S. 1164. A bill to state a policy of the United States that engages the People's Republic of China in areas of mutual interest promotes human rights, religious freedom, and democracy in China, and enhances the national security interests of the United States with respect to China, and for other purposes; to the Committee on Foreign Relations.

By Mr. GRASSLEY:

S. 1165. A bill to apply rules regarding the conduct of meetings and record-keeping under the Federal Advisory Committee Act to the Social Security Advisory Board and for other purposes; to the Committee on Finance.

By Mr. CAMPBELL:

S. 1166. A bill to prevent Federal agencies from pursuing policies of unjustifiable nonacquiescence in, and relitigation of, precedents established in the Federal judicial circuits; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 1167. A bill to amend the Tariff Act of 1930 to clarify the method for calculating cost of production for purposes of determining antidumping margins; to the Committee on Finance.

By Mr. LEVIN:

S. 1168. A bill for the relief of Retired Sergeant First Class James D. Benoit, Wan Sook Benoit, and the estate of David Benoit, and for other purposes; to the Committee on the Judiciary.

By Mr. REED:

S. 1169. A bill to establish professional development partnerships to improve the quality of America's teachers and the academic achievement of students in the classroom, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. SNOWE:

S. 1170. A bill to establish a training voucher system, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. MOSELEY-BRAUN:

S. 1171. A bill for the relief of Janina Altagracia Castillo-Rojas and her husband, Diogenes Patricio Rojas; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HOLLINGS (for himself and Mr. ABRAHAM):

S. Con. Res. 52. A concurrent resolution relating to maintaining the current standard behind the ''Made in USA'' label, in order to protect consumers and jobs in the United States; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLARD:

S. 1162. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act with respect to penalties for powder cocaine and crack offenses; to the Committee on the Judiciary.

THE POWDER-CRACK COCAINE PENALTY EQUALIZATION ACT OF 1997

Mr. ALLARD. Mr. President, today I rise to address one of the most longstanding and racially sensitive disputes in the criminal justice system. I am introducing legislation to equalize the criminal penalties for offenses involving crack and powder cocaine.

Under current law, a seller of 5 grams of crack cocaine receives the same mandatory 5-year prison term as a seller of 500 grams of powder cocaine.

That disparity between penalties has been scrutinized by the U.S. Sentencing Commission, Congress, and the Clinton administration for the last several years. Although many solutions have called for narrowing the gap in penalties, these recommendations don't go far enough. Instead of equalizing the penalties, they only narrow the disparity in sentencing for powder versus crack cocaine by altering the ratio from 5 to 1 instead of the current 100 to 1.

Additional recommendations have called for lessening the penalty for crack dealers, bringing it closer to the lax penalties applied to powder offenders.

My legislation rejects the hollow solution of lowering the penalty for crack to make it equal to powder cocaine penalties. The fact is that 90 percent of those convicted of dealing crack are African-Americans, while the majority of powder cocaine offenders are white.

Raising the powder cocaine penalties to that of crack will help alleviate the perception of unfairness and racial bias in sentencing. But reducing the penalties for crack cocaine would only increase violent crime and harm those which the law is seeking to help.

Statistics remind us that cocaine addiction continues to plague our society. According to the Partnership for a Drug Free America, 1 out of every 10 babies born in the United States is born addicted to drugs, and most are addicted to crack cocaine. Crime exploded between 1985 and 1990, the years crack was introduced. In fact, violent crime went up 37 percent in 1990 and aggravated assaults increased 43 percent. Partly because of crack cocaine, more teens in this country now die of gunshot wounds than all natural causes combined. Lowering sentences on crack cocaine would be devastating to the progress we have made in fighting the drug war.

During the 1980's, Congress legislated steep consequences for crack cocaine.

The crack epidemic spread across our Nation—and it warranted several drastic legal reforms. We saw the destruction wrought on entire communities by this cheap and highly addictive form of cocaine and realized that tough penalties were needed to restrict its availability.

These tougher sentences were needed, but the problem we are seeing today is that powder cocaine sentences were set before the crack epidemic began and do not reflect the influence powder has had on crime and drug trafficking.

This bill provides a twofold solution: It corrects the inequality in penalties which has contributed to the perceived race bias in sentencing; while at the same time stiffening the penalty for powder cocaine offenses, which are currently far too lenient.

In light of the numerous proposals introduced to correct this problem, I encourage my colleagues to contemplate the alternatives and consider how justice is served in this matter. Maintaining the current ratio is allowing a wrongful disparity in penalties to continue. Congress must act now to correct this injustice.

By Mr. BRYAN:

S. 1163. A bill to amend the Truth in Lending Act to prohibit the distribution of any negotiable check or other instrument with any solicitation to a consumer by a creditor to open an account under any consumer credit plan or to engage in any other credit transaction which is subject to that Act, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE UNSOLICITED LOAN CONSUMER PROTECTION ACT

Mr. BRYAN. Mr. President, I rise today to introduce legislation that will protect consumers from a new, egregious banking practice that gives new meaning to the old expression, ''The check's in the mail.''

This practice involves financial institutions sending unsolicited checks to consumers, some of whom have no prior relationship with the financial institution at all. These checks in fact obligate the recipient to a loan with interest rates as high as 25 percent.

I invite my colleagues' attention to a format that is frequently used. This check is sent in a window envelope in which the recipient sees his or her name, opens it up and believes that indeed a check has been sent to him or to her.

What may at first appear to be pennies from Heaven is in reality a loan backed by exorbitant interest rates and punitive loan terms, but these details are only found in the fine print often on the back of the check.

While only a few banks are engaged in this practice, it is nevertheless a growing practice and needs to be stopped before it gets completely out of hand. For example, one bank has booked $1 billion of these unsolicited loans in a period of 18 months.

At a time when personal bankruptcies are at an all-time high —many attribute that to easy credit-card debt—the practice in which consumers are enticed into taking a loan that they really have not sought should concern all Americans.

I fear for the long-term consequence of these loans should the economy take a sudden downturn and these loans are left in default.

The bottom line, Mr. President, is loans should only be issued when an application has been made and approved, with the consumer fully understanding the terms of the loan. In the case of these loans, all the pertinent information consumers need to know about

fees, charges, interest rates is in microscopic print and most frequently on the back of the check itself.

Mr. President, banks are trying the patience of the American consumer with their ever increasing use of fees and questionable market practices.

My State of Nevada has gone through a series of bank mergers that have left customers frustrated and confused. Service has been downgraded, accounts lost and fees increased. According to one report, the number of types of fees charged by banks increased from 96 to 250 while the banking industry itself continues to earn record profits—surpassing $50 billion.

These unsolicited checks are setting rates right up against the usury ceilings with some carrying rates as high as 25 percent. Adding insult to injury, these checks are targeted to people who can least afford to pay these exorbitant rates but are easily tempted by the lure of easy money.

Mr. President, I want to commend Congressmen HINCHEY and GONZALEZ in the House for raising this issue. I look forward to the Banking Committee holding hearings on this important legislation. The distinguished chairman of the subcommittee has indicated that it is his intention to hold hearings on this issue. I look forward to processing this legislation as quickly as possible.

By Mr. ABRAHAM (for himself, Mr. FEINGOLD, Mr. HUTCHINSON, Mr. COVERDELL, Mr. DEWINE, Mr. ASHCROFT, Mr. BROWNBACK, Mr. MACK, and Mr. HELMS):

S. 1164. A bill to state a policy of the United States that engages the People's Republic of China in areas of mutual interest, promotes human rights, religious freedom, and democracy in China, and enhances the national security interests of the United States with respect to China, and for other purposes; to the Committee on Foreign Relations.

CHINA POLICY ACT OF 1997

Mr. ABRAHAM. Mr. President, I rise today to introduce the China Policy Act of 1997. Cosponsors of this legislation include Senators FEINGOLD, HUTCHINSON, COVERDELL, DEWINE, ASHCROFT, BROWNBACK, MACK, and HELMS.

Now is the time, Mr. President, to take a closer look at our relations with the People's Republic of China. Preparations are underway for the October 28 state visit of Chinese President Jiang Zemin. The President will be feted, toasted, and praised. Meanwhile, Wei Jingsheng rots in a Beijing prison, serving out a 14-year sentence for the crime of peacefully advocating democracy and other political reforms.

This contrast, in my view, points up the current crisis in United States-China relations. For too long now, this administration has put process over substance, holding repeated meetings and discussions with Chinese leaders, but failing to set and hold to a concrete agenda addressing critical issues of human rights and religious freedom, as well as nuclear and other weapons proliferation.

There is much of substance to work out with Chinese leaders, Mr. President. To begin with, China's record of human rights abuses and repression of religious faith is long and disturbing. Women pregnant with their second or third child have been coerced into abortions. Peaceful advocates of democracy and political reforms have been sentenced to long terms in prisons where they have been beaten, tortured, and denied needed medical care. Religious meeting places have been forcibly closed. Tibetan monks refusing to condemn their religious leader, the Dalai Lama, have been forced from their monasteries; some of their leaders have disappeared.

President Clinton knows full well about these abuses. His own State Department just released a report on human rights in China which states that in 1996 ''The Government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms.'' America cannot allow these abuses of fundamental human rights to continue unopposed.

Our own national security also demands that we take a firmer, more substantive stance in our dealings with China. Although China signed the Nuclear Non-Proliferation Treaty and agreed to abide by the terms of the missile technology control regime in 1992, violations of both agreements continue. Especially worrisome are Chinese sales of weapons technology to Pakistan, Iran, and other countries in the Middle East.

Chinese weapons exports also have more directly threatened Americans here on United States soil. Companies associated with the People's Liberation Army [PLA] have been caught attempting to sell smuggled assault weapons to street gangs in Los Angeles.

Mr. President, I am not advocating any rash response to these provocations. China is an important nation with the potential to take part in mutually beneficial commerce and diplomatic cooperation, or destabilize a number of important strategic areas. In my view our disagreements with China call for development of incentives and disincentives designed to steer that country toward internal liberalization and constructive participation in the international community.

Up until now, debates over American policy toward China have focused almost exclusively on the annual extension of that country's most-favored-nation trading status [MFN]. Both sides in this debate have highlighted legitimate issues calling for reasoned argument. But, now that Congress has renewed MFN, it is imperative that we address broader United States-China relations, lest China policy be relegated to the back pages for another year.

I firmly believe, Mr. President, that Congress and the President can put United States-Chinese relations on a course toward substantive progress by taking concrete action now. That is why I am introducing the China Policy Act of 1997. This legislation is designed to discourage the Chinese regime from oppressive internal policies and destabilizing actions contrary to United States national security, while advancing American values of freedom and human rights among the Chinese people. It represents a consensus view reached among proponents on both sides of the MFN question. It combines provisions of China-related bills and amendments authored by myself and Senators FEINGOLD, ASHCROFT, DEWINE, COVERDELL, and BROWNBACK. I would like to extend special thanks to Senator FEINGOLD for strengthening the human rights focus of the bill.

This legislation includes a number of sanctions aimed at Chinese leaders intended to express our dismay at recent human rights abuses. First, the bill would deny American visas to high ranking Chinese Government officials involved in political and religious persecution. The bill also would require United States representatives at multilateral development banks to vote ''no'' on all loans to China, except those related to famine, national disaster relief, and environmental protection. This last provision also puts into practice the important principle that United States taxpayers should not be forced to subsidize the Chinese Government.

In addition, Mr. President, the bill would institute targeted sanctions against PLA companies found to have engaged in weapons proliferation, illegal importation of weapons to the United States or military or political espionage in the United States. The U.S. Government also would publish a list of other PLA-controlled companies. This would allow American companies and consumers to decide whether they wish to purchase products manufactured in whole or in part by the Communist Chinese army. The bill also takes direct aim at China's use of slave labor by instituting stricter enforcement of the ban against sale of Chinese products produced in prison labor camps.

These sanctions, specifically aimed at government officials and the Chinese Governmental apparatus, will show our determination to stand up and defend human rights and religious freedom.

This legislation also would tighten United States export licensing requirements for supercomputers sold to China. This will impede Chinese weapons development and proliferation.

In addition to its sanctions, the bill includes provisions to encourage internal reforms and cultural exchanges between our two countries. It would increase funding for international broadcasting to China, including Radio Free Asia and the Voice of America. I also

would increase funding for National Endowment for Democracy and U.S. Information Agency student, cultural, and legislative exchange programs.

These concrete actions would make clear to the Chinese leadership that there is a price to be paid for human rights abuses and for irresponsible weapons proliferation. They also would encourage greater openness in that country, without penalizing the Chinese people for the actions of their Government. They would provide the basis for substantive negotiations and a productive relationship with China.

It is my hope that my colleagues will adopt these measures, and that the President will seize the opportunity to set our policy on a new, more productive course.

Mr. President, I ask unanimous consent that a summary and the full text of the China Policy Act of 1997 be printed in the RECORD.

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

S. 1164

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''China Policy Act of 1997''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Declaration of policy.

TITLE I—SANCTIONS

Sec. 101. Denial of entry into United States of certain officials of the People's Republic of China.
Sec. 102. Limitations on multilateral assistance for the People's Republic of China.
Sec. 103. Sanctions regarding China North Industries Group, China Poly Group, and certain other entities affiliated with the People's Liberation Army.
Sec. 104. Consultations with allies regarding sanctions against the People's Republic of China.
Sec. 105. Termination of certain authorities.

TITLE II—HUMAN RIGHTS, RELIGIOUS FREEDOM, AND DEMOCRACY IN CHINA

Sec. 201. Findings on human rights abuses in the People's Republic of China.
Sec. 202. Findings on religious freedom in the People's Republic of China.
Sec. 203. Findings on Tibet.
Sec. 204. Findings on coercive family planning practices in the People's Republic of China.
Sec. 205. Combating slave labor and ''reeducation'' centers.
Sec. 206. International broadcasting to China.
Sec. 207. National Endowment for Democracy.
Sec. 208. United States Information Agency student, cultural, and legislative exchange programs.
Sec. 209. Annual reports on family planning activities in the People's Republic of China by recipients of United States funds.
Sec. 210. Sense of Congress regarding multilateral efforts to address China's human rights record.
Sec. 211. Sense of Congress regarding compliance by the People's Republic of China with the Joint Declaration on Hong Kong.

TITLE III—NATIONAL SECURITY MATTERS

Sec. 301. Findings on the proliferation of ballistic missiles by the People's Republic of China.
Sec. 302. Findings on the proliferation of weapons of mass destruction by the People's Republic of China.
Sec. 303. Findings on the proliferation of destabilizing advanced conventional weapons by the People's Republic of China.
Sec. 304. Findings on the evasion of United States export control laws by the People's Republic of China.
Sec. 305. Findings on the inconsistent application of United States export control laws to the People's Republic of China and Hong Kong.
Sec. 306. Exports of supercomputers to the People's Republic of China.
Sec. 307. Dual-use exports to Hong Kong.
Sec. 308. Enforcement of Iran-Iraq Arms Non-Proliferation Act with respect to the People's Republic of China.
Sec. 309. Transfers of sensitive equipment and technology by the People's Republic of China.
Sec. 310. Annual reports on activities of the People's Liberation Army.
Sec. 311. Annual reports on intelligence activities of the People's Republic of China.
Sec. 312. Study of theater ballistic missile defense system for Taiwan.
Sec. 313. Sense of Congress regarding United States force levels in Asia.
Sec. 314. Sense of Congress regarding establishment of commission on security and cooperation in Asia.

TITLE IV—TRADE

Sec. 401. Sense of Congress regarding the accession of Taiwan to the World Trade Organization.

TITLE V—HUMAN RIGHTS AND RELIGIOUS FREEDOM WORLDWIDE

Sec. 501. Training for immigration officers regarding religions persecution.
Sec. 502. Promotion of religious freedom and human rights worldwide.

TITLE VI—OTHER MATTERS

Sec. 601. Termination of United States assistance for East-West Center.

SEC. 2. DECLARATION OF POLICY.

The policy of the United States with respect to the People's Republic of China is as follows:

(1) To encourage freedom and democracy in the People's Republic of China and to deter the Government of the People's Republic of China from engaging in activities that are contrary to the national security interests of the United States.

(2) To encourage the Government of the People's Republic of China to make progress towards improving overall human rights conditions in China and Tibet, including the taking of concrete steps to assure freedom of speech, freedom of religion, and freedom of association in compliance with international standards on human rights.

(3) To encourage the Government of the People's Republic of China to channel its emerging power and influence along paths that are conducive to peace, stability, and development in the Asian Pacific region.

(4) To preserve and protect the national security interests of the United States and its allies by—

(A) deterring the proliferation of weapons and sensitive equipment and technology by the Government of the People's Republic of China; and

(B) sanctioning companies affiliated with the People's Liberation Army that engage in the proliferation of weapons of mass destruction, the importation of illegal weapons or firearms into the United States, or espionage in the United States.

(5) To support a strong United States presence in and commitment to the leadership of the Asian Pacific region.

(6) To support integration of the People's Republic of China into the community of nations.

(7) To limit the use of United States taxpayer funds for the subsidization of the Government of the People's Republic of China through such mechanisms as assistance through multilateral development banks and other United States Government programs.

TITLE I—SANCTIONS

SEC. 101. DENIAL OF ENTRY INTO UNITED STATES OF CERTAIN OFFICIALS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) DENIAL OF ENTRY.—Except as provided in subsection (b), the Secretary of State may not issue any visa to, and the Attorney General may not admit to the United States, any of the following officials of the Government of the People's Republic of China:

(1) High-ranking officials of the People's Liberation Army, as determined by the Secretary.

(2) High-ranking officials of the Public Security Bureau, as so determined.

(3) High-ranking officials of the Religious Affairs Bureau, as so determined.

(4) Other high-ranking officials determined by the Secretary to be involved in the implementation or enforcement of laws and directives of the People's Republic of China which restrict religious freedom.

(5) High-ranking officials determined by the Secretary to be involved in the implementation or enforcement of laws and directives of the People's Republic of China on family planning.

(6) Officials determined by the Secretary to have been materially involved in ordering or carrying out the massacre of students in Tiananmen Square in 1989.

(b) WAIVER.—

(1) IN GENERAL.—Subject to paragraph (2), the President may waive the applicability of subsection (a) with respect to any official otherwise covered by that subsection if the President determines that the waiver with respect to the official is in the interests of the United States.

(2) NOTICE.—

(A) REQUIREMENT.—The President may not exercise the authority provided in paragraph (1) with respect to an official unless the President submits to Congress a written notification of the exercise of the authority before the entry of the official into the United States.

(B) CONTENTS.—Each notice shall include a justification of the exercise of the authority, including—

(i) a statement why the exercise of the authority is in the interests of the United States; and

(ii) a statement why such interests supersede the need for the United States to deny entry to the official concerned in response to the practices of the Government of the People's Republic of China which limit the free exercise of religion and other human rights.

SEC. 102. LIMITATIONS ON MULTILATERAL ASSISTANCE FOR THE PEOPLE'S REPUBLIC OF CHINA.

(a) INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT.—

(1) OPPOSITION TO ASSISTANCE.—

(A) OPPOSITION.—Except as provided in subparagraph (B), the Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to vote against any loan or other utilization of the

funds of the Bank to or for the People's Republic of China.

(B) EXCEPTION.—Subparagraph (A) shall not apply to any loan or other utilization of funds for purposes of—

(i) meeting basic human needs; or

(ii) environmental improvements or safeguards.

(2) OPPOSITION TO MODIFICATION OF SINGLE COUNTRY LOAN LIMIT.—The Secretary shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to vote against any modification of the limitation on the share of the total funds of the Bank that may be loaned to a single country.

(b) ASIAN DEVELOPMENT BANK.—

(1) OPPOSITION TO ASSISTANCE.—Except as provided in paragraph (2), the Secretary shall instruct the United States Director of the Asian Development Bank to vote against any loan or other utilization of the funds of the Bank to or for the People's Republic of China.

(2) EXCEPTION.—Paragraph (1) shall not apply to any loan or other utilization of funds for purposes of—

(A) meeting basic human needs; or

(B) environmental improvements or safeguards.

(c) INTERNATIONAL MONETARY FUND.—

(1) OPPOSITION TO ASSISTANCE.—Except as provided in paragraph (2), the Secretary shall instruct the United States Executive Director of the International Monetary Fund to vote against any loan or other utilization of the funds of the Fund to or for the People's Republic of China.

(2) EXCEPTION.—Paragraph (1) shall not apply to any loan or other utilization of funds for purposes of—

(A) meeting basic human needs; or

(B) environmental improvements or safeguards.

(d) BASIC HUMAN NEEDS DEFINED.—In this section, the term ''basic human needs'' refers to human needs arising from natural disasters or famine.

SEC. 103. SANCTIONS REGARDING CHINA NORTH INDUSTRIES GROUP, CHINA POLY GROUP, AND CERTAIN OTHER ENTITIES AFFILIATED WITH THE PEOPLE'S LIBERATION ARMY.

(a) FINDING; PURPOSE.—

(1) FINDING.—Congress finds that, in May 1996, United States authorities caught representatives of the People's Liberation Army enterprise, China Poly Group, and the civilian defense industrial company, China North Industries Group, attempting to smuggle 2,000 AK–47s into Oakland, California, and offering to sell to Federal undercover agents 300,000 machine guns with silencers, 66-millimeter mortars, hand grenades, and ''Red Parakeet'' surface-to-air missiles, which, as stated in the criminal complaint against one of those representatives, ''. . . could take out a 747'' aircraft.

(2) PURPOSE.—The purpose of this section is to impose targeted sanctions against entities affiliated with the People's Liberation Army that engage in the proliferation of weapons of mass destruction, the importation of illegal weapons or firearms into the United States, or espionage in the United States.

(b) SANCTIONS AGAINST CERTAIN PLA AFFILIATES.—

(1) SANCTIONS.—Except as provided in paragraph (2) and subject to paragraph (3), the President shall—

(A) prohibit the importation into the United States of all products that are produced, grown, or manufactured by a covered entity, the parent company of a covered entity, or any affiliate, subsidiary, or successor entity of a covered entity;

(B) direct the Secretary of State and the Attorney General to deny or impose restrictions on the entry into the United States of any foreign national serving as an officer, director, or employee of a covered entity or other entity described in subparagraph (A);

(C) prohibit the issuance to a covered entity or other entity described in subparagraph (A) of licenses in connection with the export of any item on the United States Munitions List;

(D) prohibit the export to a covered entity or other entity described in subparagraph (A) of any goods or technology on which export controls are in effect under section 5 or 6 of the Export Administration Act of 1979;

(E) direct the Export-Import Bank of the United States not to give approval to the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit with respect to a covered entity or other entity described in subparagraph (A);

(F) prohibit United States nationals from directly or indirectly issuing any guarantee for any loan or other investment to, issuing any extension of credit to, or making any investment in a covered entity or other entity described in subparagraph (A); and

(G) prohibit the departments and agencies of the United States and United States nationals from entering into any contract with a covered entity or other entity described in subparagraph (A) for the procurement or other provision of goods or services from such entity.

(2) EXCEPTIONS.—

(A) IN GENERAL.—The President shall not impose sanctions under this subsection—

(i) in the case of the procurement of defense articles or defense services—

(I) under contracts or subcontracts that are in effect on October 1, 1997 (including the exercise of options for production quantities to satisfy United States operational military requirements);

(II) if the President determines that the person or entity to whom the sanctions would otherwise be applied is a sole source supplier of essential defense articles or services and no alternative supplier can be identified; or

(III) if the President determines that such articles or services are essential to the national security; or

(ii) in the case of—

(I) products or services provided under contracts or binding agreements (as such terms are defined by the President in regulations) or joint ventures entered into before October 1, 1997;

(II) spare parts;

(III) component parts that are not finished products but are essential to United States products or production;

(IV) routine servicing and maintenance of products; or

(V) information and technology products and services.

(B) IMMIGRATION RESTRICTIONS.—The President shall not apply the restrictions described in paragraph (1)(B) to a person described in that paragraph if the President, after consultation with the Attorney General, determines that the presence of the person in the United States is necessary for a Federal or State judicial proceeding against a covered entity or other entity described in paragraph (1)(A).

(3) TERMINATION.—The sanctions under this subsection shall terminate as follows:

(A) In the case of an entity referred to in paragraph (1) or (2) of subsection (c), on the date that is one year after the date of enactment of this Act.

(B) In the case of an entity that becomes a covered entity under paragraph (3) or (4) of subsection (c) by reason of its identification in a report under subsection (d), on the date that is one year after the date on which the entity is identified in such report.

(c) COVERED ENTITIES.—For purposes of subsection (b), a covered entity is any of the following:

(1) China North Industries Group.

(2) China Poly Group, also known as Polytechnologies Incorporated or BAOLI.

(3) Any affiliate of the People's Liberation Army identified in a report of the Director of Central Intelligence under subsection (d)(1).

(4) Any affiliate of the People's Liberation Army identified in a report of the Director of the Federal Bureau of Investigation under subsection (d)(2).

(d) REPORTS ON ACTIVITIES OF PLA AFFILIATES.—

(1) TRANSFERS OF SENSITIVE ITEMS AND TECHNOLOGIES.—Not later than 30 days after the date of enactment of this Act and annually thereafter through 2002, the Director of Central Intelligence shall submit to the appropriate members Congress a report that identifies each entity owned wholly or in part by the People's Liberation Army which, during the 2-year period ending on the date of the report, transferred to any other entity a controlled item for use in the following:

(A) Any item listed in category I or category II of the MTCR Annex.

(B) Activities to develop, produce, stockpile, or deliver chemical or biological weapons.

(C) Nuclear activities in countries that do not maintain full-scope International Atomic Energy Agency safeguards or equivalent full-scope safeguards.

(2) ILLEGAL ACTIVITIES IN THE UNITED STATES.—Not later than 30 days after the date of enactment of this Act and annually thereafter through 2002, the Director of the Federal Bureau of Investigation shall submit to the appropriate members Congress a report that identifies each entity owned wholly or in part by the People's Liberation Army which, during the 2-year period ending on the date of the report, attempted to—

(A) illegally import weapons or firearms into the United States; or

(B) engage in military intelligence collection or espionage in the United States under the cover of commercial business activity.

(3) FORM.—Each report under this subsection shall be submitted in classified form.

(e) DEFINITIONS.—In this section:

(1) AFFILIATE.—The term ''affiliate'' does not include any United States national engaged in a business arrangement with a covered entity or other entity described in subsection (b)(1)(A).

(2) APPROPRIATE MEMBERS OF CONGRESS.—The term ''appropriate members of congress'' means the following:

(A) The Majority leader and Minority leader of the Senate.

(B) The chairmen and ranking members of the Committee on Foreign Relations and the Committee on Armed Services of the Senate.

(C) The Speaker and Minority leader of the House of Representatives.

(D) The chairmen and ranking members of the Committee on International Relations and the Committee on National Security of the House of Representatives.

(3) COMPONENT PART.—The term ''component part'' means any article that is not usable for its intended function without being embedded or integrated into any other product and, if used in the production of a finished product, would be substantially transformed in that process.

(4) CONTROLLED ITEM.—The term ''controlled item'' means the following:

(A) Any item listed in the MTCR Annex.

(B) Any item listed for control by the Australia Group.

(C) Any item relevant to the nuclear fuel cycle of nuclear explosive applications that

are listed for control by the Nuclear Suppliers Group.

(5) FINISHED PRODUCT.—The term ''finished product'' means any article that is usable for its intended function without being embedded in or integrated into any other product, but does not include an article produced by a person or entity other than a covered entity or other entity described in subsection (b)(1)(A) that contains parts or components of such an entity if the parts or components have been substantially transformed during production of the finished product.

(6) INVESTMENT.—The term ''investment'' includes any contribution or commitment of funds, commodities, services, patents, processes, or techniques, in the form of—

(A) a loan or loans;

(B) the purchase of a share of ownership;

(C) participation in royalties, earnings, or profits; and

(D) the furnishing of commodities or services pursuant to a lease or other contract,

but does not include routine maintenance of property.

(7) MTCR ANNEX.—The term ''MTCR Annex'' has the meaning given that term in section 74(4) of the Arms Export Control Act (22 U.S.C. 2797c(4)).

(8) UNITED STATES NATIONAL.—

(A) IN GENERAL.—The term ''United States national'' means—

(i) any United States citizen; and

(ii) any corporation, partnership, or other organization created under the laws of the United States, any State, the District of Columbia, or any territory or possession of the United States.

(B) EXCEPTION.—The term ''United States national'' does not include a subsidiary or affiliate of corporation, partnership, or organization that is a United States national if the subsidiary or affiliate is located outside the United States.

SEC. 104. CONSULTATIONS WITH ALLIES REGARDING SANCTIONS AGAINST THE PEOPLE'S REPUBLIC OF CHINA.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the President should begin consultations with the major allies and other trading partners of the United States in order to encourage such allies and trading partners to adopt sanctions against the People's Republic of China that are similar to the sanctions imposed on the People's Republic of China by section 102.

(b) REPORT.—Not later than 45 days after the completion of the first Group of Seven summit meeting after the date of enactment of this Act, the President shall submit to Congress a report on the results, if any, of consultations referred to in subsection (a).

SEC. 105. TERMINATION OF CERTAIN AUTHORITIES.

(a) TERMINATION DATE.—Sections 101 and 102 shall cease to apply at the end of the five-year period beginning on the date of enactment of this Act.

(b) SENSE OF CONGRESS ON REVIEW.—It is the sense of Congress that Congress should review the desirability of terminating the sanctions in this title before the date on which the sanctions would otherwise terminate under this title upon the occurrence of any of the following events:

(1) The admission of the People's Republic of China into the World Trade Organization on commercially viable terms.

(2) A determination by the President that the Government of the People's Republic of China is implementing fully all applicable international agreements relating to the proliferation of arms.

(3) A determination by the President that the Government of the People's Republic of China is actively and effectively combatting all forms of religious persecution in China.

(4) A determination by the President that the Government of the People's Republic of China is reevaluating in a meaningful manner its actions regarding the massacre of students in Tiananmen Square in 1989.

(5) The publication by the Government of the People's Republic of China of a report on the national security strategy of that government which includes a comprehensive description and discussion of the elements of that strategy similar to the description and discussion of the national security strategy of the United States in the annual report required by section 108 of the National Security Act of 1947 (50 U.S.C. 404a).

(6) A determination by the President that the Government of the People's Republic of China has taken meaningful actions toward improving overall human rights conditions in China and Tibet, including the release of political prisoners, improving prison conditions, providing prisoners with adequate medical care, and full compliance with any international human rights accords to which that government is a signatory.

TITLE II—HUMAN RIGHTS, RELIGIOUS FREEDOM, AND DEMOCRACY IN CHINA

SEC. 201. FINDINGS ON HUMAN RIGHTS ABUSES IN THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding human rights abuses in the People's Republic of China:

(1) Congress concurs in the following conclusions of the Department of State regarding human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is ''an authoritarian state'' in which ''citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government''.

(B) The Government of the People's Republic of China has ''continued to commit widespread and well documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms''.

(C) ''Abuses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention''.

(D) ''Prison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights''.

(E) ''Although the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state' and for peaceful political or religious activities are believed to number in the thousands''.

(F) ''Non-approved religious groups, including Protestant and Catholic groups . . . experienced intensified repression''.

(G) ''Serious human rights abuses persist in minority areas, including Tibet, Xinjiang, and Inner Mongolia [, and] [c]ontrols on religion and other fundamental freedoms in these areas have also intensified''.

(H) ''Overall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.''.

(2) People's Republic of China authorities continue to hold Wei Jingsheng in prison for his prodemocracy beliefs, and he is suffering in prison from a lack of medical attention and beatings by fellow prisoners.

(3) On October 30, 1996, a People's Republic of China court sentenced Wang Dan to 11 years in prison primarily for articles published outside the People's Republic of China, and People's Republic of China authorities are not providing him with adequate medical care.

(4) In addition to Wei Jingsheng and Wang Dan, hundreds, if not thousands, of other political, religious, and labor dissidents are imprisoned in China for peacefully expressing their beliefs and exercising their internationally recognized rights of free association and expression.

(5) Labor activist Liu Nianchun, severely ill in a labor camp, has not only been denied medical treatment but has been tortured with electric batons and has had his 3 year reeducation-through-labor sentence in prison arbitrarily extended by 216 days.

(6) Li Hai was charged with prying into and gathering state secrets and subsequently sentenced to a 9-year term in prison on December 18, 1996, for going door-to-door to collect the names, ages, family situations, alleged crimes, lengths of prison sentences, locations of imprisonment, and treatment while imprisoned of people sentenced to prison for their activities during the 1989 Tiananmen Square protests.

(7) Gao Yu, serving a 6-year term in prison on charges of ''leaking state secrets'' despite the fact that the information in question was already common knowledge, has been denied medical parole and adequate medical care despite life threatening illness and was vilified by People's Republic of China authorities after she was awarded the UNESCO Guillemo Cano World Press Freedom Prize.

(8) People's Republic of China companies still export prison labor products to the United States. Since 1991, the United States Customs Service has issued 27 detention orders banning the importation of goods suspected to be products of prison labor in China, including hand tools, artificial flowers, Christmas tree lights, and diesel engines.

(9) The People's Republic of China has not fully complied with the 1992 Memorandum of Understanding on Prison Labor, and People's Republic of China authorities often wait several years before granting requests by United States Customs Service officials to inspect prison facilities in China. In 1996, such authorities granted just one of eight outstanding requests by such officials to inspect prison facilities in China.

(10) Under current law, People's Republic of China authorities may administratively sentence China citizens to 3 years of labor reform without trial.

(11) The People's Republic of China restricts the access of its citizens to the Internet and blocks web sites operated by foreign news organizations and human rights organizations.

(12) The Government of the People's Republic of China prohibits independent labor unions, and workers who attempt to form unions without state approval are given severe prison sentences as shown in the treatment of Zhang Jingsheng, a labor leader in Hunan province who was arrested following the 1989 Tiananmen Square Massacre and sentenced to 13 years in prison for organizing workers.

SEC. 202. FINDINGS ON RELIGIOUS FREEDOM IN THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding religious freedom in the People's Republic of China:

(1) The Government of the People's Republic of China restricts the ability of religious adherents, including Christians, Buddhists, Muslims, and others, to practice outside of state-approved religious organizations, and

detains worshipers and clergy who participate in religious services conducted outside state-approved religious organizations, as well as those who refuse to register with the authorities as required.

(2) Bishop Zeng Jingmu, 76 years old, detained for the third time in 7 months and in poor health from pneumonia, is serving a re-education through labor term for organizing religious assemblies and masses not sanctioned by the official Chinese Catholic Church.

(3) On January 31, 1994, Premier Li Peng signed decrees number 144 and 145 which restrict worship, religious education, distribution of Bibles and others religious literature, and contact with foreign coreligionists.

(4) The Government of the People's Republic of China has created official religious organizations that control all religious worship, activity, and association in China and Tibet and supplant the independent authority of the Roman Catholic Church, independent Protestant churches, and independent Buddhist, Taoist, and Islamic associations.

(5) In July 1995, Ye Xiaowen, a rigid communist hostile to religion, was appointed to head the Bureau of Religious Affairs, a government agency of the People's Republic of China that is controlled by the United Front Work Department of the Chinese Communist Party. The Bureau of Religious Affairs has administrative control over all religious worship and activity in China and Tibet through a system of granting or denying rights through an official registration system. Those who fail to or are not allowed to register are subject to punitive measures.

(6) Unofficial Christian and Catholic communities were targeted by the Government of the People's Republic of China during 1996. A renewed campaign aimed at forcing all churches to register or face dissolution resulted in beating and harassment of congregants, closure of churches, and numerous arrests, fines, and sentences. In Shanghai, for example, more than 300 house churches or meeting points were closed down by the security authorities in April alone.

SEC. 203. FINDINGS ON TIBET.

Congress makes the following findings regarding Tibet:

(1) The Department of State China Country Report on Human Rights Practices for 1996 states: ''Chinese government authorities continued to commit widespread human rights abuses in Tibet, including instances of death in detention, torture, arbitrary arrest, detention without public trial, long detention of Tibetan nationalists for peacefully expressing their religious and political views, and intensified controls on religion and on freedom of speech and the press, particularly for ethnic Tibetans.''.

(2) The report also cites three instances in which Tibetan Buddhist monks died in prison in the People's Republic of China in 1996.

(3) Many victims of the brutality committed by the People's Armed Police and the Public Security Bureau of the People's Republic of China have been young Tibetan Buddhist nuns and monks.

(4) Between June 1994 and May 1995, three Tibetan nuns—15-year-old Sherab Ngawang, 24-year-old Gyaltsen Kelsang, and 20-year-old Phuntsok Yangkyi—died as a result of torture in prison in Tibet.

(5) On March 11, 1997, the Senate adopted a resolution calling for the release by the Government of the People's Republic of China of Tibetan ethnomusicologist and Fulbright Scholar Ngawang Choephel, who was sentenced to 18 years in prison in the People's Republic of China in December 1996, and of other Tibetans who are prisoners in the People's Republic of China for reasons of conscience.

(6) In May 1995, authorities of the Government of the People's Republic of China detained Gedhun Choekyi Nyima, then 6 years old, and his parents, just days after the boy was recognized by the Dalai Lama as the 11th Panchen Lama, and authorities of that government continue to hold him and his family.

(7) In May 1997, the Government of the People's Republic of China announced the sentencing of Chadrel Rinpoche, the head of the search committee for the 11th Panchen Lama, to 6 years in prison.

(8) In April 1996, authorities of the Government of the People's Republic of China banned the display of photographs of the Dalai Lama, even in private homes, and the decision led to demonstrations in Ganden monastery during which 90 monks were arrested and 1 monk was shot to death by security forces of that government.

SEC. 204. FINDINGS ON COERCIVE FAMILY PLANNING PRACTICES IN THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding family planning practices in the People's Republic of China:

(1) For more than 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the coercive population control practices of the People's Republic of China.

(2) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(3) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program of the Government of the People's Republic of China, the policy of that government seems to encourage both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and impunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, yet there is no evidence that the perpetrators of such acts have been punished.

(4) The People's Republic of China population control officials, in cooperation with employers and works unit officials, monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions (including unpayable fines and loss of employment), and to physical force.

(5) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be twice a family's gross annual income. Families who cannot pay the fine have had their homes and personal property confiscated and destroyed.

(6) Especially harsh punishments have been inflicted on those whose resistance to such policies is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of two villages in Hebei Province were subjected to population control under the slogan ''better to have more graves than one more child''. Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(7) Forced abortions in the People's Republic of China often take place in the very late stages of pregnancy, or even during the process of birth itself.

SEC. 205. COMBATING SLAVE LABOR AND ''RE-EDUCATION'' CENTERS.

(a) AUTHORIZATIONS FOR APPROPRIATIONS FOR ADDITIONAL MONITORING OF EXPORTATION OF SLAVE LABOR PRODUCTS.—There are authorized to be appropriated $2,000,000 for fiscal year 1998 and $2,000,000 for fiscal year 1999 for monitoring by the United States Customs Service and the Department of State of the export by the People's Republic of China to the United States of products which may be made with slave labor in violation of section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) or section 1761 of title 18, United States Code.

(b) REPORTS ON EXPORTATION OF PRODUCTS MADE WITH SLAVE LABOR.—

(1) REPORTS.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act and annually thereafter, the Commissioner of Customs and the Secretary of State shall each submit to the Members of Congress referred to in subparagraph (B) a report on the manufacturing and exportation of products made with slave labor in the People's Republic of China during the one-year period ending on the date of the report. Each report shall be submitted in unclassified form, but may include a classified annex.

(B) MEMBERS OF CONGRESS.—Reports under subparagraph (A) shall be submitted to the following Members of Congress:

(i) The Majority leader and Minority leader of the Senate.

(ii) The chairman and ranking member of the Committee on Foreign Relations of the Senate.

(iii) The Speaker and Minority leader of the House of Representatives.

(iv) The chairman and ranking member of the Committee on International Relations of the House of Representatives.

(2) CONTENTS OF REPORTS.—Each report under paragraph (1) shall include information concerning the following:

(A) The extent of the use of slave labor in manufacturing products for exportation by the People's Republic of China, as well as the volume of exports of such slave labor products by that country.

(B) The progress of the United States Government—

(i) in identifying products made with slave labor in the People's Republic of China that are destined for the United States market in violation of section 307 of the Tariff Act of 1930 or section 1761 of title 18, United States Code; and

(ii) in stemming the importation of such products.

(c) RENEGOTIATION OF MEMORANDUM OF UNDERSTANDING ON PRISON LABOR WITH THE PEOPLE'S REPUBLIC OF CHINA.—It is the sense of Congress that, since the People's Republic of China has substantially frustrated the purposes of the 1992 Memorandum of Understanding with the United States on Prison Labor, the President should immediately commence negotiations to replace the memorandum of understanding with one providing for effective monitoring of forced labor in the People's Republic of China, without restrictions on which prison labor camps international monitors may visit.

SEC. 206. INTERNATIONAL BROADCASTING TO CHINA.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to such sums as are otherwise authorized to be appropriated for ''International Broadcasting Activities'' for fiscal year 1998, there is authorized to be appropriated for ''International Broadcasting Activities'' for that fiscal year $5,000,000, which shall be available only for broadcasting by Radio Free Asia and the Voice of America to the People's Republic of China.

(b) SENSE OF CONGRESS.—It is the sense of Congress that United States international broadcasting through Radio Free Asia and Voice of America should be increased to provide continuous 24-hour broadcasting in Chinese and Tibetan dialects which include Mandarin Chinese, Tibetan, and at least one other dialect.

SEC. 207. NATIONAL ENDOWMENT FOR DEMOCRACY.

In addition to such sums as are otherwise authorized to be appropriated for fiscal year 1998 for grants to the National Endowment for Democracy, there is authorized to be appropriated for that fiscal year $2,000,000 for grants to the Endowment which shall be available only for purposes of programs relating to the People's Republic of China.

SEC. 208. UNITED STATES INFORMATION AGENCY STUDENT, CULTURAL, AND LEGISLATIVE EXCHANGE PROGRAMS.

In addition to such sums as are otherwise authorized to be appropriated to the United States Information Agency for fiscal year 1998, there is authorized to be appropriated for the Agency for that fiscal year $2,000,000, which shall be available only for the purposes of student, cultural, and legislative exchange activities in or with the People's Republic of China.

SEC. 209. ANNUAL REPORTS ON FAMILY PLANNING ACTIVITIES IN THE PEOPLE'S REPUBLIC OF CHINA BY RECIPIENTS OF UNITED STATES FUNDS.

(a) ANNUAL REPORTS.—

(1) REQUIREMENT.—Not later than January 15 each year, the Secretary of State shall submit to Congress a report that describes the family planning activities in the People's Republic of China during the preceding year of each covered family planning organization that carried out such activities in the People's Republic of China during that year.

(2) ADDITIONAL INFORMATION.—Each report under paragraph (1) shall include the filing submitted to the Secretary for purposes of such report by each covered family planning organization whose activities are covered by such report.

(b) COVERED FAMILY PLANNING ORGANIZATION DEFINED.—In this section, the term ''covered family planning organization'' means any for-profit or non-profit entity that receives United States funds to conduct family planning activities abroad.

SEC. 210. SENSE OF CONGRESS REGARDING MULTILATERAL EFFORTS TO ADDRESS CHINA'S HUMAN RIGHTS RECORD.

(a) FINDINGS.—Congress makes the following findings:

(1) On April 15, 1997, members of the United Nations Human Rights Commission voted 27–17 to block a resolution, sponsored by Denmark, critical of the human rights record of the Government of the People's Republic of China.

(2) The United States Government failed to vigorously lobby other nations to support the resolution in a timely and effective manner, and France, Canada, Germany, Italy, Spain, Australia, and Japan did not cosponsor the resolution.

(3) In response to support for the resolution by Denmark and the Netherlands, the Government of the People's Republic of China has adopted punitive measures against Denmark and Netherlands businesses—including the denial of contracts to Netherlands companies and undue delays in authorizing expansion plans by the Denmark shipping line Maersk—thereby linking human rights and trade.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the United States Government should greatly increase efforts in the United Nations Human Rights Commission and other international fora to draw attention to and condemn the gross violations of international standards on human rights by the Government of the People's Republic of China;

(2) the President should vigorously lobby other countries for passage of future Commission resolutions on the human rights record of the Government of the People's Republic of China; and

(3) such lobbying should begin not later than 6 months before the commencement of the next annual meeting of the Commission.

SEC. 211. SENSE OF CONGRESS REGARDING COMPLIANCE BY THE PEOPLE'S REPUBLIC OF CHINA WITH THE JOINT DECLARATION ON HONG KONG.

(a) FINDINGS.—Congress makes the following findings:

(1) The People's Republic of China resumed sovereignty over Hong Kong on July 1, 1997.

(2) In the Joint Declaration, a legally binding document in all its parts and the highest form of commitment between sovereign states, the People's Republic of China pledged that after its resumption of sovereignty over Hong Kong ''[t]he current social and economic systems in Hong Kong will remain unchanged, and so will the life-style. Rights and freedoms, including those of the person, of speech, of the press, of association, of travel, of movement, of correspondence, of strike, of choice of occupation, of academic research and religious belief will be ensured by law in the Hong Kong Special Administrative Region''.

(3) The People's Republic of China further pledged in the Joint Declaration that the policies of the ''... Joint Declaration will be stipulated in a Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, by the National People's Congress of the People's Republic of China, and they will remain unchanged for 50 years''.

(4) The Basic Law prescribes the systems to be practiced in the Hong Kong Special Administrative Region after the resumption of sovereignty over Hong Kong by the People's Republic of China.

(5) According to Article 2 of the Basic Law: ''The National People's Congress authorizes the Hong Kong Special Administrative Region to exercise a high degree of autonomy and enjoy executive, legislative and independent judicial power, including that of final adjudication''.

(6) According to Article 5 of the Basic Law: ''The socialist system and policies (of the People's Republic of China) shall not be practiced in the Hong Kong Special Administrative Region, and the previous capitalist system and way of life shall remain unchanged for 50 years''.

(7) According to Article 27 of the Basic Law: ''Hong Kong residents shall have freedom of speech, of the press and publication; freedom of association, of assembly, of procession and of demonstration; and the right and freedom to form and join trade unions, and to strike''.

(8) According to Article 32 of the Basic Law: ''Hong Kong residents shall have freedom of religious belief and freedom to preach and to conduct and participate in religious activities in public''.

(9) According to Article 34 of the Basic Law: ''Hong Kong residents shall have freedom to engage in academic research, literary and artistic creation, and other cultural activities''.

(10) According to Article 39 of the Basic Law: ''The provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international labour conventions as applied to Hong Kong shall remain in force and shall be implemented through the laws of the Hong Kong Special Administrative Region''.

(11) President Jiang Zemin of the People's Republic of China, in his statement of July 1, 1997, at the ceremony in Hong Kong marking the establishment of the Hong Kong Special Administrative Region, said that ''... Hong Kong will enjoy a high degree of autonomy as provided for by the Basic Law, which includes the executive, legislative and independent judicial power, including that of final adjudication''.

(12) President Jiang further said that the Hong Kong Special Administrative Region has the ''ultimate aim of electing the Chief Executive and the Legislative Council by universal suffrage''.

(13) President Jiang further said that ''[n]o central department or locality (of the People's Republic of China) may or will be allowed to interfere in the affairs which, under the Basic Law, should be administered by the Hong Kong Special Administrative Region on its own''.

(14) President Jiang further said that ''the provisions of the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and international covenants as applied to Hong Kong shall remain in force to be implemented through the laws of Hong Kong's regional legislation''.

(15) President Jiang further said that adherence to these principles ''serves Hong Kong, serves the (People's Republic of China) and serves the entire nation as well. Therefore there is no reason whatsoever to change them. Here I want to reaffirm that 'one country, two systems, Hong Kong administering Hong Kong' and 'a high degree of autonomy' will remain unchanged for 50 years''.

(16) President Jiang, in another statement of July 1, 1997, at a rally in Beijing marking the establishment of the Hong Kong Special Administrative Region, said that the People's Republic of China ''will unswervingly carry out the principles of 'one country, two systems', 'Hong Kong people administering Hong Kong' and 'high degree of autonomy', and make sure that the previous socio-economic system and way of life of Hong Kong remain unchanged and that laws previously in force will remain basically unchanged. We will firmly support the Hong Kong SAR in its exercise of the functions and powers bestowed on it by the Basic Law and the Hong Kong SAR Government in its administration in accordance with law.''.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the statements of President Jiang Zemin of the People's Republic of China constitute a welcome reaffirmation of the obligations of the People's Republic of China under the Joint Declaration to ensure that Hong Kong remains autonomous, the human rights of the people of Hong Kong remain protected, and the government of the Hong Kong Special Administrative Region is elected democratically; and

(2) the fulfillment by the People's Republic of China of the obligations under the terms of the Joint Declaration and the Basic Law constitutes a crucial test of Beijing's ability to play a responsible global role.

(c) DEFINITIONS.—In this section:

(1) BASIC LAW.—The term ''Basic Law'' means the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China, as adopted on April 4, 1990, by the Seventh National People's Congress of the People's Republic of China.

(2) JOINT DECLARATION.—The term ''Joint Declaration'' means the Joint Declaration of the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China on the Question of Hong Kong, done at Beijing on December 19, 1984.

TITLE III—NATIONAL SECURITY MATTERS

SEC. 301. FINDINGS ON THE PROLIFERATION OF BALLISTIC MISSILES BY THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding the proliferation of ballistic missiles by the People's Republic of China:

(1) In December 1992, the Government of the People's Republic of China violated the Arms Export Control Act and the Export Administration Act of 1979 with the transfer by the Ministry of Aerospace Industry of approximately 24 M–11 missiles to Sargodha Air Force Base in Pakistan.

(2) From September 1994 to June 1996, the Government of the People's Republic of China again violated the Arms Export Control Act and the Export Administration Act of 1979 with the transfer by the Ministry of Aerospace Industry of as many as 30 M–11 ballistic missiles to Sargodha Air Force Base.

(3) In June 1995, the Government of the People's Republic of China violated the Arms Export Control Act and the Export Administration Act of 1979 with the transfer by the Chinese Aerospace Corporation to Iran of possibly hundreds of missile guidance systems and computerized machine tools for the production of ballistic missiles.

(4) In August 1996, the Government of the People's Republic of China violated the Arms Export Control Act and the Export Administration Act of 1979 with the transfer to Pakistan of factory plans and equipment capable of constructing a ballistic missile factory.

(5) In August 1996, the Government of the People's Republic of China violated the Arms Export Control Act, the Export Administration Act of 1979, and the Iran-Iraq Arms Non-Proliferation Act of 1992 with the transfer by the China Precision Engineering Institute to Iran's Defense Industries of gyroscopes, accelerometers, and test equipment for the construction and test of ballistic missile guidance systems.

(6) It has been reported that the Central Intelligence Agency discovered a shipment by the People's Republic of China to the Syrian Scientific Studies and Research Center, a Syria Government agency that oversees missile development, of guidance equipment for M–11 ballistic missiles. This alleged shipment would be a violation of the Missile Technology Control Regime. This alleged shipment would have taken place after the limited sanctions imposed by the United States on the People's Republic of China for shipments of M–11 missiles and components to Pakistan had been lifted following the assurances of the Government of the People's Republic of China that it would comply with the Missile Technology Control Regime.

(7) After each of these violations, the President either failed to take appropriate actions to deter future violations of such Acts and the Regime, took the least onerous action against the Government of the People's Republic of China that was possible under such Acts and the Regime, or rescinded previous actions thereby diluting or eliminating the deterrent effect of sanctions under such Acts and the Regime with respect to the Government of the People's Republic of China.

(8) This inaction forces Congress to take affirmative action in the bilateral relations between the United States and the People's Republic of China in order to respond sufficiently to these violations of United States law.

SEC. 302. FINDINGS ON THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION BY THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding the proliferation of weapons of mass destruction by the People's Republic of China:

(1) In January 1996, the Government of the People's Republic of China violated the Arms Export Control Act, the Nuclear Proliferation Prevention Act of 1994, and the Export-Import Bank Act of 1945 with the transfer by the China Nuclear Energy Industry Corporation to the Abdul Qadeer Khan Research Laboratory in Kahuta, Pakistan, of as many as 5,000 ring-magnets for the extraction of enriched uranium for the potential use in nuclear weapons.

(2) In September 1996, the Government of the People's Republic of China violated the Arms Export Control Act, the Export Administration Act of 1979, and the Nuclear Proliferation Prevention Act of 1994 with the transfer by the China Nuclear Energy Industry Corporation to a nuclear reactor facility in Khushab, Pakistan, of an industrial furnace and special diagnostic equipment capable of converting plutonium and uranium to weapons grade material.

(3) In March 1996, the Government of the People's Republic of China violated the Arms Export Control Act, the Export Administration Act of 1979, the Iran-Iraq Arms Non-Proliferation Act of 1992, and Executive Order 12938 with the transfer by the Jiangsu Corporation to Iran organizations affiliated with the Iranian Defense Industries Organization and the Revolutionary Guards of virtually complete chemical weapons production facilities.

(4) After each of these violations, the President either failed to take any action to deter future violations of such Acts or took such trifling action as to have no meaning or effect on the future proliferation of weapons of mass destruction by the People's Republic of China.

(5) This inaction forces Congress to take affirmative action in the bilateral relations between the People's Republic of China and the United States in order to respond sufficiently to these violations of United States law.

SEC. 303. FINDINGS ON THE PROLIFERATION OF DESTABILIZING ADVANCED CONVENTIONAL WEAPONS BY THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding the proliferation of destabilizing advanced conventional weapons by the People's Republic of China:

(1) In January 1996, the Government of the People's Republic of China violated the Iran-Iraq Arms Non-Proliferation Act of 1992 with the transfer by the Chinese Precision Machinery Import-Export Corporation to the Iran military of 60 C–802 advanced anti-ship missiles and 20 Houdong fast-attack patrol craft, 15 of which were equipped with C–802 missiles.

(2) In test firings of this missile from land-based batteries and from naval vessels, and test firings of a similar missile from fighter aircraft, the Iran Government claimed direct hits on the intended targets. This operational ability restores an anti-surface warfare capability lost by the Iran military during the Iran-Iraq War.

(3) The Commander of the United States Fifth Fleet commented that these missiles represented a new dimension to the threat faced by the United States Navy, stating ''[i]t used to be we just had to worry about land-based cruise missiles. Now [the Iranians] have the potential to have that throughout the [Persian] Gulf mounted on ships.''.

(4) It was reported in numerous press sources that the Department of Defense found these transfers destabilizing, and pressed for the imposition of sanctions under the Iran-Iraq Arms Non-Proliferation Act of 1992 but that the Department of State did not wish to impose such sanctions for fear of damaging bilateral relations between the People's Republic of China and the United States.

(5) The Iran-Iraq Arms Non-Proliferation Act of 1992 does not differentiate between transfers of destabilizing weapons that will and will not damage bilateral relations. Any determination of whether to impose sanctions on the People's Republic of China for this transfer should have been made strictly on the basis whether this transfer was or was not destabilizing.

(6) In light of these reports, it is likely that sanctions would have been imposed if the Clinton Administration had been more concerned with the stability of the region and the security of United States troops than with the maintenance of cordial relations between the People's Republic of China and the United States.

(7) This inaction forces Congress to take affirmative action in the bilateral relations between the People's Republic of China and the United States in order to respond sufficiently to this violation of United States law.

SEC. 304. FINDINGS ON THE EVASION OF UNITED STATES EXPORT CONTROL LAWS BY THE PEOPLE'S REPUBLIC OF CHINA.

Congress makes the following findings regarding the evasion of United States export control laws by the People's Republic of China:

(1) On November 14, 1994, the President issued Executive Order 12938, relating to the emergency regarding weapons of mass destruction, declaring that the proliferation of weapons of mass destruction and the means of delivering them constitute ''an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States'' and that he had therefore decided to ''declare a national emergency to deal with that threat''.

(2) The President reaffirmed Executive Order 12938 on November 15, 1995, and again on November 11, 1996.

(3) The Director of Central Intelligence stated in the report entitled ''The Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions'' that, from July to December 1996, ''China was the most significant supplier of W[eapons of] M[ass] D[estruction]-related goods and technology to foreign countries.''.

(4) United States supercomputers are the computer of choice for the nuclear weapons agencies of the People's Republic of China as highlighted by the comments of the Chinese Academy of Sciences, an agency known to work on nuclear weapons development, that its United States-built supercomputer provides the Academy with ''computational power previously unknown'' and is available to ''all the major scientific and technological institutes across China''.

(5) The People's Republic of China has consistently provided technical and scientific assistance for the development of nuclear weapons to both Iran and Pakistan, and it is illogical to believe that such assistance would not also include computational assistance if needed.

(6) According to the Under Secretary of Commerce for Export Administration, 47 United States high-performance supercomputers were exported to the People's Republic of China between January 1996 and March 1997. Press reports indicate United States intelligence sources consider the actual number of such supercomputers exported to the People's Republic of China during that period to have been in the hundreds.

(7) Current United States export regulations require an export license for shipments of supercomputers to the People's Republic of China only if the end-use will be militarily related. However, the determination of that end-use is left to the exporter, thereby providing an incentive for inadequate investigations of the end-use of supercomputers exported to the People's Republic of China.

(8) The Department of Commerce has initiated investigations of United States supercomputer manufacturers who, as last as June 1996, allegedly sold supercomputers to the Chinese Academy of Sciences, which also administers research in nuclear weapons and missiles, in violation of existing United States export control regulations relating to supercomputers.

(9) On 14 July 1997, the ''China Daily'', the newspaper of the Government of the People's Republic of China, stated that ''China will open up its defense sector to foreign investors'' by ''strengthening international military-related electronic technology exchanges'' and that ''China's defense-related electronics should no longer be hidden from foreign investors''.

(10) It was exactly this concern of diversion to military end-use and to third nation proliferators that prompted the President, on June 16, 1997, to tighten export controls for supercomputers so as to address the concern of ''[t]he potential diversion to military use of technology acquired'' through experience developed in operating supercomputers and customizing software and the concern that ''the People's Republic of China may transfer advanced-weapons related technology to other countries, as in the case of ballistic missile transfers''.

(11) Throughout this period, the President has consistently acted in a manner so as to loosen controls on the export of supercomputers from the United States and thereby make it easier for the Government of the People's Republic of China to divert United States supercomputers to military end-uses and to assist in the proliferation of weapons of mass destruction.

(12) This inaction forces Congress to take affirmative action in the bilateral relations between the People's Republic of China and the United States in order to respond sufficiently to these violations of United States law.

SEC. 305. FINDINGS ON THE INCONSISTENT APPLICATION OF UNITED STATES EXPORT CONTROL LAWS TO THE PEOPLE'S REPUBLIC OF CHINA AND HONG KONG.

Congress makes the following findings regarding the inconsistent application of United States export control laws to the People's Republic of China and Hong Kong:

(1) While Hong Kong was sovereign territory of the United Kingdom, United States control of United States exports to Hong Kong of items listed on the United States Munitions List and the Commerce Control List was considerably more lax than United States control of exports of such items to the People's Republic of China.

(2) On June 19, 1997, at a time when Hong Kong was still territory of the United Kingdom, the Department of Commerce discovered that a supercomputer exported to a Hong Kong based company without the need of an export license because it was being exported to Hong Kong was reexported to a defense research institute in Changsha, People's Republic of China.

(3) A Federal grand jury is currently investigating the 1995 diversion by the Government of the People's Republic of China to military aviation production of aircraft machining equipment that was originally exported from the United States for civilian end-use.

(4) The People's Republic of China is the only country which does not allow United States officials to investigate the final end-use of exported technology and recently refused United States requests to examine the location of the supercomputer diverted from Hong Kong.

(5) The continuation of this inconsistent export control regime without specific assurances and verification measures to prevent unauthorized reexport from Hong Kong, or diversion to military end-use, provides the Government of the People's Republic of China with the means to circumvent United States export controls and gain access to critical technology necessary both for defense modernization and the proliferation of ballistic missiles and weapons of mass destruction.

(6) This inaction forces Congress to take affirmative action in the bilateral relations between the People's Republic of China and the United States in order to respond sufficiently to these violations of United States law.

SEC. 306. EXPORTS OF SUPERCOMPUTERS TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) PRIOR APPROVAL OF EXPORTS AND REEXPORTS.—The President shall require that no covered computer may be exported or reexported to the People's Republic of China without the prior written approval of each of the designated officials.

(b) EXPORT OR REEXPORT WITHOUT UNANIMOUS APPROVAL.—If any one of the designated officials does not approve of the export or reexport of a covered computer to the People's Republic of China, the computer may be exported or reexported to the People's Republic of China only pursuant to a license issued by the Secretary of Commerce under the export administration regulations of the Department of Commerce, and without regard to the licensing exceptions otherwise authorized under section 740.7 of title 15, Code of Federal Regulations, as in effect on June 10, 1997.

(c) DEADLINE FOR RESPONSE TO APPLICATION.—Each designated official shall approve or disapprove in writing of the export or reexport of a covered computer to the People's Republic of China not later than 10 days after receipt by the United States of the application for the export or reexport of the computer.

(d) DEFINITIONS.—In this section:

(1) COVERED COMPUTERS.—The term ''covered computers'' means the digital computers listed as ''eligible computers'' in section 740.7(d)(2) of title 15, Code of Federal Regulations, as in effect on June 10, 1997.

(2) DESIGNATED OFFICIALS.—The term ''designated officials'' means the following:

(1) The Secretary of Commerce.

(2) The Secretary of Defense.

(3) The Secretary of Energy.

(4) The Secretary of State.

(5) The Director of the Arms Control and Disarmament Agency.

SEC. 307. DUAL-USE EXPORTS TO HONG KONG.

(a) IN GENERAL.—Notwithstanding any other provision of law, the provisions of this section shall apply with respect to exports of covered items to Hong Kong.

(b) PRE-LICENSE VERIFICATIONS.—The Secretary of State and the Secretary of Commerce shall not approve an export license application for the export of a covered item to Hong Kong if United States officials are denied an opportunity to conduct a pre-license verification with respect to the end-use of such covered item and the recipient of such item.

(c) POST-SHIPMENT VERIFICATION.—If United States officials are denied the ability to a conduct post-shipment verification of the location, recipient, and end use of a covered item that has been exported to Hong Kong from the United States pursuant to an export license granted by the Secretary of State and the Secretary of Commerce, thereafter any application to export a covered item to Hong Kong shall be treated in the same manner as a request to export such item to the People's Republic of China.

(d) DIVERSION OF COVERED ITEMS.—If the President, or any other official of the United States, obtains credible evidence that a covered item exported from the United States to Hong Kong on or after July 1, 1997, has been diverted—

(1) to the People's Republic of China;

(2) to an end use not authorized under the export control laws or regulations of the United States, or

(3) to a recipient, other than the recipient specified in the export license application,

any application to export a covered item to Hong Kong that is pending or filed after the date on which such evidence is obtained shall be treated in the same manner as a request to export such item to the People's Republic of China.

(e) COVERED ITEM DEFINED.—In this section, the term ''covered item'' means the following:

(1) Any item on the United States Munitions List.

(2) Any item on the Commerce Control List of the Department of Commerce.

SEC. 308. ENFORCEMENT OF IRAN-IRAQ ARMS NON-PROLIFERATION ACT WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) STATEMENT OF POLICY.—It shall be the policy of the United States that—

(1) the delivery of 60 C–802 cruise missiles by the China National Precision Machinery Import Export Corporation to Iran poses a new, direct threat to deployed United States forces in the Middle East and materially contributed to the efforts of Iran to acquire destabilizing numbers and types of advanced conventional weapons; and

(2) the delivery is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note).

(b) IMPLEMENTATION OF SANCTIONS.—

(1) REQUIREMENT.—The President shall impose on the People's Republic of China the mandatory sanctions set forth in paragraphs (3), (4), and (5) of section 1605(b) of the Iran-Iraq Arms Non-Proliferation Act of 1992.

(2) NONAVAILABILITY OF WAIVER.—For purposes of this section, the President shall not have the authority contained in section 1606 of the Iran-Iraq Arms Non-Proliferation Act of 1992 to waive the sanctions required under paragraph (1).

SEC. 309. TRANSFERS OF SENSITIVE EQUIPMENT AND TECHNOLOGY BY THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS.—Congress makes the following findings:

(1) Credible allegations exist that the People's Republic of China has transferred equipment and technology as follows:

(A) Gyroscopes, accelerometers, and test equipment for missiles to Iran.

(B) Chemical weapons equipment and technology to Iran.

(C) Missile guidance systems and computerized machine tools to Iran.

(D) Industrial furnace equipment and high technology diagnostic equipment to a nuclear facility in Pakistan.

(E) Blueprints and equipment to manufacture M–11 missiles to Pakistan.

(F) M–11 missiles and components to Pakistan.

(2) The Department of State has failed to determine whether most such transfers violate provisions of relevant United States laws and Executive orders relating to the proliferation of sensitive equipment and technology, including the Arms Export Control Act, the Nuclear Proliferation Prevention Act of 1994, the Export Administration Act of 1979, and the Export-Import Bank Act of 1945, and Executive Order 12938.

(3) Where the Department of State has made such determinations, it has imposed the least onerous form of sanction, which significantly weakens the intended deterrent

effect of the sanctions provided for in such laws.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the transfers of equipment and technology by the People's Republic of China described in subsection (a)(1) pose a threat to the national security interests of the United States;

(2) the failure of the Clinton Administration to initiate a formal process to determine whether to impose sanctions for such transfers under the provisions of law referred to in subsection (a)(2) contributes to the threat posed to the national security interests of the United States by the proliferation of such equipment and technology; and

(3) the President should immediately initiate the procedures necessary to determine whether sanctions should be imposed under such provisions of law for such transfers.

(c) REPORT.—

(1) REQUIREMENT.—Not later than 60 days after the date of enactment of this Act, the President shall submit to Congress a report setting forth—

(A) the date, if any, of the commencement and of the conclusion of each formal process conducted by the Department of State to determine whether to impose sanctions under the provisions of law referred to in subsection (a)(2) for each transfer described in subsection (a)(1);

(B) the facts providing the basis for each determination not to impose sanctions under such provisions of law on the Government of the People's Republic of China, or entities within or having a relationship with that government, for each transfer, and the legal analysis supporting such determination; and

(C) a schedule for initiating a formal process described in paragraph (1) for each transfer not yet addressed by such formal process and an explanation for the failure to commence such formal process with respect to such transfer before the date of the report.

(2) FORM.—The report shall be submitted in unclassified form, but may include a classified annex.

SEC. 310. ANNUAL REPORTS ON ACTIVITIES OF THE PEOPLE'S LIBERATION ARMY.

(a) ENTITIES OWNED BY PLA.—Not later than January 31 each year, the Secretary of State shall publish in the Federal Register a list of each corporation or other business entity that was owned in whole or in part by the People's Liberation Army of the People's Republic of China as of December 31 of the preceding year.

(b) REPORT ON PRC MILITARY MODERNIZATION.—

(1) REQUIREMENT.—

(A) IN GENERAL.—Not later than March 31 each year, the Secretary of Defense, in consultation with the Secretary of State, shall submit to Congress a report on the military modernization activities of the People's Liberation Army.

(B) SUBMITTAL.—The Secretary of Defense shall submit each report to the following:

(i) The Majority leader and Minority leader of the Senate.

(ii) The chairmen and ranking members of the Committee on Foreign Relations and the Committee on Armed Services of the Senate.

(iii) The Speaker and Minority leader of the House of Representatives.

(iv) The chairmen and ranking members of the Committee on International Relations and the Committee on National Security of the House of Representatives.

(C) FORM.—The report shall be submitted in unclassified form, but may include a classified annex.

(2) CONTENTS OF REPORT.—

(A) CONTENTS.—Each report under paragraph (1) shall include the following:

(i) A description of developments within the People's Liberation Army, including the implications of the developments for United States policy toward the People's Republic of China.

(ii) A description of the scope and pace of modernization by the People's Liberation Army.

(iii) To the maximum extent practicable, an analysis of the intent of such modernization programs.

(B) RELATIONSHIP TO ANNUAL HUMAN RIGHTS REPORT.—The report shall complement and not replace applicable sections of the annual report on human rights in China by the Department of State.

(c) PROTECTION OF SOURCES AND METHODS.—In publishing a list under subsection (a) and preparing a report under subsection (b), the Secretary of Defense shall take appropriate actions to ensure the protection of sources and methods of gathering intelligence.

SEC. 311. ANNUAL REPORTS ON INTELLIGENCE ACTIVITIES OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) REPORTS.—

(1) IN GENERAL.—Not later than March 31 each year, the Director of Central Intelligence and the Director of the Federal Bureau of Investigation, jointly and in consultation with the heads of other appropriate Federal agencies (including the Departments of Defense, Justice, Treasury, and State), shall submit to the Members of Congress referred to in paragraph (2) a report on the intelligence activities of the People's Republic of China directed against or affecting the interests of the United States.

(2) SUBMITTAL.—Each report under paragraph (1) shall be submitted to the following:

(A) The Majority leader and Minority leader of the Senate.

(B) The chairman and ranking member of the Select Committee on Intelligence of the Senate.

(C) The Speaker and Minority leader of the House of Representatives.

(D) The chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives.

(3) FORM.—Each report shall be submitted in unclassified form, but may include a classified annex.

(b) CONTENTS OF REPORTS.—Each report under subsection (a) shall include information concerning the following:

(1) Political and military espionage.

(2) Intelligence activities designed to gain political influence, including activities undertaken or coordinated by the United Front Work Department of the Chinese Communist Party.

(3) Efforts to gain direct or indirect influence through commercial or noncommercial intermediaries subject to control by the People's Republic of China, including enterprises controlled by the People's Liberation Army.

(4) Disinformation and press manipulation by the People's Republic of China with respect to the United States, including activities undertaken or coordinated by the United Front Work Department of the Chinese Communist Party.

SEC. 312. STUDY OF THEATER BALLISTIC MISSILE DEFENSE SYSTEM FOR TAIWAN.

(a) STUDY.—The Secretary of Defense shall carry out, with appropriate representatives of the Government of Taiwan, a study of the architecture requirements for the establishment and operation of a theater ballistic missile defense system for Taiwan, including the Penghu Islands, Kinmen, and Matsu. The study shall include the following:

(1) An assessment of missile threats to Taiwan.

(2) Identification of the requirements of Taiwan for deployment of an effective theater ballistic missile defense system.

(3) Identification of existing theater ballistic missile defense systems or existing technology for such systems, that the United States could sell to Taiwan to assist in meeting the requirements identified under paragraph (2).

(4) Systems or technologies the United States is developing that could address the missile threats to Taiwan's security.

(5) Identification of potential joint cooperative efforts by the United States and Taiwan to develop theater ballistic missile defense systems.

(b) SUBMITTAL TO CONGRESS.—

(1) SUBMITTAL.—Not later than July 1, 1998, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report on the study conducted under subsection (a).

(2) FORM.—The report shall be submitted in unclassified form, but may include a classified annex.

SEC. 313. SENSE OF CONGRESS REGARDING UNITED STATES FORCE LEVELS IN ASIA.

It is the sense of Congress that—

(1) the current force levels in the Pacific Command Theater of Operations are necessary to the fulfillment of the military mission of that command and are vital to continued peace and stability in the region covered by that command;

(2) any reductions in such force levels should only be done in close consultation with Congress and with a clear understanding of their impact upon the capacity of the United States to fulfill its current treaty obligations with other states in the region as well as to the continued ability of the United States to deter potential aggression in the region; and

(3) the annual report on the national security strategy of the United States required by section 108 of the National Security Act of 1947 (50 U.S.C. 404a) should include specific information on the adequacy of the capabilities of the United States Armed Forces to support the implementation of the national security strategy of the United States as it relates to the People's Republic of China.

SEC. 314. SENSE OF CONGRESS REGARDING ESTABLISHMENT OF COMMISSION ON SECURITY AND COOPERATION IN ASIA.

It is the sense of Congress that the President and the Secretary of State should initiate negotiations with the Government of the People's Republic of China and the governments of other countries in Asia to establish a commission on matters relating to security and cooperation in Asia that would be modeled after the Commission on Security and Cooperation in Europe.

TITLE IV—TRADE

SEC. 401. SENSE OF CONGRESS REGARDING THE ACCESSION OF TAIWAN TO THE WORLD TRADE ORGANIZATION.

It is the sense of Congress that Taiwan should be admitted to the World Trade Organization as a separate customs territory when Taiwan meets the established criteria of the Organization for membership on that basis.

TITLE V—HUMAN RIGHTS AND RELIGIOUS FREEDOM WORLDWIDE

SEC. 501. TRAINING FOR IMMIGRATION OFFICERS REGARDING RELIGIONS PERSECUTION.

Section 235 of the Immigration and Nationality Act (8 U.S.C. 1225) is amended by adding at the end the following:

''(e) TRAINING ON RELIGIOUS PERSECUTION.—The Attorney General shall establish and operate a program to provide to immigration officers performing functions under subsection (b), or section 207 or 208, training on religious persecution, including training on—

''(1) the fundamental components of the right to freedom of religion;

''(2) the variation in beliefs of religious groups; and

''(3) the governmental and nongovernmental methods used in violation of the right to freedom of religion.''.

SEC. 502. PROMOTION OF RELIGIOUS FREEDOM AND HUMAN RIGHTS WORLDWIDE.

(a) REPORTS ON RELIGIOUS PERSECUTION.—

(1) REPORTS.—Not later than March 30, 1998, and annually thereafter, the Secretary of State shall submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report on religious persecution worldwide.

(2) CONTENTS.—Each report shall include a list of the government officials of any country worldwide who have been materially involved in the commission of acts of persecution that are motivated by a person's religion.

(b) PRISONER INFORMATION REGISTRY.—

(1) ESTABLISHMENT.—The Secretary of State shall establish and maintain a registry to be known as the Prisoner Information Registry.

(2) CONTENTS.—The registry shall be a repository of information on matters relating to the penal systems of the various countries and of individuals in such systems, including—

(A) the charges brought against the individuals in such systems;

(B) the judicial or administrative processes to which such individuals were subject;

(C) the length of imprisonment of such individuals in such systems;

(D) the use (if any) of forced labor in such systems;

(E) the incidences (if any) of torture in such systems;

(F) the physical and health conditions in such systems; and

(G) such other matters as the Secretary considers appropriate.

(3) ALLOCATION OF RESOURCES.—The Secretary may make funds available to non-governmental organizations currently engaged in monitoring penal systems worldwide or individuals in such systems in order to assist in the establishment and maintenance of the registry.

TITLE VI—OTHER MATTERS

SEC. 601. TERMINATION OF UNITED STATES ASSISTANCE FOR EAST-WEST CENTER.

(a) REPEAL OF AUTHORIZATION OF ASSISTANCE.—The Center for Cultural and Technical Interchange Between East and West Act of 1960 (chapter VII of Public Law 86–472; 22 U.S.C. 2054 et seq.) is repealed.

(b) PROHIBITION ON USE OF FUNDS FOR CENTER.—Notwithstanding any other law, no funds appropriated or otherwise made available to the Director of the United States Information Agency for any fiscal year after fiscal year 1997 may be used for any purposes (including grants and payments and expenses of operation) relating to the Center for Cultural and Technical Interchange Between East and West.

SUMMARY OF THE CHINA POLICY ACT OF 1997

TITLE I: SANCTIONS

• Deny visas to Chinese Government officials involved in political and religious persecution. This measure would deny visas to high ranking officials who are employed by the Public Security Bureau (the state police), the Religious Affairs Bureau, China's family planning apparatus, the People's Liberation Army (PLA), and those found to be materially involved in the ordering or carrying out of the massacre of Chinese students in Tiananmen Square. The President is granted waiver authority that can be exercised, in writing, each time a proscribed individual is to enter this country that explains why awarding such visas overrides United States concerns about China's human rights practices past and present.

• Require U.S. Representatives at multilateral banks to vote ''no'' on loans to China. Exception for loans related to environmental improvements and safeguards, famine, and natural disaster relief. China received approximately $3 billion in World Bank loans in the most recent fiscal year. While receiving this foreign aid, the Chinese military budget increased by 12.7 percent. Between 1985 and 1995 the United States supported 111 of 183 loans approved by the World Bank Group and 15 of 92 loans that the Asian Development Bank approved. The bill also requires the Secretary of Treasury to oppose and instruct the U.S. executive director of the World Bank to oppose any change in the World Bank's rules that limit the total share of the bank's lending that can be made in any one country.

• Require the President to begin consultations with major United States allies and trading partners to encourage them to adopt similar measures contained in this bill and to work with our allies to vote against loans for China at multilateral development banks. Within 60 days of a G–7 meeting, the President shall submit a report to Congress on the progress of this effort.

• Targeted sanctions against People's Liberation Army (PLA) companies involved in the illegal sale of AK–47 rifles in the United States. China North Industries Group (NORINCO) and the PLA-owned company China Poly Group (POLY) will be prohibited from (1) exporting to, and maintaining a physical presence in, the United States; (2) receiving loans from the Export-Import Bank; and (3) receiving contracts for goods or services from the U.S. Government for a period of one year. The attempted illegal sale of AK–47 machine guns to street gangs in California warrant these targeted sanctions against these firms.

• The bill establishes a mechanism to apply sanctions on additional PLA companies based on certain specific actions, including weapons proliferation, illegal arms sales in U.S., and military and political espionage in the United States. The Director of Central Intelligence and the Director of the Federal Bureau of Investigation, in separate annual reports, shall identify entities owned in part or wholly by the People's Liberation Army who have engaged in proliferation of nuclear or chemical weapons, the illegal importation of weapons to the United States, or unlawful military intelligence collection or espionage in the United States. Such entities will be prohibited from exporting to, or maintaining a physical presence in the United States, receiving loans from the Export-Import Bank, and receiving contracts from the United States Government for a period of 1 year.

• Sanctions remain in effect for 5 years. The bill includes a Sense of Congress that the sanctions in the China Policy Act shall be reviewed by Congress within the 5 year period upon the occurrence of one or more of the following events: (1) People's Republic of China's entry into the WTO on commercially viable terms; (2) President's certification of PRC's full implementation of international proliferation standards and agreements; (3) President's certification that PRC is actively and effectively combating all forms of religious persecution; (4) PRC re-evaluation of Tiananmen Square massacre; (5) Publication by the PRC of a National Security White Paper describing its intentions internationally; or (6) President's certification that the PRC has taken concrete steps towards improving overall human rights conditions in China and Tibet, including the release of political prisoners; improving prison conditions and providing prisoners with adequate medical care; and full compliance with the international human rights accords to which the PRC is a signatory.

TITLE II: HUMAN RIGHTS, RELIGIOUS FREEDOM, AND DEMOCRACY

• Congressional findings detailing the Chinese Government's jailing of political dissidents, persecution of religious groups, human rights violations in Tibet and coercive family planning practices.

• Combats slave labor and ''reeducation'' centers. The bill calls for stricter enforcement of the ban against the sale of products produced in slave labor camps; appropriations to United States Customs to increase monitoring; require reporting and advocacy requirements; and a Sense of Congress urging renegotiation of prison labor memorandum of understanding with China.

• Authorize an additional $5 million for international broadcasting to China, including Radio Free Asia and the Voice of America to expand broadcast hours in multiple Chinese dialects, Tibetan, and other languages spoken in China.

• Authorize additional $2 million in funding for National Endowment for Democracy programs in China.

• Authorize additional $2 million of funding for existing United States Information Agency student, cultural, and legislative exchange programs between the U.S. and China.

• Terminate the East-West Center. This center funds cooperative programs of study, research and training between the U.S. and Asian Pacific nations. However, the resources of the State Department, which maintains a network of embassies and consulates in Asian Pacific countries, should be more than sufficient to promote good relations with these countries. Eliminating this $10 million program offsets the spending increases proposed in the bill.

Require United States contractors who receive international family planning funds from the United States to report on their organization's activities in China.

Sense of Congress concerning multilateral efforts to address China's human rights record.

Sense of Congress that China should abide by the 1984 Sino-British Joint Declaration on Hong Kong.

TITLE III: NATIONAL SECURITY MATTERS

Congressional findings on PRC's proliferation of ballistic missiles, weapons of mass destruction, destabilizing advanced conventional weapons, and evasion of U.S. export controls.

Tighten United States export licensing requirements on super computers sold to China. Current regulation only requires an export license for mid-range supercomputers to countries such as China with only a certification, by the exporting firm, that the end-use is not military-related. This provision requires an export license for any mid-range supercomputers (currently 2000–7000 MTOP range, but amendable by the Secretary of Commerce) sold to China which the Departments of Defense, State, Energy, and Commerce, and the Arms Control and Disarmament Agency do not unanimously agree to export without a license. This provision is a modified version of the Spence-Dellums amendment to the House Fiscal Year 98 DoD Authorization bill.

Protects against dual-use export diversion from Hong Kong. The recent diversion of a Sun Microsystems supercomputer from a Hong Kong importer to a military end-user in the People's Republic of China highlights the potential problems with having dual-use technology exports to Hong Kong being treated more liberally than such exports to the PRC. This provision would deny licenses for export of items on the U.S. Munitions List and the Commerce Control List to Hong Kong if United States officials are denied access to conduct pre-license checks verifying the end-user. It will also require that if United States officials are denied access for post-shipment verification checks, or if an actual diversion of dual-use items takes place from Hong Kong to the PRC, then Hong Kong will thereafter be placed in the same export control category as the People's Republic of China.

A finding that China violated the Iran-Iraq Nonproliferation Act with the export of C–802 missiles to Iran, and a requirement on the implementation of this Act's sanctions. The Commander of the United States Navy's Fifth Fleet in the Persian Gulf has called the Iranian acquisition of C–802 cruise missiles a direct threat to the 15,000 US servicemen stationed in the area. Iran acquired these missiles from China, in direct contravention of the Iran-Iraq Nonproliferation Act (McCain-Gore Act). However, the Administration did not implement the sanctions called for in the Act.

Limiting transfers of sensitive equipment and technology by the People's Republic of China. Require within 60 days a report detailing State Department's sanctions determination process for each allegation against China in the area of proliferation, and a schedule for initiating sanctions determination process where the process has not been initiated.

Sunshine requirement on PLA companies. On an annual basis, the United States Government shall publish a list of all companies owned in part or wholly by the People's Liberation Army (PLA) of the People's Republic of China who export to, or have an office in, the United States. In addition, require a report on PLA military modernization.

Require enhanced monitoring of Chinese intelligence activities in the United States, including a report on such activities and a report on political and military espionage.

Require a bilateral United States-Taiwan study of establishing theater missile defense in the Pacific Rim.

Sense of the Congress that the current level of United States forces in Asia are vital to continued peace and stability in the region and should only be reduced with a clear understanding of their impact on United States treaty obligations and the continued ability of the United States to deter potential aggression in the region.

Sense of Congress that the President shall initiate negotiations with the PRC and other Asian countries to establish a ''Helsinki Commission'' for Asia.

TITLE IV: TRADE

Sense of Congress that Taiwan should enter the World Trade Organization (WTO) as soon as it meets the established criteria.

TITLE V: HUMAN RIGHTS AND RELIGIOUS FREEDOM WORLDWIDE

The legislation mandates additional and extensive training for United States asylum officers world-wide in recognizing religious persecution.

Enhanced reporting of human rights violations and religious persecution around the world. Increased publicizing of political and religious persecution world-wide through annual reports by the State Department, publication of list of individuals involved in religious persecution, and establishment of a Prisoner Information Registry.

Mr. ASHCROFT. Mr. President, I rise today in strong support of the China Policy Act of 1997. As an original cosponsor of the act, I believe this legislation provides the starting point for a much needed restructuring of United States-China relations. For too long, our approach to China has been one of passivity and appeasement. The Clinton administration seems willing to tolerate virtually any misbehavior—gross violations of human rights, arms deals with terrorist states, a headlong push to develop military capabilities that exceed any conceivable threat, even efforts to smuggle guns into the United States. This is no way to build a stable, peaceful, and constructive relationship.

Our legislation offers a dramatically different approach. Under this bill, when China violates standards of decency or endangers vital American interests, there will be a response that is swift, predictable, and appropriate. This legislation is an important first step toward a policy that rewards and encourages constructive behavior, and discourages questionable activity. It points the way to a new and better era in United States-China relations.

The 20th century has been the American century, and if the new century is to bear the same imprint, we must fashion a stable and constructive relationship with the People's Republic of China, which is pushing hard for global superpower status.

One specific provision I have included in this bill protects the United States from Chinese diversion of sensitive technology from Hong Kong. Hong Kong has abided by international export control regimes and has benefited from preferential access to sensitive U.S. technology—technology that can be used for military purposes.

My provision simply does the following: if China diverts controlled technology from Hong Kong, or if United States officials are denied the opportunity to conduct post-shipment checks on location and end use of controlled items, then the United States shall apply the stricter export controls to Hong Kong presently applied to the rest of China. In addition, if United States officials are denied an opportunity to conduct a prelicense check on the end use and end user of a controlled item, then the export license for that item shall be denied.

A May, 1997 GAO report on the export of controlled items to Hong Kong stated that effective monitoring is critical to prevent weapons and technology proliferation. The report identified pre-license checks and post-shipment verification as possible means to ensure the continued effectiveness of Hong Kong's export control system.

Now that Hong Kong has reverted to Chinese control, China undoubtedly will attempt to use the port to divert technology and proliferate weapons. Prosecutions for illegal shipments of arms-related commodities in Hong Kong have grown dramatically in recent years, from 65 cases in 1994 to 250 last year. One Hong Kong firm, Cheong Yee, was sanctioned by the United States last May for helping Iran obtain chemical weapons.

The technology flow to Hong Kong is a significant national security risk if China compromises the integrity of Hong Kong's export control system. Chinese front companies in Hong Kong already have been identified with efforts to acquire controlled technologies for illicit export to countries of proliferation concern, according to United States and Hong Kong officials. China has refused to sign many of the export control regimes by which Hong Kong historically has abided. The old restrictions are kept in place only from a sense of moral obligation, states Brian Lo, Hong Kong's chief trade-licensing officer.

Mr. President, moral obligation is flimsy stuff when you are dealing with the Communist leaders of Beijing. These are the leaders who attack their own young people in Tiananmen Square, persecute Christians, and proliferate weapons to terrorist states which target U.S. citizens around the world.

In the face of this growing proliferation risk, the Clinton administration has been relaxing America's export control regulations. Just this week, a bipartisan report issued by the House National Security Committee stated that the changes made to U.S. export controls contributed to the proliferation of weapons of mass destruction and their means of delivery as well as the development of advanced conventional weapons.

The number of export licenses reviewed each year for national security reasons has fallen from 150,000 in the mid-1980's to less than 8,000 today. The world may have become a safer place, but the international arena is still threatening.

Clearly, it is time for the United States to take aggressive steps which protect United States national security interests and limit the ability of potential enemies to develop weapons of mass destruction. I am proud to be a cosponsor of the China Policy Act and believe that the provisions contained therein make a significant contribution to the United States-China debate. I urge the Senate's prompt consideration and passage of this bill.

Mr. FEINGOLD. Mr. President, I join the Senator from Michigan [Mr. ABRAHAM] in introducing the China Policy Act of 1997. This is a bill that I am proud to cosponsor and one that will send a much-needed message to the leaders of the People's Republic of China. I commend the Senator from Michigan for his efforts.

The China Policy Act is an omnibus bill that covers a broad range of issues. This legislation will impose targeted sanctions against Chinese entities—

such as the military and public security apparatus—that are directly engaged in weapons proliferation and human rights abuses. In addition, this bill calls for tighter enforcement of various laws related to China, such as the ban on Chinese prison-labor goods and controls on the export of high-speed computers to China. The legislation also contains funding increases for student, cultural, and legislative exchanges between the United States and China.

The China Policy Act is designed to move Congress and the American public beyond the sometimes polarizing debate over China's most-favored-nation trade status, offering realistic alternatives to revoking MFN that merit broad bipartisan support.

As many of my colleagues know, I have been a strong opponent of granting MFN privileges to China and, in fact, have been an original cosponsor of the resolutions of disapproval for the past 3 years. I strongly believe that, in light of Beijing's egregious human rights record, China does not deserve to have such trade privileges with the United States. Ever since the administration delinked MFN and human rights in 1994, I have watched with alarm as the Chinese Government has heightened its political and religious persecution throughout the country.

But despite my strong views on the issue, I realize that the Congress has been unable to reach a consensus on whether MFN is the best tool to pressure China to make improvements in human rights. I know that many of my colleagues share my concerns over China's human rights record, but nevertheless feel that MFN is too blunt an instrument, especially for a nation as large and diverse as China.

But once you step away from the debate over the effectiveness of MFN, there is widespread agreement among Members of both the Senate and the House that the administration's current policy of constructive engagement toward China remains unsatisfactory.

I believe the administration is promoting engagement for engagement's sake, not as a way to halt the many offensive behaviors of the Chinese regime. I prefer to call the administration policy not ''constructive'' engagement but rather unconditional engagement.

No matter how uncooperative China is, the United States appears ready to continue business as usual with the Chinese regime. This is especially true with respect to human rights. Recent events paint a very bleak picture. In October of last year, a Chinese court sentenced Wang Dan—a leader of the Tiananmen Square protests—to 11 years in prison for peacefully expressing his prodemocracy beliefs. Seventy-six-year-old Bishop Zeng Jingmu has been sentenced to reeducation through labor for organizing religious ceremonies outside China's official Catholic Church. In Tibet, Chinese authorities have banned the display of the Dalai Lama's photograph and the State Department Human Rights Report cites three instances of Buddhist monks dying in Chinese prisons in 1996. Sadly, this represents on a tiny fraction of the human rights abuses that are taking place in China today. It would be impossible to name all of the people who are being kept behind bars for the expression of their political and religious beliefs.

Yet, even as the Chinese leadership continues to brutalize political dissidents and the people of Tibet, the administration is preparing to welcome China's President, Jiang Zemin, to the White House next month. What kind of message does this send?

The China Policy Act of 1997 represents the efforts of both pro- and anti-MFN Senators to find new ways to deal with the problems the United States currently faces in China.

And there is no shortage of problems.

I have already mentioned my primary concern, which is China's deplorable human rights record, but in addition, the Government of China continues to sell dangerous chemical and nuclear weapons technologies to terrorist and rogue regimes. China has used military intimidation to disrupt free elections in Taiwan and has harassed its neighbors in the South China Sea. Furthermore, we have all seen reports of Beijing's unfair trade practices and rampant copyright violations. This is what I refer to as a ''kaleidoscope'' of problems the United States has with China.

The China Policy Act of 1997 contains targeted sanctions aimed at the organizations most directly associated with China's poor behavior. For example, the bill contains provisions imposing comprehensive sanctions against enterprises run by the People's Liberation Army that have engaged in weapons smuggling or proliferation. The United States simply should refrain from doing business with companies that create security risks to our country.

This bill will also require the administration to deny United States visas to high-level Chinese officials directly connected with human rights violations and religious persecution. This provision expresses United States outrage at China's human rights abuses while still giving the President adequate waiver authority to conduct foreign policy.

I am particularly pleased this bill contains strong language on human rights, an area that has been a special focus of mine. The bill includes a provision stating that the administration needs to greatly increase multilateral efforts to condemn China's human rights record. As you know, Mr. President, this past April, the U.N. Human Rights Commission failed to pass a resolution criticizing China's human rights policies. Unfortunately, the United States only began lobbying for the resolution at the last moment and, as a result of this delay, many of our allies—including France, Germany, and Canada—would not cosponsor the motion. To make our China policy more effective, the United States must do a better job of coordinating with our allies in multilateral fora.

In addition to addressing a wide spectrum of issues in Sino-United States relations, the China Policy Act also gives the Senate—and the American people we represent—an important opportunity to have an extensive debate about China policy. Such a debate is long overdue, and has continued to be delayed because of the controversy surrounding MFN.

It is my view that the inability of Congress to reach a consensus on MFN has led the Chinese authorities to believe that they can continue to commit gross human rights violations without facing any consequences. Unfortunately, it may be that, until now, the Beijing leadership has been right. In China's eyes, Congress has become what Chairman Mao Zedong would have called a paper tiger, something that might act ferocious, but is, in fact, harmless.

However, once Congress steps out of the restrictive confines of the MFN debate, I think China will be surprised at the level of dissatisfaction in Congress toward Beijing's actions.

The Chinese Government will obviously condemn this legislation because it demands that Chinese leaders live up to the international and bilateral agreements on weapons-proliferation, human rights, and trade to which China is a party. The Beijing government categorically rejects any outside scrutiny of its policies and equates good relations with a complete lack of criticism. But truly close relations between two countries can only be built when both sides fulfill their obligations and act in good faith toward one another.

The China Policy Act of 1997 is intended to send a strong message that Chinese Government's actions on many fronts remains unacceptable. Unfortunately, Chinese leaders have not heard this message loudly or strongly enough in the past. They have not heard it from the U.N. Human Rights Commission. They have not heard it from our trade negotiators. And, until now, they have not heard it from the U.S. Congress.

It is my view that the time has come for us to send this message clearly.

I yield the floor.

By Mr. GRASSLEY:

S. 1165. A bill to apply rules regarding the conduct of meetings and recordkeeping under the Federal Advisory Committee Act to the Social Security Advisory Board and for other purposes; to the Committee on Finance.

THE SOCIAL SECURITY ADVISORY BOARD SUNSHINE ACT

Mr. GRASSLEY. Mr. President, today I rise to introduce the Social Security Advisory Board Sunshine Act. This legislation will apply the public meeting and disclosure requirements of

the Federal Advisory Committee Act to the Social Security advisory board.

The Social Security Advisory Board was created in 1994 when the Social Security Administration became an independent agency. Its purpose is to serve as an advisor to the Commissioner of the Social Security Administration, the President and the Congress. The 1994 law requires the Board to make recommendations on some of the most critical issues facing the Social Security Administration and the country, including: How to ensure economic security for Government retirement and disability programs; how to ensure the solvency of Social Security programs; how to improve the quality of service and the policies and regulations that influence that service; and how to increase the public's understanding of Social Security.

With such a significant mandate, the question we should be asking is not why have open meetings, but why not have open meetings? This Board has been entrusted with the responsibility of making policy recommendations regarding the largest domestic Government program in this country. Virtually every American is affected by Social Security. Every American has a stake in Social Security. They have the right to know what recommendations are being made and why. The Federal Advisory Committee Act, which became public law in 1972 is intended to promote good Government values, such as openness, accountability, and balance of viewpoints. At the heart of the matter is a desire to keep the channels open between Government and the interested public.

Yesterday, during the confirmation hearing for Ken Apfel for the position of Commissioner of the Social Security Administration, I asked him if bringing the Advisory Board under the Sunshine laws was a good idea. He said, ''I think sunshine is almost always a good idea.''

My legislation would require the Advisory Board to provide notice of all meetings, make available for public inspection all Advisory Board documents, provide opportunities for nonmembers to participate in Board meetings, keep minutes of those meetings, and make transcripts of Advisory Board meetings available. In addition, the Social Security Administration will be required to disclose the disbursement of money to, and the disposal of money by, the advisory Board.

My legislation would also provide for compensation of the board members. Board members are paid per diem travel expenses, but they receive no compensation for the time they take off work to attend the meetings, which are held once a month. Because they have been given charge of such an important task, and because of the homework that must be done in order for them to be prepared and participate in meetings, compensation commensurate with that of similar boards and committees is only fair.

I want to commend the Board on the work it has done so far, particularly to highlight the need to expand the Social Security Administration's policy analysis capabilities. Those capabilities will be very important as we jump start discussions about Social Security reform.

The Advisory Board will be undergoing some changes in membership in the near future. I intend to work at getting this legislation enacted as soon as possible so the change in membership will occur with a change in the philosophy that Government is best done in the open and not behind closed doors.

By Mr. CAMPBELL:

S. 1166. A bill to prevent Federal agencies from pursuing policies of unjustifiable nonacquiescence in, and relitigation of, precedents established in the Federal judicial circuits; to the Committee on the Judiciary.

THE FEDERAL AGENCY COMPLIANCE ACT

Mr. CAMPBELL. Mr. President, because the concept of nonacquiescence is so often mired and hidden in the bureaucratic processes of our Government agencies, few realize the magnitude of its true implications. I am extremely concerned that so many Federal agencies currently fail to comply with established case law when dealing with American's rights and legal claims. Instead, the very agencies whose function it is to serve the people of this country have been ignoring the law through the policy of nonacquiescence. Specifically, nonacquiescence occurs when an agency refuses to comply with judicial precedent and instead, relies on agency policy to determine the outcome of a claim. For example, if a beneficiary has a social security claim, the agency can rule against the claimant even if the judicial precedent in that circuit is entirely in favor of the beneficiary. Agency wins—claimant loses—end of story. The only recourse that beneficiary has is to relitigate that same issue in court. The beneficiary can't bypass the agency and go directly to court, because he or she must first exhaust all administrative remedies. This is an extremely expensive burden on any person with a claim against an agency. In fact, it is a financial burden on the entire judicial system and on the American taxpayer who eventually pays the cost of relitigation.

Stare decisis—''let the decision stand''—is the fundamental doctrine of law upon which our entire judicial system is based. It is a concept of fairness and equity that has withstood the test of time. We require the American people and courts to adhere to judicial precedent. This policy of nonacquiescence completely undermines that principle. It allows the agency to completely ignore judicial precedent and instead rely solely on agency interpretation. The most glaring examples of nonacquiescence have surfaced in a select few agencies, such as the Social Security Administration, the National Labor Relations Board, and the Internal Revenue Service. This year alone, the Social Security Administration itself indicates that tens of thousands of claims involving nonacquiescence may be litigated. In a recent judicial opinion, the appellate judge stated that ''if a [social security] claimant has the determination and financial and physical strength and lives long enough to make it through the administrative process he can turn to the courts * * *'' and ultimately prevail. Similarly, the NLRB and the IRS have invoked this policy and were the subject of inquiry during a recent House hearing which investigated the alarming rise of agency nonacquiescence.

The true residual dangers of the nonacquiescence policy, however, lie in its more far-reaching implications. Theoretically, any agency can invoke this policy to avoid the law. When the Bureau of Land Management recently proposed reform regulations for grazing permits, ranchers challenged the new provisions. After exhausting all administrative remedies, the ranchers took their case to court. Following lengthy and costly litigation, the appellate court ruled in favor of the ranchers. However, under the nonacquiescence policy, the BLM could refuse to abide by this ruling each and every time this issue arises. Now grazing permits may not seem like a big deal to people here in Washington, but like many Western States, more than 30 percent of all the land in my home State of Colorado is Government-owned and under the control of a Federal agency. In western Colorado, almost 60 percent of the land falls into this arrangement. A rancher waiting for a grazing permit may be unable to get a loan or conduct necessary planning, which could force that rancher out of the livestock industry altogether. At the very least, each time a claim is relitigated, it involves tens of thousands of dollars and years of financial uncertainty for the claimant. Such a refusal to adhere to judicial precedent sends a clear message to the American people—a message of unfairness and inequality which in turn breeds mistrust against the Government. If the people must adhere to judicial precedent, we should require no less of Government agencies.

This problem has been around for decades, but Congress first addressed this issue when it was considering the Social Security Act of 1984. The conference report for that legislation highlighted the magnitude of concern over this policy when it stated:

> By refusing to apply circuit court interpretations and by not promptly seeking review by the Supreme Court, the Secretary forces beneficiaries to re-litigate the same issue over and over again in the circuit, at a substantial expense to both beneficiaries and the federal government. This is clearly an undesirable consequence.

At that time, Congress allowed the agencies to address this problem internally rather than by statute. Now in

1997, 13 years later, nonacquiescence is alive and well and it would be a gross understatement to say that this problem continues to be an undesirable consequence. In fact, Congress' failure to act 13 years ago has allowed the nonacquiescence policy to grow into a bureaucratic nightmare. This is nothing less than bureaucracy run amuck. It is now our duty to address this situation before any more time and money is wasted.

Because I believe it is important to hold Federal agencies accountable, today I am introducing legislation which would require a Federal agency to comply with Federal court precedents within the circuit where a claim is filed. However, this bill also allows an agency to deviate from such precedent under certain circumstances, thus giving the agency additional avenues when there is a conflict between judicial precedent and agency regulations. In contrast to the present policy of nonacquiescence, in which the general public has no additional avenue except to relitigate an issue at personal expense, my bill upholds the fundamental concept of stare decisis and will in turn provide stability, economy and equality for all Americans.

The House version of this legislation was introduced earlier in this Congress by Congressman GEKAS and Congressman FRANK and has been reported favorably out of the Subcommittee on Commercial and Administrative Law. This bill is supported by the Judicial Conference of the United States, Americans for Tax Reform, the Association of Administrative Law Judges, and the American Bar Association.

I urge my colleagues to support this important legislation.

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. 1166

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 ''Federal Agency Compliance Act''.

SEC. 2. PROHIBITING INTRACIRCUIT AGENCY NONACQUIESCENCE IN APPELLATE PRECEDENT.

(a) IN GENERAL.—Chapter 7 of title 5, United States Code, is amended by adding at the end the following:

''§ 707. Adherence to court of appeals precedent

''(a) Except as provided in subsection (b), an agency (as defined in section 701(b)(1) of this title) shall, in administering a statute, rule, regulation, program, or policy within a judicial circuit, adhere to the existing precedent respecting the interpretation and application of such statute, rule, regulation, program, or policy, as established by the decisions of the United States court of appeals for that circuit.

''(b) An agency is not precluded under subsection (a) from taking a position, either in administration or litigation, that is at variance with precedent established by a United States court of appeals if—

''(1) it is not certain whether the administration of the statute, rule, regulation, program, or policy will be subject to review by the court of appeals that established that precedent or a court of appeals for another circuit;

''(2) the Government did not seek further review of the case in which that precedent was first established, in that court of appeals or the United States Supreme Court, because—

''(A) neither the United States nor any agency or officer thereof was a party to the case; or

''(B) the decision establishing that precedent was otherwise substantially favorable to the Government; or

''(3) it is reasonable to question the continued validity of that precedent in light of a subsequent decision of that court of appeals or the United States Supreme Court, a subsequent change in any pertinent statute or regulation, or any other subsequent change in the public policy or circumstances on which that precedent was based.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 5, United States Code, is amended by adding at the end of following new item:

''707. Adherence to court of appeals precedent.''.

SEC. 3. PREVENTING UNNECESSARY AGENCY RELITIGATION IN MULTIPLE CIRCUITS.

(a) IN GENERAL.—Chapter 7 of title 5, United States Code, as amended by section 2(a), is amended by adding at the end the following:

''§ 708. Supervision of litigation; limiting unnecessary relitigation of legal issues

''(a) In supervising the conduct of litigation, the officers of any agency of the United States authorized to conduct litigation, including the Department of Justice acting under sections 516 and 519 of title 28 shall ensure that the initiation, defense, and continuation of proceedings in the courts of the United States within, or subject to the jurisdiction of, a particular judicial circuit avoids unnecessarily repetitive litigation on questions of law already consistently resolved against the position of the United States, or an agency or officer thereof, in precedents established by the United States courts of appeals for 3 or more other judicial circuits.

''(b) Decisions on whether to initiate, defend, or continue litigation for purposes of subsection (a) shall take into account, among other relevant factors, the following:

''(1) The effect of intervening changes in pertinent law or the public policy or circumstances on which the established precedents were based.

''(2) Subsequent decisions of the United States Supreme Court or the courts of appeals that previously decided the relevant question of law.

''(3) The extent to which that question of law was fully and adequately litigated in the cases in which the precedents were established.

''(4) The need to conserve judicial and other parties' resources.

''(c) The Attorney General shall report annually to the Committees on the Judiciary of the Senate and the House of Representatives on the efforts of the Department of Justice and other agencies to comply with subsection (a).

''(d) A decision on whether to initiate, defend, or continue litigation is not subject to review in a court, by mandamus or otherwise, on the grounds that the decision violates subsection(a).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 7 of title 5, United States Code, as amended by section 2(b) is amended by adding at the end of the following new item:

''708, Supervision of litigation; limiting unnecessary relitigation of legal issues.''.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 1167. A bill to amend the Tariff Act of 1930 to clarify the method for calculating cost of production for purposes of determining antidumping margins; to the Committee on Finance.

THE TARIFF ACT OF 1930 ANTIDUMPING CLARIFICATION AMENDMENT ACT OF 1997

Mr. INOUYE. Mr. President, I rise to introduce legislation that would make very minor changes to the antidumping provisions of the Tariff Act of 1930. This bill will clarify Commerce Department authority to allocate costs in antidumping cases consistent with sound accounting principles and commercial reality. Although the antidumping law generally affords the Commerce Department wide latitude in determining proper cost allocations in antidumping cases, developing case law in this area severely limits the ability of the Department to calculate accurate dumping margins. Specifically, these cases interpret the current antidumping statute to prevent the Department from relying on cost allocations based on revenues, even though revenue-based allocations are widely accepted in the accounting profession and often are most appropriate in particular fact situations.

This bill would not require a particular kind of cost allocation in any given case. Rather, the proposal would clarify the Department of Commerce's authority to use any appropriate cost allocation methodology, including a revenue-based methodology, consistent with generally accepted accounting principles and the particular facts of the case at hand.

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. 1167

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

SECTION 1. CLARIFICATION OF RULES FOR CALCULATING COST OF PRODUCTION AND CONSTRUCTED VALUE.

Section 773(f)(1)(A) of the Tariff Act of 1930 (19 U.S.C. 1677b(f)(1)(A)) is amended—

(1) by striking ''Costs'' and inserting ''(i) CALCULATION OF COSTS.—Costs'';

(2) by striking ''The Administering authority'' and inserting ''(ii) ALLOCATION OF COSTS.—

''(I) GENERAL RULE.—The administering authority'';

(3) by indenting the text so as to align clauses (i) and (ii) (as added by paragraphs (1) and (2)) with clause (i) of subparagraph (C) of such section 773(f)(1)); and

(4) by adding at the end the following:

''(II) METHODS FOR ALLOCATING COST OF PRODUCTION.—In determining the proper allocation of costs, the administering authority may use value-based methodology, weight-based cost methodology, or any other methodology that is consistent with generally accepted accounting principles of the exporter

country (or producing country, where appropriate) and that reasonably reflects the costs associated with the production and sale of each product.''.

(b) APPLICATION TO CANADA AND MEXICO.—Pursuant to article 1902 of the North American Free Trade Agreement and section 408 of the North American Free Trade Agreement Implementation Act, the amendments made by this section shall apply with respect to goods from Canada and Mexico.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to—

(1) investigations initiated—

(A) on the basis of petitions filed under section 732(b) or 783(b) of the Tariff Act of 1930 after January 1, 1995; or

(B) by the administering authority under section 732(a) of such Act after such date;

(2) reviews initiated under section 751 of such Act—

(A) by the administering authority or the Commission on their own initiative after such date; or

(B) pursuant to a request filed after such date;

(3) petitions filed under section 780 of such Act after such date; and

(4) inquiries initiated under section 781 of such Act—

(A) by the administering authority on its initiative after such date; or

(B) pursuant to a request filed after such date.

By Mr. REED:

S. 1169. A bill to establish professional development partnerships to improve the quality of America's teachers and the academic achievement of students in the classroom, and for other purposes; to the Committee on Labor and Human Resources.

THE TEACHER EXCELLENCE IN AMERICA CHALLENGE ACT OF 1997

Mr. REED. Mr. President, we all recognize the need for qualified, well-trained and dedicated teachers to improve the education of students throughout the United States. Unfortunately, many students who are just returning from their summer vacations are entering classrooms where teachers have not been so prepared, who are not as qualified as they should be, and this, of course, impacts tremendously on the productivity and the excellence of American education.

Today I am introducing legislation which I believe will change fundamentally the way teachers are trained and, thus, improve the quality of teaching in America's classrooms. This is absolutely critical, since over the next decade, 2 million new teachers will need to be hired. This is the result of a combination of retirements of existing teachers, together with the increase in student population which is taking place throughout the United States.

Last year's report by the National Commission on Teaching and America's Future entitled, ''What Matters Most: Teaching for America's Future'', shed light on the disheartening state of the teaching profession in the United States: more than 12 percent of all newly hired teachers have no training whatsoever in educational technique and pedagogy; more than 14 percent enter the teaching profession without meeting State standards; 23 percent of all secondary teachers do not have even a minor in the main teaching field which they have been hired to perform, including more than 30 percent of mathematics teachers; and, in schools with the highest minority enrollments, students have less than a 50-percent chance of getting a science or mathematics teacher who holds a license and degree in the field which they are teaching.

These findings were echoed also in ''Quality Counts: A Report Card on the Condition of Public Education in the 50 States,'' which was published this past January by Education Week. This report notes that on average, 4 out of 10 secondary teachers do not have a degree in the subjects they teach; there are too many unlicensed teachers in America's classrooms; and too few of our prospective teachers receive the high-quality education they need to be effective teachers.

Overall, this report rated the States, and the average was C. No State received an A, and there were only eight B's: California, Colorado, Georgia, Kentucky, Massachusetts, Minnesota, Nebraska, and Vermont. Three States received D's for their teaching: Arizona, Hawaii, and Idaho. And the rest, including my State of Rhode Island, received a gentleman's C, which in today's competitive world is unsatisfactory for the future of our country and the success of our children.

It must be noted that teacher quality varies tremendously; that in different classrooms in the same schools, you will see outstanding teachers in one and less qualified teachers in another. Many students are taught by a qualified teacher who understands their subject and how to teach students to excel. But not all students are so fortunate. These students are being deprived essentially of the quality education they need because their teacher is not well prepared and not qualified.

''What teachers know and do is the most important reflection on what students learn'' is the first premise of the National Commission on Teaching and America's Future.

Given the statistics I just recited about the current state of teaching in America, it is no wonder American students are failing to make the grade in a very competitive world. Indeed, a study which compared high- and low-achieving elementary schools with similar student characteristics found that more than 90 percent of the variation in achievement in math and reading was directly attributable to differences in the qualifications of the teachers in those schools.

It is also no wonder that American students don't fare well in international comparisons. The results of the eighth-grade Third International Mathematics and Science Study found that these students barely scored above the world average in science and below the world average in mathematics. And today, being mediocre is insufficient in order to face the challenges of a very complex world.

Even though much has been done to address teacher quality, the truth is that the current system of teacher preparation does not give teachers a fair chance at success. Prospective teachers, those in training in our Nation's teacher colleges, are not likely to be provided with the panoply of experiences which they need, such as actual classroom time, structured practice opportunities, a talented and experienced teacher as a mentor, and the skills to work with diverse student populations.

These are the tools they need to be adequately prepared and, sadly, many do not receive this help while they are in teacher preparation. Indeed, as the 1996 report by the National Commission on Teaching and America's Future notes, traditional teacher education programs are failing because they are too short, too fragmented and they use textbooks rather than active hands-on teaching methods. They also neglect to develop some of the ideas and concepts that are critical to success, such as working in teams and using technology.

Sadly, I believe there is a real disconnect between the teacher colleges that prepare teachers and the elementary and secondary schools that hire them to teach the children of America. Consequently, beginning teachers are thrown into classrooms without the skills to succeed. As Linda Darling-Hammond, the Executive Director of the National Commission on Teaching and America's Future, writes, the message given to these teachers in the beginning of the school year is ''Figure it out yourself. We'll see you in June. . .if you make it that long!''

Due to this sink-or-swim method of teacher preparation, some teachers do not make it to June or survive past the first few years of teaching. As a USA Today article from earlier this year points out, 17 percent of new teachers leave the classroom after 1 year, and a 1987 study by Grissmer and Kirby estimated that 30 to 50 percent of new teachers leave the profession within 3 to 5 years.

Add to this defection from the ranks of the profession the increased student enrollment due to the continuing Baby Boom Echo which will reach a record 52.2 million in 1997 and, indeed, increase each year through 2006, and impending retirements of many of our teachers. This situation creates a tremendous challenge and a need to prepare over 2 million new teachers to face the next century.

The time is ripe to face this challenge. We must do so now before public support for education wanes. By enacting needed reforms and changes in how we prepare and continue the development of teachers, we can guarantee the success of both students and teachers.

We must directly connect our teacher preparation and development system to

our elementary and secondary schools. Our future teachers need and deserve the kind of hands-on training and ''real world'' experience they will get from more exposure and practice in today's classrooms, as well as the mentoring and assistance they will receive from our best and most experienced veteran teachers. My bill accomplishes this by fostering partnerships between the teacher colleges at our Nation's institutions of higher education and elementary and secondary schools.

These partners should work in concert to prepare teachers adequately and keep their skills updated by working jointly to develop enhanced curricula and mentoring activities, as well as to research and implement sound teaching and learning practices.

As Jerrald Shrive wrote in ''Lessons from Restructuring Experiences: Stories of Change in Professional Development Schools'':

> . . . educational partnerships and collaborations [between schools and universities] can be one significant piece of the actions necessary to move all of education to more productive levels.

These premises underlie the legislation I introduce today. The Teacher Excellence in America Challenge Act or the TEACH Act, aims to improve the continuum of professional development from preservice preparation to the induction of new teachers to the improvement of veteran teachers, all of this designed to increase the achievement of our students.

My legislation establishes a competitive 5-year grant program to provide grants to professional development partnerships consisting of institutions of higher education, public elementary and secondary schools, local educational agencies, and others, such as the State educational agency, teacher organizations, or nonprofit organizations. These partnerships must be based upon a mutual commitment to improve teaching and learning.

These partnerships would use grant funding to support, as well as create, professional development schools, a reform that has been employed across this country and other industrialized nations and has shown success in increasing student achievement, better preparing prospective and beginning teachers, and providing critical ongoing opportunities for the professional development of veteran teachers.

Professional development schools involve shared responsibility and cooperation between the institutions of higher education that prepare teachers and the public elementary and secondary schools that employ teachers, a system similar to teaching hospitals.

An example of a professional development school can be found at the Sullivan School in Newport, RI. It is in a partnership with Salve Regina University. At the Sullivan School, Salve Regina students are given opportunities to practice teaching in a real classroom. Sullivan teachers are involved in observing these Salve Regina students, and they can also utilize the resources of Salve Regina University for professional development opportunities. Sullivan students go on field trips to Salve Regina for both higher education and career awareness activities, and the parents of these Sullivan students are also involved and are also provided opportunities for education and training.

This is a model of one possible way to use professional development schools to enhance the preparation of teachers, the education of students, and the involvement of parents.

Additional components of the TEACH Act include forging links between a university's school of education and their schools of arts and sciences. We have found in our discussions and research that many times within the university itself there is no collaboration, connection and concentration. This legislation will foster such cooperation.

The TEACH Act also encourages the development of mentoring programs in which senior expert teachers would help younger teachers. It emphasizes technology training, which is a key piece now of higher education everywhere, and it recognizes that in order to be a good teacher, you have to have time to prepare to be a good teacher. It also would create a cadre of quality teachers that would act as a resource to enhance the professional development of all teachers and reestablishes principals as educational leaders.

This is not a giveaway grant program. The TEACH Act offers resources to partnerships but it demands results. Strong evaluation provisions in the TEACH Act require that partnerships demonstrate increased student achievement, improved teacher preparation, increased opportunities for professional development, and also it insists that well-qualified teachers be placed in the classroom in order to continue to receive this grant funding.

In addition, the legislation requires an independent national evaluation of the short-term and long-term impacts and outcomes of these professional development partnerships.

Mr. President, given the growing need to update and improve the teacher training in this country, I expect we will see other proposals to address this problem offered in this body. I would be concerned if such proposals fell short on what we must accomplish by block granting training programs or failing to approach the kind of rigor that is included in the legislation I submit today. We have to have a rigorous and demanding legislative agenda in order to inspire and act as a catalyst for better teacher training across the country. Better teacher training will lead to better teachers. And better teachers will lead to better education and a better future for our children.

My legislation puts us on track to answering the call of the National Commission on Teaching and America's Future to provide every student in America with access to competent, qualified, and dedicated teaching by the year 2006.

I urge my colleagues to join me in this essential endeavor and to support the TEACH Act and help reform our system of teacher training as well as update the skills of teachers already in the classroom.

Mr. President, I ask unanimous consent that a copy of this legislation be printed in the RECORD.

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

S. 1169

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

SECTION 1. TEACHER EXCELLENCE IN AMERICA CHALLENGE.

Part A of title V of the Higher Education Act of 1965 (20 U.S.C. 1102 et seq.) is amended to read as follows:

"PART A—TEACHER EXCELLENCE IN AMERICA CHALLENGE

"SEC. 501. SHORT TITLE.

''This part may be cited as the 'Teacher Excellence in America Challenge Act of 1997'.

"SEC. 502. PURPOSE.

''The purpose of this part is to improve the preparation and professional development of teachers and the academic achievement of students by encouraging partnerships among institutions of higher education, elementary schools or secondary schools, local educational agencies, State educational agencies, teacher organizations, and nonprofit organizations.

"SEC. 503. GOALS.

''The goals of this part are as follows:

''(1) To support and improve the education of students and the achievement of higher academic standards by students, through the enhanced professional development of teachers.

''(2) To ensure a strong and steady supply of new teachers who are qualified, well-trained, and knowledgeable and experienced in effective means of instruction, and who represent the diversity of the American people, in order to meet the challenges of working with students by strengthening preservice education and induction of individuals into the teaching profession.

''(3) To provide for the continuing development and professional growth of veteran teachers.

''(4) To provide a research-based context for reinventing schools, teacher preparation programs, and professional development programs, for the purpose of building and sustaining best educational practices and raising student academic achievement.

"SEC. 504. DEFINITIONS.

''In this part:

''(1) ELEMENTARY SCHOOL.—The term ''elementary school'' means a public elementary school.

''(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means an institution of higher education that—

''(A) has a school, college, or department of education that is accredited by an agency recognized by the Secretary for that purpose; or

''(B) the Secretary determines has a school, college, or department of education of a quality equal to or exceeding the quality of schools, colleges, or departments so accredited.

''(3) POVERTY LINE.—The term 'poverty line' means the poverty line (as defined by the Office of Management and Budget, and

revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

''(4) PROFESSIONAL DEVELOPMENT PARTNERSHIP.—The term 'professional development partnership' means a partnership among 1 or more institutions of higher education, 1 or more elementary schools or secondary schools, and 1 or more local educational agency based on a mutual commitment to improve teaching and learning. The partnership may include a State educational agency, a teacher organization, or a nonprofit organization whose primary purpose is education research and development.

''(5) PROFESSIONAL DEVELOPMENT SCHOOL.—The term 'professional development school' means an elementary school or secondary school that collaborates with an institution of higher education for the purpose of—

''(A) providing high quality instruction to students and educating students to higher academic standards;

''(B) providing high quality student teaching and internship experiences at the school for prospective and beginning teachers; and

''(C) supporting and enabling the professional development of veteran teachers at the school, and of faculty at the institution of higher education.

''(6) SECONDARY SCHOOL.—The term 'secondary school' means a public secondary school.

''(7) TEACHER.—The term 'teacher' means an elementary school or secondary school teacher.''

''SEC. 505. PROGRAM AUTHORIZED.

''(a) IN GENERAL.—From the amount appropriated under section 511 and not reserved under section 509 for a fiscal year, the Secretary may award grants, on a competitive basis, to professional development partnerships to enable the partnerships to pay the Federal share of the cost of providing teacher preparation, induction, classroom experience, and professional development opportunities to prospective, beginning, and veteran teachers while improving the education of students in the classroom.

''(b) DURATION; PLANNING.—The Secretary shall award grants under this part for a period of 5 years, the first year of which may be used for planning to conduct the activities described in section 506.

''(c) PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.—

''(1) PAYMENTS.—The Secretary shall make annual payments pursuant to a grant awarded under this part.

''(2) FEDERAL SHARE.—The Federal share of the costs described in subsection (a)(1) shall be 80 percent.

''(3) NON-FEDERAL SHARE.—The non-Federal share of the costs described in subsection (a)(1) may be in cash or in-kind, fairly evaluated.

''(d) CONTINUING ELIGIBILITY.—

''(1) 2ND AND 3D YEARS.—The Secretary may make a grant payment under this section for each of the 2 fiscal years after the first fiscal year a professional development partnership receives such a payment, only if the Secretary determines that the partnership, through the activities assisted under this part, has made reasonable progress toward meeting the criteria described in paragraph (3).

''(2) 4TH AND 5TH YEARS.—The Secretary may make a grant payment under this section for each of the 2 fiscal years after the third fiscal year a professional development partnership receives such a payment, only if the Secretary determines that the partnership, through the activities assisted under this part, has met the criteria described in paragraph (3).

''(3) CRITERIA.—The criteria referred to in paragraphs (1) and (2) are as follows:

''(A) Increased student achievement as determined by increased graduation rates, decreased dropout rates, or higher scores on local, State, or national assessments for a year compared to student achievement as determined by the rates or scores, as the case may be, for the year prior to the year for which a grant under this part is received.

''(B) Improved teacher preparation and development programs, and student educational programs.

''(C) Increased opportunities for enhanced and ongoing professional development of teachers.

''(D) An increased number of well-prepared individuals graduating from a school, college, or department of education within an institution of higher education and entering the teaching profession.

''(E) Increased recruitment to, and graduation from, a school, college, or department of education within an institution of higher education with respect to minority individuals.

''(F) Increased placement of qualified and well-prepared teachers in elementary schools or secondary schools, and increased assignment of such teachers to teach the subject matter in which the teachers received a degree or specialized training.

''(G) Increased dissemination of teaching strategies and best practices by teachers associated with the professional development school and faculty at the institution of higher education.

''(e) PRIORITY.—In awarding grants under this part, the Secretary shall give priority to professional development partnerships serving elementary schools, secondary schools, or local educational agencies, that serve high percentages of children from families below the poverty line.

''SEC. 506. AUTHORIZED ACTIVITIES.

''(a) IN GENERAL.—Each professional development partnership receiving a grant under this part shall use the grant funds for—

''(1) creating, restructuring, or supporting professional development schools;

''(2) enhancing and restructuring the teacher preparation program at the school, college, or department of education within the institution of higher education, including—

''(A) coordinating with, and obtaining the participation of, schools, colleges, or departments of arts and science;

''(B) preparing teachers to work with diverse student populations; and

''(C) preparing teachers to implement research-based, demonstrably successful, and replicable, instructional programs and practices that increase student achievement;

''(3) incorporating clinical learning in the coursework for prospective teachers, and in the induction activities for beginning teachers;

''(4) mentoring of prospective and beginning teachers by veteran teachers in instructional skills, classroom management skills, and strategies to effectively assess student progress and achievement;

''(5) providing high quality professional development to veteran teachers, including the rotation, for varying periods of time, of veteran teachers—

''(A) who are associated with the partnership to elementary schools or secondary schools not associated with the partnership in order to enable such veteran teachers to act as a resource for all teachers in the local educational agency or State; and

''(B) who are not associated with the partnership to elementary schools or secondary schools associated with the partnership in order to enable such veteran teachers to observe how teaching and professional development occurs in professional development schools;

''(6) preparation time for teachers in the professional development school and faculty of the institution of higher education to jointly design and implement the teacher preparation curriculum, classroom experiences, and ongoing professional development opportunities;

''(7) preparing teachers to use technology to teach students to high academic standards;

''(8) developing and instituting ongoing performance-based review procedures to assist and support teachers' learning;

''(9) activities designed to involve parents in the partnership;

''(10) research to improve teaching and learning by teachers in the professional development school and faculty at the institution of higher education; and

''(11) activities designed to disseminate information, regarding the teaching strategies and best practices implemented by the professional development school, to—

''(A) teachers in elementary schools or secondary schools, which are served by the local educational agency or located in the State, that are not associated with the professional development partnership; and

''(B) institutions of higher education in the State.

''(b) CONSTRUCTION PROHIBITED.—No grant funds provided under this part may be used for the construction, renovation, or repair of any school or facility.

''SEC. 507. APPLICATIONS.

''Each professional development partnership desiring a grant under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall—

''(1) describe the composition of the partnership;

''(2) describe how the partnership will include the participation of the schools, colleges, or departments of arts and sciences within the institution of higher education to ensure the integration of pedagogy and content in teacher preparation;

''(3) identify how the goals described in section 503 will be met and the criteria that will be used to evaluate and measure whether the partnership is meeting the goals;

''(4) describe how the partnership will restructure and improve teaching, teacher preparation, and development programs at the institution of higher education and the professional development school, and how such systemic changes will contribute to increased student achievement;

''(5) describe how the partnership will prepare teachers to implement research-based, demonstrably successful, and replicable, instructional programs and practices that increase student achievement;

''(6) describe how the teacher preparation program in the institution of higher education, and the induction activities and ongoing professional development opportunities in the professional development school, incorporate—

''(A) an understanding of core concepts, structure, and tools of inquiry as a foundation for subject matter pedagogy; and

''(B) knowledge of curriculum and assessment design as a basis for analyzing and responding to student learning;

''(7) describe how the partnership will prepare teachers to work with diverse student populations, including minority individuals and individuals with disabilities;

''(8) describe how the partnership will prepare teachers to use technology to teach students to high academic standards;

''(9) describe how the research and knowledge generated by the partnership will be disseminated to and implemented in—

''(A) elementary schools or secondary schools served by the local educational agency or located in the State; and

''(B) institutions of higher education in the State;

''(10)(A) describe how the partnership will coordinate the activities assisted under this part with other professional development activities for teachers, including activities assisted under titles I and II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq., 6601 et seq.), the Goals 2000: Educate America Act (20 U.S.C. 5801 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.); and

''(B) describe how the activities assisted under this part are consistent with Federal and State educational reform activities that promote student achievement of higher academic standards;

''(11) describe which member of the partnership will act as the fiscal agent for the partnership and be responsible for the receipt and disbursement of grant funds under this part;

''(12) describe how the grant funds will be divided among the institution of higher education, the elementary school or secondary school, the local educational agency, and any other members of the partnership to support activities described in section 506;

''(13) provide a description of the commitment of the resources of the partnership to the activities assisted under this part, including financial support, faculty participation, and time commitments; and

''(14) describe the commitment of the partnership to continue the activities assisted under this part without grant funds provided under this part.

''SEC. 508. ASSURANCES.

''Each application submitted under this part shall contain an assurance that the professional development partnership—

''(1) will enter into an agreement that commits the members of the partnership to the support of students' learning, the preparation of prospective and beginning teachers, the continuing professional development of veteran teachers, the periodic review of teachers, standards-based teaching and learning, practice-based inquiry, and collaboration among members of the partnership;

''(2) will use teachers of excellence, who have mastered teaching techniques and subject areas, including teachers certified by the National Board for Professional Teaching Standards, to assist prospective and beginning teachers;

''(3) will provide for adequate preparation time to be made available to teachers in the professional development school and faculty at the institution of higher education to allow the teachers and faculty time to jointly develop programs and curricula for prospective and beginning teachers, ongoing professional development opportunities, and the other authorized activities described in section 506; and

''(4) will develop organizational structures that allow principals and key administrators to devote sufficient time to adequately participate in the professional development of their staffs, including frequent observation and critique of classroom instruction.

''SEC. 509. NATIONAL ACTIVITIES.

''(a) IN GENERAL.—The Secretary shall reserve a total of not more than 10 percent of the amount appropriated under section 511 for each fiscal year for evaluation activities under subsection (b), and the dissemination of information under subsection (c).

''(b) NATIONAL EVALUATION.—The Secretary, by grant or contract, shall provide for an annual, independent, national evaluation of the activities of the professional development partnerships assisted under this part. The evaluation shall be conducted not later than 3 years after the date of enactment of the Teacher Excellence in America Challenge Act of 1997 and each succeeding year thereafter. The Secretary shall report to Congress and the public the results of such evaluation. The evaluation, at a minimum, shall assess the short-term and long-term impacts and outcomes of the activities assisted under this part, including—

''(1) the extent to which professional development partnerships enhance student achievement;

''(2) how, and the extent to which, professional development partnerships lead to improvements in the quality of teachers;

''(3) the extent to which professional development partnerships improve recruitment and retention rates among beginning teachers, including beginning minority teachers; and

''(4) the extent to which professional development partnerships lead to the assignment of beginning teachers to public elementary or secondary schools that have a shortage of teachers who teach the subject matter in which the teacher received a degree or specialized training.

''(c) DISSEMINATION OF INFORMATION.—The Secretary shall disseminate information (including creating and maintaining a national database) regarding outstanding professional development schools, practices, and programs.

''SEC. 510. SUPPLEMENT NOT SUPPLANT.

''Funds appropriated under section 511 shall be used to supplement and not supplant other Federal, State, and local public funds expended for the professional development of elementary school and secondary school teachers.

''SEC. 511. AUTHORIZATION OF APPROPRIATIONS.

''There is authorized to be appropriated to carry out this part $100,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.''.

SEC. 2. REPEALS.

Part B of title V of the Higher Education Act of 1965 (20 U.S.C. 1103 et seq.), subparts 1 and 3 of part C of such title (20 U.S.C. 1104 et seq., 1106 et seq.), subparts 3 and 4 of part D of such title (20 U.S.C. 1109 et seq., 1110 et seq.), subpart 1 of part E of such title (20 U.S.C. 1111 et seq.), and part F of such title (20 U.S.C. 1113 et seq.), are repealed.

By Ms. SNOWE:

S. 1170. A bill to establish a training voucher system, and for other purposes; to the Committee on Labor and Human Resources.

THE WORKING AMERICAN TRAINING VOUCHER ACT OF 1997

Ms. SNOWE. Mr. President. I rise today to introduce legislation that will address a serious need of America's workers: The need to receive training that will prepare individuals for the workplace of the 21st century. My legislation, entitled the ''Working American Training Voucher Act,'' would provide $1,000 training vouchers to 1 million working men and women who typically have little or no access to employer-provided training.

Mr. President, many Federal programs focus on the needs of those whose challenges and difficulties are most easily recognized and tangible. When we see a hungry child, an unemployed adult, or an impoverished senior citizen, we justifiably want to reach out and do what we can to help. Indeed, I am proud to be an active voice for those whose challenges and pains we can sometimes only imagine. However, it is oftentimes difficult to recognize the needs of those whose challenges are less tangible, whose concerns are less evident, or whose sense of insecurity about the future is known only by the individual and their family.

It is this difficulty that confronts many American workers today. In the face of increasing global competition, many workers wonder if the job they have today will be there for them tomorrow. They are concerned that the advent of new technologies is making their skills and talents less useful for their current employers which, in turn, makes them feel more vulnerable and expendable. And they wonder if the skills they posses today are even marketable if they are downsized or otherwise put out of work.

Unfortunately, these types of concerns and anxieties oftentimes do not show on the surface, so it can be difficult for others to recognize or address them. It is too easy for many to assume that because a man or woman is already holding down a job, all is well and his or her future is secure. After all, how bad can it be if you're punching a time clock and getting a paycheck? Unfortunately, such a view is not only shortsighted, it is also misguided and could prove disastrous.

We should not wait until a worker has been laid off from their job, or a company shuts its doors and shutters its windows, to take steps to help the American worker. Rather, we should take steps to ensure that our Nation's work force is confident of their future and feels prepared to address the changes that tomorrow will bring. Not only does this help the individual, but I think we would all agree that the best way to reduce the impact and cost of unemployment is to take steps to keep those who are already employed on the job.

Admittedly, many policies and decisions play an integral role in creating a vibrant job market. The tax burden we place on businesses, the trade agreements we sign with foreign governments, and the regulatory load we place on employers all have a significant impact on our economy's ability to produce and sustain good jobs. However, for the individual, many of these polices seem too macro to have an impact on their own employment prospects. In fact, an individual may not even recognized the direct impact these broader policies have on their job from day to day.

There is, however, one issue that truly strikes at the heart of how an individual feels about the future: The degree to which he or she knows that their skills match the needs of their

current employer or other prospective employers in the marketplace. Without this knowledge, it does not matter to an individual if the unemployment rate is as low as economists consider the natural rate of unemployment or if the newspapers tell him or her that the economy couldn't be better. The simple fact is that unless an individual personally feels that their skills are up-to-date and marketable, there will never be a complete sense of security on the job from one day to the next.

And that's what the legislation I am introducing today is all about. The Working American Training Voucher Act addresses the needs of the average American worker—the individual who has a job today, but doesn't know if he or she has the skills needed for the jobs of tomorrow. The person who's collecting a paycheck now, but is concerned that the rapidly changing work environment may put an end to that soon.

Mr. President, we all know new technologies and new products are entering the workplace at an unprecedented rate and the changes these technologies bring are substantial. Few professions and few jobs have gone untouched by these changes—and even fewer will be immune from change in the future. Indeed, just as computers have changed the face of manufacturing, they have also changed the world of art and design. Even labor intensive tasks at assembly shops have taken on a high-tech flair thanks to new technologies.

For an individual who understands these technologies or received training in their use, these changes present exciting new opportunities that improve performance and ultimately give one a sense of assurance that their skills are in demand. But for those who do not understand these technologies or do not receive training in their use, these technologies are nothing more than a threat and cause for anxiety.

Regrettably, even as the demand for training at all levels in the workplace continues to grow because of these changing technologies, the United States has historically lagged far behind our global competitors in training workers. In fact, a study by the Congressional Office of Technology Assessment concluded: ''When measured by international standards, most American workers are not well trained.''

While some U.S. companies devote a substantial amount of money to training, many of our global competitors spend considerably more. A study by the American Society for Training and Development highlighted this point when it found that U.S. companies spend—in the aggregate—approximately 1.4 percent of their payroll on training, while a number of our competitor nations actually require companies to spend 2 to 4 percent. While I would not espouse a mandatory training budget for any business, I believe we can and should seek to improve the availability of training for our Nation's workers—and especially for those who need it most but are least likely to receive it. And that's precisely who the working American training voucher is designed to reach.

Mr. President, the working American training voucher would provide access to critically needed training for workers at businesses with 200 or fewer employees. Why is it targeted to workers in small businesses? Quite simply, because these are the individuals who are the least likely to receive—or be offered—employer-provided training. The same report by the Congressional Office of Technology Assessment summarized the plight of employees at small businesses quite succinctly: ''Many (employees) in smaller firms receive no formal training.''

A recent report—completed by Prof. Craig Olson at the University of Wisconsin-Madison and presented to the Senate Manufacturing Task Force this past September—looked at the difference between the likelihood an individual would receive training and the level of educational achievement he or she attained, or the field he or she chose to enter. Dr. Olson's study found that individuals with a bachelor's or master's degree had a 50 percent chance of receiving training in the past year, while individuals with a high school diploma had only a 17 percent chance. Those who dropped out of high school fared even worse; their odds of receiving training were only 5 percent.

When viewed by occupation, individuals who worked in production- or service-related jobs had only a 16 percent and 18 percent chance of receiving training respectively, while those in management had a 50 percent chance. When considering that only one in four American workers received training in the past 12 months, these odds don't bode well for many employees at small businesses whose educational attainment and occupations fall in the categories that are the least likely to receive training.

One might understandably ask: Why is it that small businesses often provide so little training? The answer: cost. Small businesses are quite often unable to afford the cost of sending an employee to a training program. When your business is just trying to make ends meet, it's impossible to send an employee to a training class that costs the business both money and time away from work.

Mr. President, the working American training voucher is designed to address this problem in a straightforward and efficient way. These vouchers—valued at up to $1,000 each—would be made available to employees at small businesses through the existing job training system that is already in place as a result of the Job Training Partnership Act, or JTPA. As my colleagues in the Senate know, State and local governments—joined by the private sector—have primary responsibility for the development, management, and administration of job training programs in the JTPA, so no new distribution network would be necessary to conduct this voucher program.

The only major requirement for receiving a voucher would be that the employee and employer must agree on the specific training that will be purchased with the voucher. This will ensure that the training will be targeted specifically to the needs of the individual and the business—money would not be spent on generic training programs that teach skills that are of little, if any, use in a particular field or job. Furthermore, such an agreement will ensure that workers are actively engaged in pursuing training that will help their careers, even as employers will be urging employees to undertake training that will help the business.

The Senate Labor Committee will soon be preparing legislation to recraft and consolidate many of our federally-run job training programs in the JTPA. I am greatly concerned that none of our current 128 job training programs is specifically targeted to training for currently employed individuals—and I believe that the working American training voucher would fill this void for those who need access to this training the most. Therefore, I am hopeful that my legislation and this concept will be incorporated in the job training reform bill when it is reported from the Senate Labor Committee and is considered on the floor of the Senate.

Mr. President, I believe that as we prepare our work force for the next century, we should be encouraging workers to develop new skills that will improve their longevity in their current jobs even as they gain confidence that their skills will be needed in the future. Not only will these new skills increase the confidence and performance of the individual worker, but they will also improve the productivity of the business who employs them. And we all know that if we improve a business' productivity and output, that business is more likely to survive and thrive—which means that this voucher may ultimately assist in preserving businesses and jobs in the long run.

Furthermore, better skills and training will ensure that individuals are able to rapidly transition to new jobs in the unfortunate event their current job is lost for reasons beyond their control. Regardless of how favorable the Tax Code is made or how many burdensome regulations we remove, we will never be able to guarantee an individual that his or her job will be around forever. But we can provide a worker with access to training that will keep his or her skills up to date and marketable no matter what the future holds.

Mr. President, the working American training voucher would be a tangible, concrete, and definable program that would address a core issue facing American workers. It will ensure that those who typically have the least access to training will be able to acquire the skills needed for their current jobs, while improving their jobs in the future. It is targeted to those who are

most in need of assistance, and will ensure that we no longer wait until an individual is out of work to provide help.

The Federal Government often promises the American people many things, but we can never offer peace of mind to a worker who doesn't know if his or her skills are adequate to keep them employed. Let's take a step in the right direction and at least ensure that those who have a job will not lose it due to a lack of access to training and new skills. Let's pass the Working American Training Voucher Act.

By Ms. MOSLEY-BRAUN:

S. 1171. A bill for the relief of Janina Altagracia Castillo-Rojas and her husband, Diogenes Patricio Rojas; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Ms. MOSELEY-BRAUN. Mr. President, I am introducing this bill today to provide relief to Janina Altagracia Castillo-Rojas and her husband, Diogenes Patricio Rojas. These two individuals, who currently reside in Chicago, IL, face deportation later this month to the Dominican Republic as a result of an absurd technicality in current Federal immigration law.

Ms. Rojas has been denied citizenship because her mother was the child of a U.S. citizen female and foreign male. Previous law allowed only children of U.S. citizen males and foreign females to claim U.S. citizenship.

Simply put, Mrs. Rojas has been denied U.S. citizenship because she had the ''misfortune'' of having a U.S. citizen grandmother instead of a U.S. citizen grandfather.

In 1994, Senator Paul Simon passed the Immigration and Nationality and Technical Corrections Act, which allowed individuals born overseas before 1934 to U.S. citizen mothers, and their descendants, to claim U.S. citizenship. As a result of that 1994 law, the mother of Janina Rojas applied for U.S. citizenship, which she received in January 1996.

When Janina Rojas attempted to derive citizenship as a descendant of a direct beneficiary of the 1994 law, however, her application was denied. Despite the 1994 law, the Immigration and Naturalization Service requires that the mother of Janina Rojas meet transmission requirements: the mother must have been physically present in the U.S. for 10 years prior to Janina's birth, 5 of which were after the age of 16 years, in order for Janina to derive citizenship. Since her mother was prohibited from becoming a U.S. citizen until 1996, however, it is unreasonable to require that she was in the U.S. for 10 years.

Clearly, while 60 years of discriminatory law was corrected in 1994, the citizenship qualifications of the line of descendants of those U.S. citizen females remain adversely impacted.

On May 1 of this year, I introduced a bill, S. 677, the Equity In Transmission of Citizenship Act of 1997, that will waive the parental transmission requirement for the grandchildren of U.S. citizen females. That bill has been referred to the Senate Judiciary Committee. While I am hopeful S. 677 will be promptly approved, it may not be approved before September 27, the deportation date of Mr. and Mrs. Rojas. The private relief bill I introduce today will provide an extension for Mr. and Mrs. Rojas so that S. 677 can be taken up and passed.

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

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

S. 1171

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

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provisions of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Janina Altagracia Castillo-Rojas and her husband, Diogenes Patrico Rojas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Janina Altagracia Castillo-Rojas and her husband, Diogenes Patricio Rojas, as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

ADDITIONAL COSPONSORS

S. 294

At the request of Mrs. HUTCHISON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 294, a bill to amend chapter 51 of title 18, United States Code, to establish Federal penalties for the killing or attempted killing of a law enforcement officer of the District of Columbia, and for other purposes.

S. 623

At the request of Mr. INOUYE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 623, a bill to amend title 38, United States Code, to deem certain service in the organized military forces of the Government of the Commonwealth of the Philippines and the Philippine Scouts to have been active service for purposes of benefits under programs administered by the Secretary of Veterans Affairs.

S. 859

At the request of Mr. KYL, the name of the Senator from Texas [Mrs. HUTCHISON] was added as a cosponsor of S. 859, a bill to repeal the increase in tax on social security benefits.

S. 1037

At the request of Mr. JEFFORDS, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1037, a bill to amend the Internal Revenue Code of 1986 to establish incentives to increase the demand for and supply of quality child care, to provide incentives to States that improve the quality of child care, to expand clearinghouse and electronic networks for the distribution of child care information, to improve the quality of child care provided through Federal facilities and programs, and for other purposes.

S. 1154

At the request of Mr. REED, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1154, a bill to amend the Electronic Fund Transfer Act to clarify consumer liability for unauthorized transactions involving debit cards that can be used like credit cards, and for other purposes.

SENATE RESOLUTION 94

At the request of Mr. WARNER, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of Senate Resolution 94, a resolution commending the American Medical Association on its 150th anniversary, its 150 years of caring for the United States, and its continuing effort to uphold the principles upon which Nathan Davis, M.D. and his colleagues founded the American Medical Association to ''promote the science and art of medicine and the betterment of public health.''

SENATE RESOLUTION 119

At the request of Mr. FEINGOLD, the names of the Senator from North Dakota [Mr. DORGAN] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Resolution 119, a resolution to express the sense of the Senate that the Secretary of Agriculture should establish a temporary emergency minimum milk price that is equitable to all producers nationwide and that provides price relief to economically distressed milk producers.

AMENDMENT NO. 1070

At the request of Mr. GREGG the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. HARKIN], and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of amendment No. 1070 proposed to S. 1061, an original bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

AMENDMENT NO. 1122

At the request of Mr. GORTON the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Indiana [Mr. COATS] were added as cosponsors of amendment No. 1122 proposed to S. 1061, an original bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

At the request of Mr. BINGAMAN his name, and the names of the Senator