh fruit from coast to coast in trucking convoys, they don't want to be shipping it on gravel roads in parts of the country where the local tax base is not sufficient to maintain a national network of good roads. It is in the interest of all Americans to have a national network. That is why the

donor verses donee formula fights are so counterproductive.

If we are interested in maintaining a national transportation system, the question should be how do we allocate resources to meet all the Nation's highway needs. This includes meeting the unique needs of rural States with low-density populations and large geographic areas. If there is a national need, there's a national responsibility and we ought not to have formula fights in ways that hurt small population States with large networks of highways to maintain.

I am not a bit uncomfortable that North Dakota receives more money back in highway funding than it sends into the highway trust fund through gas taxes. In fact, if measured on a per capita basis, North Dakota is actually one of the highest contributors to the Federal highway trust fund. Some of the so-called ''donor States'' contribute has as much in gas taxes per capita than many of the ''donee States'' contribute. That happens because we have a small population and are required to maintain a large highway system on a small local tax base. Without a Federal program to make up for scarce local resources in low-density States, we could not have a national network of highways.

Those who frame the debate as one between donor or donee States beg the question as to why does this notion only apply to highway funding. Should we treat all transportation programs the same way? Why single out only highway funding? Why not apply the same ''return to the states'' approach for mass transit, disaster relief for hurricanes and earthquakes, or the Airport Improvement Program? Should the same principle be applied to funding the Coast Guard and the Maritime Administration whose services are almost entirely used by coastal States? We don't have much of a Coast Guard in North Dakota, but our taxpayers still help pay for it. Thus, North Dakota is a donor State when it comes to these programs. Why should landlocked States support these programs?

The reason is simple—we have a national economy, not a State-by-State economy. If such approach were adopted, it would represent a dramatic abandonment from the basic principle that has been vital to our national economic and social well being: a quality national transportation system. And that is why the debate about the reauthorization of ISTEA must meet the unique needs of rural States.

A network of efficient and well-maintained roads in rural areas is just as important to densely population urban centers that export products across the country as the roads are to middle America.

We need a national transportation system that reflects a commitment to all regions of the Nation as the principle priority. To do this, highway funding formulas must provide for the unique needs of every region. Currently, the needs of States with small populations but that maintain highways for large geographic areas are not reflected under ISTEA formulas and this ought to be changed. ISTEA formulas need to reflect the needs of the national system and the unique circumstances of various geographic regions. While major urban areas need support for relieving congestion and heavy traffic loads, rural States with low populations need additional assistance to maintain long stretches of roads with smaller local tax bases.

Mr. President, I am introducing legislation to ensure that rural States with low-density populations and large geographic land areas get an adequate share of Federal support under the Federal Aid to Highways Program. There are two major provisions under this legislation. First, low-density States with large geographic land areas will be held harmless under the same percentage distribution of total highway funds as they received under ISTEA. In addition, these same States would qualify for a rural State adjustment, which would be established by setting aside 1 percent of the total highway program for rural States. These funds would be distributed by a formula that takes into account the number of National Highway System [NHS] miles of road in a qualifying State and the number of NHS vehicle miles traveled in that State. Certainly, this legislation does not resolve the matter as to how Federal highway funds will be distributed to all States. Rather, this bill only focuses on one aspect of the picture—that is, it emphasizes the unique circumstances of a small number of States that ought to have their needs recognized in the final formula.

Those of us from rural States are not suggesting that all we care about is meeting our unique needs. Much to the contrary. We desire to work cooperatively with all our colleagues to develop a strong and effective highway bill that meets the needs of all regions. Our objective is to have a fair formula that ensures that our Nation maintains a truly national system. To that end, we pledge our good faith and determination to develop the best reauthorization of ISTEA possible.

I urge my colleagues to join Senator KEMPTHORNE, Senator CONRAD, and I in supporting this legislation. It is our hope that the Congress will succeed this year in passing a strong reauthorization of ISTEA and hopefully, that legislation will reflect the concerns raised in the bill we are introducing today.

So, Mr. President, I am sending the legislation to the desk, and I hope in the coming week or so to add cosponsors to the legislation. I hope when the debate occurs on the reauthorization of the highway program, the ideas embodied in this bipartisan piece of legislation will be ideas that we will see incorporated in the final legislation passed by this Congress.

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. 331

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 ''Rural States Highway Preservation Act of 1997''.

SEC. 2. FINDINGS.

Congress finds that—

(1) a national surface transportation system that includes a national network of highways and that provides for efficient and safe interstate travel in every State is vital to the economic and social wellbeing of the United States;

(2) Federal policy for allocating resources to maintain an efficient and safe national surface transportation system should reflect the unique needs and circumstances of each State's ability to participate in the transportation system;

(3) low-density States that comprise large geographic land areas—

(A) bear unique financial burdens in maintaining their share of the national surface transportation system; and

(B) typically support higher per-mile costs of maintaining highways and contribute more per capita to the Highway Trust Fund than other States;

(4) many rural States have to maintain large highway systems, which provide interstate access between major population centers, but have small local populations to support their highways;

(5) since the approval and implementation of the North American Free Trade Agreement, many rural States along the northern border of the United States have experienced increased use of, and demands on, their share of the national surface transportation system due to increased international trade activities;

(6) Federal funding for surface transportation should include adjustments that reflect reasonable and appropriate resource allocations to ensure that rural, low-density States that comprise large geographic land areas can adequately participate in the national surface transportation system; and

(7) contributions from all States permit the Federal Government to provide support for essential intermodal national priorities, such as a national system of highways, mass transit, maritime activities, airports and air service, and passenger rail service.

SEC. 3. MINIMUM HIGHWAY FUNDING ALLOCATION FOR CERTAIN TYPES OF STATES.

Section 157(a)(4) of title 23, United States Code, is amended—

(1) by striking ''In fiscal'' and inserting the following:

''(A) IN GENERAL.—In fiscal''; and

(2) by adding at the end the following:

''(B) LOW-DENSITY, LARGE-GEOGRAPHIC-AREA STATES.—

''(i) DEFINITION OF ELIGIBLE STATE.—In this subparagraph, the term 'eligible State' means a State that—

''(I) has a population density of less than 20 individuals per square mile; and

''(II) comprises a land area of 10,000 square miles or more.

''(ii) HISTORICAL APPORTIONMENTS.—Notwithstanding any other provision of law, for fiscal year 1998 and each fiscal year thereafter, the Secretary shall increase the amount of funds that, but for this clause, would be apportioned to an eligible State

under section 104(b)(3) so that each eligible State receives not less of the apportioned and allocated funds described in section 1015(a)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943) (as in effect on October 1, 1996) than the percentage listed for the State in section 1015(a)(2) of that Act (as in effect on October 1, 1996).

''(iii) SET-ASIDE.—Notwithstanding any other provision of law, on October 1 of fiscal year 1998 and each fiscal year thereafter, the Secretary shall—

''(I) before making any funds available out of the Highway Trust Fund (other than the Mass Transit Account) for the fiscal year, set aside from the amounts authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the fiscal year an amount equal to 1 percent of the funds that were made available out of the Highway Trust Fund (other than the Mass Transit Account) for the preceding fiscal year;

''(II) after making any increase for an eligible State necessary to carry out clause (ii), allocate 50 percent of the amount set aside under subclause (I) among eligible States in the ratio that—

''(aa) the number of miles of highways on the National Highway System in the eligible State; bears to

''(bb) the number of miles of highways on the National Highway System in all eligible States; and

''(III) after making any increase for an eligible State necessary to carry out clause (ii), allocate 50 percent of the amount set aside under subclause (I) among eligible States in the ratio that—

''(aa) the number of vehicle miles traveled on the National Highway System in the eligible State during the latest 1-year-period for which data are available; bears to

''(bb) the number of vehicle miles traveled on the National Highway System in all eligible States during the latest 1-year-period for which data are available.''.

Mr. KERRY. Mr. President, I might say to my friend from North Dakota that he raises a most important issue, and it is obviously one that we are going to have a tremendous tug-of-war on around here. It is my hope, representing a State with very old infrastructure and with enormous public works projects, a very large population in an urban area, that as we approach this we are not going to get dragged into a fractionalized, regionalized, State-versus-State, haves-versus-have-nots issue. But, rather, that we are going to think this through in terms of the overall needs of the Nation which he has appropriately addressed with respect to his State and his region. I think the key here is to make sure we come out with an adequate amount of infrastructure investment for the country as a whole and with an appropriate division of that. I certainly intend to work with him and others, but I think we need to guarantee that.

• Mr. BINGAMAN. Mr. President, I rise to speak briefly about the Rural States Highway Preservation Act. This is an act that would ensure fairness in the distribution of funds from the Highway Trust Fund. But more importantly, Mr. President, this bill ensures that we continue our commitment to maintain a national transportation system, that in doing so, we meet all the Nation's transportation needs and, just as importantly, the unique needs of our States that have small populations and very large geographic areas, States such as New Mexico, North Dakota, South Dakota, Idaho, Alaska, Nevada, Montana, and Wyoming.

My home State of New Mexico has only 14 people per square mile and its total land area is 121,335 square miles. Residents of large, rural States like New Mexico pay more per person in gas taxes because of the long driving distances. It is not uncommon for New Mexicans to travel 50 or more miles to their nearest large town or country seat, where they have to go to get essential supplies, health care, school, or interact with their government. To maintain this infrastructure, New Mexicans currently pay one of the highest per capita State taxes to maintain the same highways used by interstate trucks or the tourists who visit our beautiful State. Under any eventual ISTEA reauthorization that does not address these unique characteristics, New Mexico and similar States would lose highway funding that it could never recover. Under devolution, for example, New Mexico would have to impose at least a 17.8-cent gas tax just to generate the same revenue as it received from the Highway Trust Fund in 1995. Such a proposal would be devastating not only for our residents, but for the many trucks that cross our State, and for the increasing traffic between Mexico and the United States. Such a proposal would impair new Mexico's highways, but because we are but one part of a national transportation system, it would impair our national system.

The Rural States Highway Preservation Act would ensure that transportation funds that will be distributed under a reauthorized ISTEA will be done fairly, with consideration to the uniqueness of States with low population density and high geographic area, and with our national transportation needs as a priority.

Thank you, Mr. President.•

By Mr. HARKIN (for himself, Mr. CONRAD, Mr. KENNEDY, Mr. DORGAN, Ms. MIKULSKI, and Mr. LEVIN):

S. 332. A bill to prohibit the importation of goods produced abroad with child labor, and for other purposes; to the Committee on Finance.

THE CHILD LABOR DETERRENCE ACT OF 1997

• Mr. HARKIN. Mr. President, I introduce the Child Labor Deterrence Act of 1997. The bill I am introducing today prohibits the importation of any product made, whole or in part, by children under the age of 15 who are employed in manufacturing or mining. This is the fourth time I have come to the floor of the Senate to introduce this bill, and I will continue to introduce it until it becomes law.

Mr. President, recently, the International Labor Organization [ILO] released a very grim report about the number of children who toil away in abhorrent conditions. The ILO estimates that over 200 million children worldwide under the age of 15 are working instead of receiving a basic education. Many of these children begin working in factories at the age of 6 or 7, some even younger. They are poor, malnourished, and often forced to work 60-hour weeks for little or no pay.

Child labor is most prevalent in countries with high unemployment rates. According to the ILO, some 61 percent of child workers, nearly 153 million children, are found in Asia; 32 percent, or 80 million, are in Africa and 7 percent, or 17.5 million, live in Latin America. Adult unemployment rates in some nations runs over 20 percent. In Latin America, for example, about 1 in every 10 children are workers. Furthermore, in many nations where child labor is prevalent, more money is spent and allocated for military expenditures than for education and health services.

The situation is as deplorable as it is enormous. In many developing countries children represent a substantial part of the work force and can be found in such industries as rugs, toys, textiles, mining, and sports equipment manufacturing.

For instance, it is estimated that 65 percent of the wearing apparel that Americans purchase is assembled or manufactured abroad, therefore, increasing the chance that these items were made by abusive and exploitative child labor. In the rug industry, Indian and Pakistan produce 95 percent of their rugs for export. Some of the worst abuses of child labor have been documented in these countries, including bonded and slave labor.

Venezuela and Colombia exported $6,084,705 and $1,385,669 worth of mined products respectively to the United States in 1995. Both were documented by the Department of Labor as using child labor in mining. Mining hazards for children include exposure to harmful dusts, gases, and fumes that cause respiratory diseases that can develop into silicosis, pulmonary fibrosis, asbestosis and emphysema after some years of exposure. Child miners also suffer from physical strain, fatigue and musculoskeletal disorders, as well as serious injuries from falling objects.

Children may also be crippled physically by being forced to work too early in life. For example, a large scale ILO survey in the Philippines found that more than 60 percent of working children were exposed to chemical and biological hazards, and that 40 percent experienced serious injuries or illnesses.

These practices are often underground, but the ILO report points out that children are still being sold outright for a sum of money. Other times, landlords buy child workers from their tenants, or labor contractors pay rural families in advance in order to take their children away to work in carpet weaving, glass manufacturing or prostitution. Child slavery of this type has long been reported in South Asia,

South East Asia and West Africa, despite vigorous official denial of its existence.

Additionally, children are increasingly being bought and sold across national borders by organized networks. The ILO report states that at least five such international networks trafficking in children exist: from Latin America to Europe and the Middle East; from South and South East Asia to northern Europe and the Middle East; a European regional market; an associated Arab regional market; and, a West Africa export market in girls.

In Pakistan, the ILO reported in 1991 that an estimated half of the 50,000 children working as bonded labor in Pakistan's carpet-weaving industry will never reach the age of 12—victims of disease and malnutrition.

I have press reports from India of children freed from virtual slavery in the carpet factories of northern India. Twelve-year-old Charitra Chowdhary recounted his story—he said, ''If we moved slowly we were beaten on our backs with a stick. We wanted to run away but the doors were always locked.''

Mr. President, that's what this bill is about, children, whose dreams and childhood are being sold for a pittance—to factory owners and in markets around the globe.

It is about protecting children around the globe and their future. It is about eliminating a major form of child abuse in our world. It is about breaking the cycle of poverty by getting these kids out of factories and into schools. It is about raising the standard of living in the Third World so we can compete on the quality of goods instead of the misery and suffering of those who make them. It is about assisting Third World governments to enforce their laws by ending the role of the United States in providing a lucrative market for goods made by abusive and exploitative child labor and encouraging other nations to do the same.

Mr. President, unless the economic exploitation of children is eliminated, the potential and creative capacity of future generations will forever be lost to the factory floor.

Mr. President, the Child Labor Deterrence Act of 1997 is intended to strengthen existing U.S. trade laws and help Third World countries enforce their child labor laws. The bill directs the U.S. Secretary of Labor to compile and maintain a list of foreign industries and their respective host countries that use child labor in the production of exports to the United States. Once the Secretary of Labor identifies a foreign industry, the Secretary of the Treasury is instructed to prohibit the importation of a product from an identified industry. The entry ban would not apply if a U.S. importer signs a certificate of origin affirming that they took reasonable steps to ensure that products imported from identified industries are not made by child labor. In addition, the President is urged to seek an agreement with other governments to secure an international ban on trade in the products of child labor. Further, any company or individual who would intentionally violate the law would face both civil and criminal penalties.

This legislation is not about imposing our standards on the developing world. It's about preventing those manufacturers in the developing world who exploit child labor from imposing their standards on the United States. They are forewarned. If manufacturers and importers insist on investing in child labor, instead of investing in the future of children, I will work to assure that their products are barred from entering the United States.

Mr. President, as I said when I first introduced this bill 4 years ago, it is time to end this human tragedy and our participation in it. It is time for greater government and corporate responsibility. No longer can officials in the Third World or U.S. importers turn a blind eye to the suffering and misery of the world's children. No longer do American consumers want to provide a market for goods produced by the sweat and toil of children. By providing a market for goods produced by child labor, U.S. importers have become part of the problem by perpetuating the impoverishment of poor families. Through this legislation, importers now have the opportunity to become part of the solution by ending this abominable practice.

Mr. President, countries do not have to wait until poverty is eradicated or they are fully developed before eliminating the economic exploitation of children. In fact, the path to development is to eliminate child labor and increase expenditures on children such as primary education. In far too many countries, governments spend millions on military expenditures and fail to provide basic educational opportunities to its citizens. As a result, over 130 million children are not in primary school.

In conclusion, Mr. President, my bill places no undue burden on U.S. importers. I know of no importer, company, or department store that would willingly promote the exploitation of children. I know of no importer, company, or department store that would want their products and image tainted by having their products produced by child labor. And I know that no American consumer would knowingly purchase something made with abusive and exploitative child labor. These entities take reasonable steps to ensure the quality of their goods; they should also be willing to take reasonable steps to ensure that their goods are not produced by child labor.

Mr. President, I urge my colleagues to support this legislation.●

By Mrs. BOXER:

S. 333. A bill to increase the period of availability of certain emergency relief funds allocated under section 125 of title 23, United States Code, to carry out a project to repair or reconstruct a portion of a Federal-aid primary route in San Mateo, CA.

THE DEVIL'S SLIDE TUNNEL ACT

● Mrs. BOXER. Mr. President, today I am introducing the Devil's Slide Tunnel Act to allow previously appropriated funds to be used for a tunnel project in San Mateo County, CA. This bill is essentially a technical change to a 1984 emergency spending bill to provide relief for heavy winter storms that occurred during the winter of 1982–83. These rains caused a mountain mud slide to block the use of California Highway 1, a key coastal highway linking San Mateo County to San Francisco.

This section of highway has become known as Devil's Slide because it crosses a sea cliff 600 feet above the Pacific Ocean surf about 12 miles south of San Francisco. Perennial closures because of mud slides have cut off coastal communities, particularly access to emergency services during disasters as well as to local businesses. Congress approved the supplemental appropriations for permanent repair after exhaustive study, including field hearings by the House Surface Transportation Subcommittee.

The California Department of Transportation [Caltrans] made temporary repairs and proposed a bypass construction. The bypass was opposed by environmental interests and construction was blocked in court for years. This battle fortunately ended in November when voters overwhelming approved a referendum calling for construction of a mile-long tunnel as a project alternative.

Congressman TOM LANTOS has introduced legislation in the House to carry out the voters' request. I am introducing an identical bill. Our legislation simply amends the law to allow for previously appropriated funds to be used for a project alternative and that the amount is available until expended.

It is time that we fix this dangerous highway section that threatens many people's lives and livelihoods. I urge my colleagues to join me and take swift action to allow the project alternative to proceed.

I ask unanimous consent that the legislation be printed in the RECORD.

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

S. 333

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 ''Devil's Slide Tunnel Act''.

SEC. 2. PERIOD OF AVAILABILITY.

Section 6 of the Act entitled ''An Act to apportion certain funds for construction of the National System of Interstate and Defense Highways for fiscal year 1985 and to increase the amount authorized to be expended for emergency relief under title 23, United States Code, and for other purposes'', approved March 9, 1984 (98 Stat. 55), is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''A project''; and

(2) by adding at the end the following:

''(b) AVAILABILITY OF FUNDS.—Notwithstanding any other provision of law, sums that are allocated under section 3 for any project alternative selected under this section before, on, or after the date of enactment of this subsection shall remain available until expended.''.●

By Mr. MOYNIHAN:

S. 334. A bill to amend section 541 of the National Housing Act with respect to the partial payment of claims on health care facilities; to the Committee on Banking, Housing, and Urban Affairs.

PARTIAL PAYMENT OF CLAIMS LEGISLATION

● Mr. MOYNIHAN. Mr. President, I introduce a bill that makes a small but significant change in the hospital mortgage program and the nursing home mortgage program administered by the Department of Housing and Urban Development. The Section 242 Program, as it is known, enables HUD to guarantee to private lenders that they will not lose money on a construction loan to a hospital. If the hospital cannot make its payments, HUD will assume the mortgage. The program insures loans for renovation, modernization, and new construction, and also covers the refinancing of existing mortgages. The Section 232 program does the same for nursing home projects.

In August, 1995 the portfolio included 100 projects in 18 States. It is particularly important in New York where State regulations require hospitals to secure such insurance and where construction costs are high. Further, because New York is deregulating its hospitals, in the next few years the hospitals need as much flexibility as possible, including the ability to refinance existing debt. The program will be more important than ever.

Ensuring hospital mortgages may seem to be a risky venture, but this program is successful. Since 1969 it has made a net contribution to the government of $221 million through fees it charges the hospitals, and in only three years has it had a negative net cash flow. The most recent was 1991.

The bill I am offering today would strengthen the program by giving HUD partial payment of claims authority. Currently, if a hospital or nursing home cannot make a mortgage payment, HUD must assume the entire mortgage at considerable cost and administrative effort. Partial payment of claims would prevent this. If, for example, a hospital owes a $10 million payment and only has $6 million available, HUD would simply provide the $4 million shortfall. There would be no requirement nor necessity of assuming the mortgage.

HUD already has partial payment of claims authority in most of its other mortgage insurance programs, such as the multifamily housing program, and it works well. There is no reason for the Agency not to have this authority in the hospital and the nursing home program, and in fact it makes eminent sense.

My friend and colleague, Senator D'AMATO, joins me as a cosponsor of this bill. I ask my other colleagues to join us in supporting this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 334

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

SECTION 1. PARTIAL PAYMENT OF CLAIMS ON HEALTH CARE FACILITIES.

Section 541(a) of the National Housing Act (12 U.S.C. 1735f–19) is amended—

(1) in the section heading, by adding ''AND HEALTH CARE FACILITIES'' at the end; and

(2) in subsection (a)—

(A) by inserting ''or a health care facility (including a nursing home, intermediate care facility, or board and care home (as those terms are defined in section 232)), a hospital (as that term is defined in section 242), or a group practice facility (as that term is defined in section 1106))'' after ''1978''; and

(B) by inserting ''or for keeping the health care facility operational to serve community needs,'' after ''character of the project,''.●

By Mr. WARNER (for himself, Mr. GRAHAM, Mr. HOLLINGS, Mr. FAIRCLOTH, Mr. LUGAR, Mr. FORD, Mrs. HUTCHISON, Mr. INHOFE, Mr. NICKLES, Mr. BREAUX, Mr. HELMS, Mr. COATS, Mr. MCCONNELL, Mr. SHELBY, Mr. BOND, Mr. THURMOND, Mr. SESSIONS, Mr. HUTCHINSON, Mr. GRAMM, Mr. ROBB, Mr. COVERDELL, Mr. CLELAND and Mr. GRAMS):

S. 335. A bill to authorize funds for construction of highways, and for other purposes; to the Committee on Environment and Public Works.

THE STEP–21 ISTEA INTEGRITY RESTORATION ACT

● Mr. WARNER. Mr. President, I am pleased to be joined today by Senator BOB GRAHAM and so many of my colleagues in introducing the STEP–21, ISTEA Integrity Restoration Act, to reauthorize our Nation's surface transportation programs.

The current legislation—commonly known as ISTEA—expires on September 30 of this year. New legislation must be passed for our States and local governments to receive any transportation funds on the beginning of the new fiscal year on October 1.

Mr President, my bill presents a regionally balanced, multimodal approach for establishing a new transportation policy that will successfully carry us into the 21st century.

STEP–21 is a 5-year authorization bill that maintains a strong Federal role in transportation. It responds to the mobility and accessibility needs of all Americans to a modern and safe transportation system. It provides the resources and policies necessary for our American products to compete in a global marketplace. And, we continue the guiding principles of ISTEA committed to a system that is economically efficient and environmentally sound.

Our STEP–21 proposal is grounded in two fundamental principles—funding equity and a streamlined program.

Already much attention has focused on the regional disparities in the funding distribution formulas. But, our legislation recognizes that all regions of the Nation have important transportation needs. We are committed to devising a program that—for the first time—responds to our transportation demands using current needs information. In doing so, we provide a program that acknowledges that sparsely populated States with large land areas or States with small populations cannot go it alone. We are committed to continuing a national transportation system—to provide effective connections among the States. I believe the needs of these States must be addressed and we do so in our legislation.

STEP–21 has a much broader focus than just the single issue of funding distribution.

STEP–21 moves us beyond the advances of ISTEA with further streamlining of the current bureaucratic maze of Federal programs. We reduce the number of program categories, thus increasing the flexibility permitted for our State and local partners to determine their own transportation priorities.

STEP–21 also continues and builds upon the many successes of ISTEA.

Mr. President, this legislation maintains our national focus on multimodal solutions to moving people and goods efficiently.

We continue the flexibility of State and local decisionmakers to invest their resources in nonhighway alternatives—such as transit or commuter rail options.

We continue the important role of metropolitan planning organizations and their need to have an identified funding source.

We recognize a full and open planning process that stimulates public participation at both the State and local level will foster transportation solutions that respond to larger community goals.

We provide a program that is environmentally sound, recognizing that transportation plays an important part in our national goal to improve the quality of the air we breathe. States can continue to invest in those transportation choices that move people and goods without degrading air quality. The enhancements program that invests in alternative forms of transportation—bike paths and pedestrian walkways—and mitigates the impacts of past transportation choices on our communities quality of life will be continued.

In brief, STEP–21 ensures that we have a national multimodal transportation policy that is ready to meet the economic demands of a global marketplace. It provides solutions to the regional disparities of the current program and the Federal second-guessing of State and local transportation

choices. It does not retreat from the principles of ISTEA to provide for an open decisionmaking process permitting States and localities to invest in different modes of transportation.●

By Mr. SARBANES:

S. 336. A bill to convert certain excepted service positions in the United States Fire Administration to competitive service positions, and for other purposes; to the Committee on Governmental Affairs.

U.S. FIRE ADMINISTRATION LEGISLATION

● Mr. SARBANES. Mr. President, today I am introducing legislation to convert eight remaining excepted service positions at the U.S. Fire Administration to competitive service status.

During its first few years of operation, the Federal Emergency Management Agency used an excepted service authority provided under the Fire Prevention and Control Act of 1974 in order to quickly staff the National Fire Academy with personnel who were uniquely qualified in fire education.

In the early 1980's, after the Academy's original vacancies had been filled and the Academy was up and running, it became FEMA's policy to fill openings at the NFA through a competitive civil service hiring system. Today, 91 of the NFA's 99 employees are under the general schedule with only eight employees who were hired in the 1970's and early eighties remaining in excepted service status. As a result, these remaining eight are subject to significant limitations within the USFA. Although they each average over 17 years of Federal service and were hired solely because of their strong backgrounds and unique qualifications in fire education, they are legally barred from competing for management positions within the Fire Administration. The remaining eight excepted service employees are not even allowed to serve on details to competitive service jobs—even within their own organization—without an official waiver from the Office of Personnel Management.

Mr. President, I am proposing to remedy this situation. The legislation which I am introducing will enable the Director of the Federal Emergency Management Agency and the Director of the Office of Personnel Management to convert any employees appointed to the Fire Administration under the Federal Fire Protection and Control Act, to competitive service—without any break in service, diminution of service, reduction of cumulative years of service, or requirement to serve any additional probationary period with the Administration. Those converted under this legislation shall also remain in the Civil Service Retirement System and retain their seniority. This practice is consistent with other federally supported training academies. The Congressional Budget Office has indicated that there would be no cost for this conversion, and I urge my colleagues to join me in support of this legislation.●

By Mr. HUTCHINSON (for himself, Mr. HAGEL, Mr. ABRAHAM, Mr. NICKLES, and Mr. HELMS):

S. 337. A bill to amend the Foreign Assistance Act of 1961 to restrict assistance to foreign organizations that perform or actively promote abortions; to the Committee on Foreign Relations.

THE FOREIGN ASSISTANCE ACT OF 1961 AMENDMENT ACT OF 1997

Mr. HUTCHINSON. 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. 337

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

SECTION 1. RESTRICTION ON ASSISTANCE TO FOREIGN ORGANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE ABORTIONS.

(a) IN GENERAL.—Section 104 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b) is amended by adding at the end the following new subsection:

''(h) RESTRICTION ON ASSISTANCE TO FOREIGN ORGANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE ABORTIONS.—

''(1) PERFORMANCE OF ABORTIONS.—

''(A) RESTRICTION.—Notwithstanding any other provision of law, no funds appropriated for population planning activities under subsection (b) or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies to the President that it will not, during the period for which the funds are made available, perform abortions in any foreign country, except where the life of the mother would be endangered if the pregnancy were carried to term or in cases of forcible rape or incest.

''(B) STATUTORY CONSTRUCTION.—Nothing in subparagraph (A) may be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

''(2) LOBBYING ACTIVITIES.—

''(A) RESTRICTION.—Notwithstanding any other provision of law, no funds appropriated for population planning activities under subsection (b) or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies to the President that it will not, during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in any activity or effort to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, except as provided in subparagraph (B).

''(B) EXCEPTION.—Subparagraph (A) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

''(3) APPLICATION TO SUBCONTRACTORS AND SUBGRANTEES.—The prohibitions of this subsection shall apply to funds made available to a foreign organization either directly or as a subcontractor or subgrantee, and the certifications required by this subsection shall apply to activities in which the organization engages either directly or through a subcontractor or subgrantee.''.

(b) APPROPRIATIONS COVERED.—The amendment made by subsection (a) shall apply to appropriations made before, on, or after the date of enactment of this Act.

Mr. ABRAHAM, Mr. President: I rise to join my colleague, Senator HUTCHINSON, as an original cosponsor of S. 337, his amendment to the Foreign Assistance Act of 1961.

This legislation, Mr. President, will subject our nation's funding of international population control programs to appropriate restrictions, seeing to it that American monies are not used to promote or perform abortions.

In adopting this amendment we will continue our country's long established policy of opposing the use of our taxpayer's money to fund controversial procedures. First, this bill prohibits funding to any foreign organization, whether nongovernmental, multilateral or private, that performs or actively promotes abortion. Second, it prohibits organizations receiving U.S. funds from violating any of the host country's laws concerning abortion and from engaging in efforts to alter the host country's abortion laws. There is an exception for activities in opposition to coercive abortions or involuntary sterilizations. Third, this legislation extends these prohibitions to subcontractors and subgrantees of foreign organizations which receive funding under the population assistance program.

I strongly support this legislation because I believe that it will be insure that U.S.-funded population planning programs are administered in an appropriate manner. By this I mean that they will abide by the guidelines Congress laid down for 10 years, under both the Reagan and the Bush administrations. S. 337 will continue our established practice of protecting taxpayers from misuse of their funds and protecting unborn children around the world. It is a worthy piece of legislation. I urge my colleagues to support it.

By Mr. LEVIN (for himself, Mr. ABRAHAM, Mr. AKAKA, Mr. HELMS and Mr. ROBB:)

S. 339. A bill to amend title 18, United States Code, to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

THE FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT

● Mr. LEVIN. Mr. President, I am pleased to introduce the Federal Prison Industries Competition in Contracting Act. This bill, which is cosponsored by Senators ABRAHAM, AKAKA, HELMS, and ROBB, would implement the recommendation of the National Performance Review that we should ''require [Federal Prison Industries] to compete commercially for federal agencies' business'' instead of having a legally protected monopoly. Our bill would ensure that the taxpayers get the best possible value for their Federal procurement dollars. If a Federal agency could get a better product at a lower

price from the private sector, it would be permitted to do so—and the taxpayers would get the savings.

Mr. President, many in both Government and industry believe that FPI products are frequently overpriced, inferior in quality, or both. For example, I understand that the Veterans Administration has sought repeal of FPI's mandatory preference on several occasions, on the grounds that FPI pricing for textiles, furniture, and other products are routinely higher than identical items purchased from commercial sources. Most recently, VA officials estimated that the repeal of the preference would save $18 million over a 4-year period for their agency alone, making that money available for veterans services.

Similarly, the Deputy Commander of the Defense Logistics Agency, wrote in a May 3, 1996, letter to Members of the House that FPI has had a 42 percent delinquency rate in its clothing and textile deliveries, compared to a 6 percent rate for commercial industry. For this record of poor performance, FPI has charged prices that were an average of 13 percent higher than commercial prices.

On July 30, 1996, the master chief petty officer of the Navy testified before the House National Security Committee that the FPI monopoly on Government furniture contracts has undermined the Navy's ability to improve living conditions for its sailors. Master Chief Petty Officer John Hagan stated, and I quote:

> In order to efficiently use our scarce resources, we need congressional assistance in changing the Title 18 statute that requires all the Services to obtain a waiver for each and every furniture order not placed with the Federal Prison Industry/UNICOR. * * * Speaking frankly, the FPI/UNICOR product is inferior, costs more, and takes longer to procure. UNICOR has, in my opinion, exploited their special status instead of making changes which would make them more efficient and competitive. The Navy and other Services need your support to change the law and have FPI compete with GSA furniture manufacturers. Without this change, we will not be serving Sailors or taxpayers in the most effective and efficient way.

In the last Congress this bill was supported by the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Federation of Independent Business, the Business and Industrial Furniture Manufacturers' Association, the American Apparel Manufacturers' Association, the Industrial Fabrics Association International, and the Competition in Contracting Act Coalition. It has also received support from hundreds of small businesses from Michigan and around the country that have seen FPI take jobs away from their businesses and give them to FPI with a guaranteed purchase—regardless of price and quality.

We all want to do what we can to ensure that we make constructive work available for Federal prisoners, but the way we are doing it is wrong. As one small businessman in the furniture industry put it in emotional testimony at a House hearing last year:

> Is it justice that Federal Prison Industries would step in and take business away from a disabled Vietnam veteran who was twice wounded fighting for our country and give that work to criminals who have trampled on honest citizens' rights, therefore effectively destroying and bankrupting that hero's business which the Veteran's Administration suggested he enter?

At the end of the last Congress, I received a letter indicating the Administration's agreement that the process by which Federal agencies purchase products from Federal Prison Industries needs to be reformed. That letter states:

> The Administration favors reform of Federal Prison Industries to improve its customer service, pricing, and delivery while not endangering its work program for Federal inmates. * * * The Administration will present reform proposals for the House and Senate Judiciary Committees in the next session of Congress.

With this letter, the administration has promised to join us in a serious reevaluation of the process by which Federal Prison Industries sells its products to other Federal agencies. The heart of that process is, of course, FPI's mandatory source status. The administration has made a commitment to work with us on reforming the Federal Prison Industries procurement process in this Congress, and I intend to hold the administration to that commitment.

Mr. President, our bill would not require FPI to close any of its facilities, force FPI to eliminate any jobs for Federal prisoners, or undermine FPI's ability to ensure that inmates are productively occupied. It would simply require FPI to compete for Federal contracts on the same terms as all other Federal contractors. That is simple justice to the hard-working citizens in the private sector, with whom FPI would be required to compete.

Mr. President, I am a supporter of the idea of putting Federal inmates to work. A strong prison work program not only reduces inmate idleness and prison disruption, but can also help build a work ethic, provide job skills, and enable prisoners to return to productive society upon their release.

However, I believe that a prison work program must be conducted in a manner that does not unfairly eliminate the jobs of hard-working citizens who have not committed crimes. FPI will be able to achieve this result only if it diversifies its product lines and avoids the temptation to build its work force by continuing to displace private sector jobs in its traditional lines of work. We need to have jobs for prisoners, but it is unfair and wasteful to allow FPI to designate whose jobs it will take, and when it will take them. Competition will be better for FPI, better for the taxpayer, and better for working men and women around the country.

I had hoped to get a vote on this bill last year, but the parliamentary situation at the end of the Congress made that impossible. However, this issue is not going to go away. The issue is too important to the taxpayers, and too important to the many small businesses adversely affected by unfair competition from Federal Prison Industries, to be ignored. I look forward to working with my colleagues to make reform of the Federal Prison Industries procurement process a reality in this Congress.

By Mr. ROTH (for himself and Mr. MOYNIHAN):

S. 341. A bill to establish a bipartisan commission to study and provide recommendations on restoring the financial integrity of the Medicare Program under title XVIII of the Social Security Act; to the Committee on Finance.

THE NATIONAL BIPARTISAN COMMISSION ON THE FUTURE OF MEDICARE

Mr. ROTH. Mr. President, I rise today with my distinguished colleague, Senator MOYNIHAN, the ranking member of the Senate Committee on Finance, to introduce legislation establishing a National Commission on the Future of Medicare.

This Medicare Commission will serve as an essential catalyst to congressional action, and ultimately lead to a solution that will preserve and protect the Medicare Program for current beneficiaries, their children, grandchildren, and great-grandchildren.

Mr. President, we have two immense challenges presented by the Medicare crisis. First, we have the short-term problem, the looming insolvency date of 2001. Second, in the not distant future, the vast numbers of baby boomers will challenge the long-term viability of Medicare. Congress must take action immediately on the short-term bankruptcy crisis, where the Commission will help us solve the longer term problem.

I am encouraged that President Clinton has moved in our direction by offering in his budget package a $100 billion reduction in Medicare spending growth over the next 5 years. I must admit, however, that I was somewhat concerned when the President, in his State of the Union Address last week, devoted only one sentence to discussing his plans for Medicare. And half of that sentence was devoted to expanding the program.

The President stated that his plan extends the life of the Medicare trust fund until 2007. However, in order to achieve this, the President's budget resorts to a budgetary sleight of hand. If we truly are to consider taking steps to preserve and protect the Medicare Program as a whole for future generations, shifting money from one trust fund account to the other does nothing for its long-term health. It only buys us a little extra time. Instead, we should take steps to extend the short-term solvency without budget accounting gimmicks.

Relying on a gimmick like the home health transfer has a certain appeal—it buys us some time by extending the short-term life of the Medicare hospital insurance, HI or part A, trust

fund which is headed for bankruptcy in 2001. Quite simply, Medicare is spending more than it collects from all sources of revenues. Transferring the majority of the outlays for home health care extends the life of the HI trust fund without having to make any real decisions.

Gail Wilsnsky, a well-known health economist, stated recently ''[t]he terms of the transfer of 480 billion of home care should be considered carefully because of the precedent it sets in transferring an obligation into what effectively is the general revenue of the Treasury. Normally, when an expense is brought into part B, a portion of the total spending becomes part of the premium paid by the elderly and the expense itself is subjected to a 20 percent coinsurance charge. This is not being done for the home health care transfer. While an argument can be made that the separation of Medicare into parts A and B, with two separate streams of funding is an archaic holdover from Medicare's inception, removing the limited cost constraints that now exist without reforming the entire program is very risky.''

The anticipated bankruptcy of the trust fund in 2001 means there will not be money to pay the hospital, skilled nursing care, home health care, and hospice care bills of our senior citizens and disabled individuals who reply on Medicare. If we change current law, Medicare trends will continue on a collision course.

In 1995, expenditures out of the HI trust fund exceeded all sources of revenues into the trust fund. The Congressional Budget Office predicts that in 2001 Medicare will out spend its revenues and spend down its current surplus, becoming insolvent with a $4.5 billion shortfall. This shortfall grows rapidly to over one half trillion dollars—$556 billion—in 2007. And, this is before the baby-boomers begin to retire in 2010.

In the long-term, demographic trends will continue to increase financial pressure on the trust fund, challenging its ability to maintain our promise to beneficiaries. Today, there are less than 40 million Americans who qualify to receive Medicare. By the year 2010, the number will be approaching 50 million, and by 2020, it will be over 60 million. While these numbers are increasing, the number of workers supporting retirees will decrease. Today, there are almost four workers per retiree, but in 2030 there will be only about two per retiree.

The supplemental medical insurance [SMI] trust fund does not have the same solvency problem, as it has an unlimited claim on the U.S. Treasury. The SMI trust fund is financed by a monthly premium paid by beneficiaries, which covers 25 percent of the cost of Medicare part B. The remaining costs are paid by general revenues. The SMI trust fund is solvent because the Federal Government is obligated to make up the difference between beneficiary premium amounts and part B costs.

Spending for the SMI trust Fund is unsustainable. According to CBO, SMI spending is expected to increase at an annual rate of 9.1 percent between 1997 and 2007, while its premium receipts will grow by only 4.5 percent a year. Under current law, the percentage of costs paid from general revenues will steadily increase. In recent testimony, Joseph Antos, the Assistant Director for Health and Human Resources at CBO, described this situation precisely, ''The SMI program is no more financially sound than the HI program, in the sense that both components of Medicare are growing more rapidly than the economy's capacity to finance them.''

The Commission should also consider that since Medicare's enactment in 1965, there has been a great deal of change in the private health care system in the United States, yet Medicare has remained fundamentally unchanged. Indeed, Medicare beneficiaries do not enjoy the same benefits private sector plans often offer their enrollees. This rigid 31-year-old program is unable to offer the private sector improvements in alternative systems of delivery of care or many technological advances. If Medicare were a television, it would be a 30-year-old, 12-inch black and white model.

Mr. President, the legislation I am introducing today is modeled after two well-known previous bipartisan, bicameral national commissions.

First, the mission of the Commission is similar to the 1983 National Commission on Social Security Reform, established by President Reagan by Presidential Executive Order, December 16, 1981. As was the charge to this 1983 Blue Ribbon Commission, the Medicare Commission is directed to thoroughly review Medicare and make appropriate recommendations. The Medicare Commission will review and analyze the long-term financial condition of both the Federal hospital insurance, HI or Part A, trust fund and the Federal supplementary medical insurance, SMI or Part B, trust fund.

Second, the structure of the 15-member Medicare Commission follows more closely the model established by the 1990 U.S. Bipartisan Commission on Comprehensive Health Care, known as the Pepper commission. The Pepper commission was chaired by Senator ROCKEFELLER and issued a report making recommendations on comprehensive health care reform.

The Medicare Commission will facilitate our ability to address the Medicare crisis. Ultimately, I hope to see the Medicare Commission put forward a proposal after thoroughly analyzing the options that will truly preserve and protect the Medicare Program, not just through the next 5 years, but for the next generation so that we can leave a legacy of a robust Medicare Program for our children and our grandchildren.

Mr. President, now is the time to put partisanship aside. Time is running short, and we need to work together to avert the crisis.

Given the very short time that Medicare will remain solvent, and given the demographic facts of the American population, we cannot afford more delay. We need to preserve and protect the Medicare Program. We need to make sure we leave a solid legacy for the next generations. It is no longer time for rhetoric, but time for action. Playing politics with Medicare is simply wrong. Putting off what needs to be done is the cruelest tactic.

I encourage my colleagues to join us in cosponsoring this important legislation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

SUMMARY OF LEGISLATION ESTABLISHING THE NATIONAL BIPARTISAN COMMISSION ON THE FUTURE OF MEDICARE

Establishes a 15 member commission.

Based on the membership structure of the 1990 US Bipartisan Commission on Comprehensive Health Care (also known as The Pepper Commission), the 15 members are appointed in the following manner: 3 by the President; 6 by the House of Representatives (not more than 4 from the same political party); 6 by the Senate (not more than 4 from the same political party); and the Chairman is designated by the joint agreement of the Speaker of the House of Representatives and the Majority Leader of the Senate.

Duties are similar to the 1983 National Commission on Social Security Reform:

1. review and analyze the long-term financial condition of both Medicare Trust Funds;
2. identify problems that threaten the financial integrity;
3. analyze potential solutions that ensure the financial integrity and the provision of appropriate benefits;
4. make recommendations to restore solvency of the HI Trust Fund and the financial integrity of the SMI Trust Fund;
5. make recommendations for establishing the appropriate financial structure of the program as a whole;
6. make recommendations for establishing the appropriate balance of benefits covered and beneficiary contributions; and
7. make recommendations for the time periods during which the Commission recommendations should be implemented.

Must submit a report to the President and Congress no later than 12 months from the date of enactment.

Commission terminates 30 days after report is submitted.

Funding authorized to be appropriated from both Medicare Trust Funds.

Mr. MOYNIHAN. Mr. President, I rise to join my colleague, the chairman of the Senate Committee on Finance, in introducing a bill that would establish a commission to address the long term problems confronting the Medicare Program.

In 1983, I joined with then-Senator Bob Dole as a member of the Greenspan Commission, which proposed a series of reforms and improvements in the Social Security program. Congress' ability to resolve the complex and controversial issues facing Social Security

at that time were in doubt up until the last minute. In the end, it was the bipartisan nature of the Greenspan Commission that allowed Congress to agree on a solution.

This year, combined tax income to the Medicare and OASDI trust funds has been less than the amount paid out of these trust funds. The trustees of the Federal hospital insurance trust fund, the independent actuaries at the Health Care Financing Administration [HCFA] and the Congressional Budget Office all agree that the HI trust fund will run out of money in the year 2001.

Near-term insolvency can be resolved by reducing the rate of growth in the Medicare Program in legislation implementing the federal budget for fiscal year 1998. Yet current proposals do not address the demographic and structural factors that threaten the solvency of the Medicare Program over the longer term. Approaching changes in our Nation's demographics are well known. The so-called ''baby boom,'' consisting of individuals born between 1946 and 1964, will begin turning 65 in the year 2011. The sheer number of people in this demographic bulge will be overwhelming to the Medicare Program.

At the same time, the number of people in the generations that follow is significantly smaller, such that by the year 2030 there will be only 2.2 workers for each individual over 65, and thus eligible for Medicare. In 1995 there were 3.9 workers per beneficiary. These demographic changes, combined with projected growth in program costs under its current structure, guarantee an imbalance between the amount of money we will have to pay for the program and the cost of the benefits that it is expected to cover.

During the recent Presidential campaign, the Republican candidate, Bob Dole, asked if I would sit on a Medicare Commission that he wanted to set up if he were elected President. I responded that I would be happy to serve on any such commission, regardless of which candidate won the White House. In the meantime, President Clinton has also called for a bipartisan process to address the long term difficulties facing Medicare. The President's most recent call for such a process came in his State of the Union Address last week.

The bipartisan bill we are introducing today will begin this process. We urge our colleagues to join this important effort.

ADDITIONAL COSPONSORS

S. 25

At the request of Mr. FEINGOLD, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 25, a bill to reform the financing of Federal elections.

S. 98

At the request of Mr. HUTCHINSON, the names of the Senator from Ohio [Mr. DEWINE] and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 98, a bill to amend the Internal Revenue Code of 1986 to provide a family tax credit.

S. 197

At the request of Ms. LANDRIEU, her name was added as a cosponsor of S. 197, a bill to amend the Internal Revenue Code of 1986 to encourage savings and investment through individual retirement accounts, and for other purposes.

S. 239

At the request of Mr. DASCHLE, the name of the Senator from Nebraska [Mr. HAGEL] was added as a cosponsor of S. 239, a bill to amend the Internal Revenue Code of 1986 relating to the treatment of livestock sold on account of weather-related conditions.

S. 261

At the request of Mr. DOMENICI, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 261, a bill to provide for a biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government.

S. 263

At the request of Mr. MCCONNELL, the names of the Senator from North Carolina [Mr. FAIRCLOTH] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 278

At the request of Mr. GRAMM, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 278, a bill to guarantee the right of all active duty military personnel, merchant mariners, and their dependents to vote in Federal, State, and local elections.

SENATE JOINT RESOLUTION 6

At the request of Mr. KYL, the names of the Senator from Texas [Mr. GRAMM] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 6, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of crime victims.

SENATE JOINT RESOLUTION 16

At the request of Mr. ASHCROFT, the names of the Senator from Oklahoma [Mr. INHOFE] and the Senator from Georgia [Mr. CLELAND] were added as cosponsors of Senate Joint Resolution 16, a joint resolution proposing a constitutional amendment to limit congressional terms.

At the request of Mr. ASHCROFT, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Alaska [Mr. MURKOWSKI] were withdrawn as cosponsors of Senate Joint Resolution 16, supra.

SENATE RESOLUTION 53

At the request of Mr. CAMPBELL, his name was added as a cosponsor of Senate Resolution 53, a resolution to express the sense of the Senate concerning actions that the President of the United States should take to resolve the dispute between the Allied Pilots Association and American Airlines.

SENATE RESOLUTION 55—RELATIVE TO MILK PRICES

Mr. SPECTER (for himself, Mr. SANTORUM, Mr. FEINGOLD, Mr. KOHL, Mr. JEFFORDS, Mr. LEAHY, Mr. WELLSTONE, Ms. SNOWE, Ms. COLLINS, and Mr. GRAMS) submitted the following resolution; which was considered and agreed to:

S. RES. 55

Whereas, during the last few months farm milk prices have experienced substantial volatility, dropping precipitously from $15.37 per hundredweight in September, 1996 to $11.34 per hundredweight in December, 1996;

Whereas, the price of cheese at the National Cheese Exchange in Green Bay, Wisconsin influences milk prices paid to farmers because of its use in the Department of Agriculture's Basic Formula Price under Federal Milk Marketing Orders;

Whereas, less than one percent of the cheese produced in the United States is sold on the National Cheese Exchange and the Exchange acts as a reference price for as much as 95 percent of the commercial bulk cheese sales in the nation: Now, therefore, be it

Resolved, That it is the Sense of the Senate of the United States that the Secretary of Agriculture should consider acting immediately pursuant to his legal authority to modify the Basic Formula Price for dairy by replacing the National Cheese Exchange as a factor to be considered in setting the Basic Formula Price.

SENATE RESOLUTION 56—RELATIVE TO A NATIONAL DAY OF CELEBRATION OF GREEK AND AMERICAN DEMOCRACY

Mr. SPECTER (for himself, Mr. SANTORUM, Ms. SNOWE, Mr. WARNER, Mr. GRASSLEY, Mr. SHELBY, Mr. THURMOND, Mr. ROTH, Mr. D'AMATO, Mr. COCHRAN, Mr. DOMENICI, Mr. GREGG, Mr. ABRAHAM, Mr. JEFFORDS, Mr. FAIRCLOTH, Mr. THOMPSON, Mr. COVERDELL, Mr. CHAFEE, Mr. KENNEDY, Mr. DURBIN, Mr. GLENN, Mr. KOHL, Mr. GRAHAM, Mr. BIDEN, Mr. ROBB, Mr. REID, Ms. MOSELEY-BRAUN, Mr. KERRY, Ms. MIKULSKI, Mr. REED, Mr. LEVIN, Mr. HOLLINGS, Mr. INOUYE, Mr. LIEBERMAN, Mrs. BOXER, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mr. WYDEN, Mr. LAUTENBERG, Mrs. MURRAY, Mr. BYRD, Mr. SARBANES, Mr. DODD, and Mr. TORRICELLI) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 56

Whereas the ancient Greeks developed the concept of democracy, in which the supreme power to govern was invested in the people;

Whereas the Founding Fathers of the United States of America drew heavily upon the political experience and philosophy of ancient Greece in forming our representative democracy;

Whereas the founders of the modern Greek state modeled their government after that of