with the Senate, I would like to request that consideration be given to funding by the conferees. However, if that is not the case, I would encourage the Department of Interior to consider the funding of this program a priority in its fiscal year 2000 budget.

Mr. Chairman, I recognize the many challenges you face in balancing competing needs and projects in the Interior bill but I would like to emphasize the importance this program plays in arresting the decline of our Nation's neotropical migratory bird population.

□ 1915.

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

Mr. GREENWOOD. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I am familiar with this. I have martins that come visit us every summer, and, of course, they migrate to South America. So this kind of thing affects the bird population that moves back and forth between North and South America.

As the gentleman from Pennsylvania points out, there are many competing demands on the limited funds in this bill, but I do recognize the importance of protecting the Neotropical migratory bird population. While we cannot meet every request, as evidenced by these three books with letters from Members, I assure the gentleman that I will work with the gentleman and the Department of Interior to ensure appropriate funding for the program once the legislation is enacted.

I might say I congratulate the gentleman from Pennsylvania (Mr. GREENWOOD) on making this effort. I think it is very important.

Mr. GREENWOOD. Mr. Chairman, I appreciate the commitment and support of the chairman.

The CHAIRMAN. The Committee will rise informally.

The Speaker pro tempore (Mr. RIGGS) assumed the chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The Committee resumed its sitting.

Mr. DICKS. Mr. Chairman, I move to strike the last word.

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

Mr. DICKS. I yield to my distinguished friend, the gentleman from Massachusetts (Mr. KENNEDY), who, along with the gentleman from Illinois (Mr. PORTER), have been two of the people who worked the hardest to try to bring their vision of reform to the National Forest system, to ensure sustainability, to ensure the fact that timber roads are built properly, that we have the highest environmental standards and that we improve these roads and protect our natural heritage.

I regret very much that the gentleman and I have not always seen eye to eye, but I regret the fact he is not going to be with us next year. I have enjoyed working with the gentleman.

Mr. KENNEDY of Massachusetts. Mr. Chairman, first of all, let me just thank my good friend from Washington (Mr. DICKS). Everyone in the country listening to the debate should understand that there is no one in the Congress of the United States that is responsible for cutting down more trees than the gentleman from Washington (Mr. DICKS).

Mr. DICKS. No, that is not true.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I want to congratulate the gentleman for his phenomenal victory that he has been able to maintain over the course of the last many, many years in this body.

But, on a serious note, we ought to recognize a great warrior in politics, and the gentleman from Washington (Mr. DICKS) certainly fulfills that description. His defense of making certain that we do have proper forestry management in this country is something that I have come to understand better because of the debates that he has fostered on the House floor, and it is important for those of us who want to protect our Nation's forests to understand that our forests have to be managed.

But also it is important for us to make certain that we are not providing taxpayer subsidies to lumber companies that do not need them, lumber companies that have made tremendous profits as a result of the largess of the taxpayers and the people of our Nation and the national heritage of our country, which has the most phenomenal and beautiful forests of any country on the face of the Earth.

I recognize that we need to strike a balance in terms of the types of policies and recognize that it does take taxpayer revenues to support the management of our forests, and we ought to be honest and the Forest Service ought to be honest about what accounts they really need to have, and how much money they need to have, in order to properly manage our forests.

If there are roads that need to be improved, if there are damaged areas of our forest that need to be tended to, if there are fire roads that need to be built, we ought to build those roads, and we ought to put the money in the account that the Forest Service needs. But what we ought not to do is turn around and give subsidies to lumber companies that simply do not need them. Far too often in the past we have commingled those funds and had a complete misunderstanding about what actually we were paying for.

I believe that the administration's policy, which I know the chairman of the committee has now gone along with, as well as my friend the gentleman from Washington (Mr. DICKS), which gets rid of the purchase-a-road credit program, which suspends the forest subsidies, the lumber subsidies we were giving to the timber companies, which recognizes that we ought to have and continue this moratorium into the future, until we get an honest accounting of what in fact the Forest Service needs and what they do not need.

I have never backed away from asking for taxpayer dollars for legitimate needs of the people of this country. Where there are legitimate needs of our forests, we ought to provide the funding. But we ought not to be mixing up and providing funding to lumber companies that are simply using subsidies that they do not need in order to make more and more profits.

I want to commend the gentleman from Washington (Mr. DICKS), the chairman of the committee, the gentleman from Ohio (Mr. REGULA), and the gentleman from Illinois (Mr. PORTER) for the efforts they have made, and also want to say the gentlewoman from Oregon (Ms. FURSE) has an amendment which is coming up which I believe will once again highlight some of the discrepancies and issues that need to be addressed further in order to clarify exactly what accounts we ought to be putting money in and what accounts we should not be putting money in.

I do want to thank my good friend the gentleman from Washington (Mr. DICKS), and recognize the great contribution he makes.

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

Mr. DICKS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to associate myself with the remarks of the gentleman from Washington (Mr. DICKS) and compliment all the parties and the goodwill of the gentleman from Massachusetts (Mr. KENNEDY). We had a spirited debate on this issue last year, as we all know, and I think we have reached a reasonable compromise. I hope that the gentleman from Massachusetts (Mr. KENNEDY) will look at the numbers. I think we have done in the bill much of what the gentleman is suggesting there in terms of funding reconstruction of roads, trying to improve forest health, and making the forest a viable part of our Nation's recreation resources.

The CHAIRMAN. The time of the gentleman from Washington (Mr. DICKS) has expired.

(By unanimous consent, Mr. DICKS was allowed to proceed for one additional minute.)

Mr. DICKS. Mr. Chairman, I yield to the gentleman from Ohio (Mr. REGULA).

Mr. REGULA. Mr. Chairman, the forest is a viable part of our Nation's recreational resource, as well as a source of wood fiber under proper circumstances. Unfortunately, I will not be able to use my two-by-four as evidence this year, so I will point out, so

I have not wasted all this time, that the price of a two-by-four eight feet long has gone in 10 years from $1.75 to $3.09, so that has an impact on the cost of housing.

Mr. KENNEDY of Massachusetts. Mr. Chairman, if the gentleman will yield further, I would just like to point out once again that that poor old piece of board that the gentleman is holding there that came from some lovely tree that was growing in one of our Nation's wonderful forests did not end up in fact costing a whole lot more. What ended up costing a lot more was the profits to the lumber company, was the profits to the guys that are cutting the trees, was the profits to the guys that are marketing that lumber, and none of it went to the taxpayer. But we could have this debate all over again, if the gentleman wants to get into it.

Mr. SKAGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there are a couple of points in the bill that we expect to get to in conference that I hoped I might be able to discuss with the chairman of the subcommittee.

In particular the bill already includes, Mr. Chairman, as you know, an increase in funding for the management of the National Wildlife Refuge System. I strongly support that increase, among other reasons because it is my understanding that such sites as the Rocky Mountain Arsenal Refuge and the Two Ponds Refuge, both located in the metropolitan Denver area, would be examples of the kind of refuges that would benefit from this increase. I hope the chairman can confirm my view in that respect.

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

Mr. SKAGGS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentleman is correct. The increase provides for addressing operational and maintenance backlog requirements for all the refuges.

Mr. SKAGGS. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments on that. I also anticipate that the gentleman's bill will pass and we will get to conference, and anticipate this is something that may come up when we do reach conference with the Senate. Section 118 of the Senate bill addresses funds transferred for activities aimed at the recovery of endangered fish species in the upper Colorado River Basin and the San Juan River Basin, and limits what is termed the overhead that can be charged against those funds.

I hope the chairman would review this matter when we do go to conference to see if a similar provision could be included in the final version of the bill, which I think would be a good idea.

Mr. REGULA. Mr. Chairman, if the gentleman will yield further, of course, the gentleman will be a conferee, and I think we will all be pleased to take a closer look at this provision in the conference.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman's consideration, and thank him for the opportunity to have this conversation.

Mr. RIGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me tell my colleagues, who I know are waiting patiently to offer further amendments to this bill, that I rise for the purposes of engaging in a colloquy with the subcommittee chairman, who a year ago at this time worked long and hard with me and other concerned Members of Congress on a bicameral and bipartisan basis to secure the congressional authorization and appropriation of $260 million to do a major forest land acquisition in my congressional district. The forest land in question includes the acreage known as the Headwaters Forest, one of the last if not the last unentered, unlogged stand of old growth redwood and Douglas fir forest land in private ownership.

We believed a year ago, as we believe today, that this is a very important land acquisition for the American people, worthy of Federal taxpayer support. The agreement also included participation by the State of California government and by State taxpayers to the tune of $130 million in order to consummate this particular acquisition.

Again, I want to emphasize to my colleagues how important the chairman's leadership was on this issue and how diligently and for many, many days we worked, again on a bipartisan, bicameral basis, to secure the necessary congressional approvals for this agreement.

In light of that, Mr. Chairman, I am very dismayed that the State government has not approved their share of the funding to date. In fact, as we meet and deliberate this annual spending bill, the State legislature and the Governor of California, Pete Wilson, continue in deliberations over the State budget for the fiscal year 1999 that was due on July 1st of this particular year.

Mr. Chairman, I want to confirm tonight through this colloquy my understanding that the Headwaters Forest, or this forest land acquisition, was, again, only agreed to after many, many weeks of negotiations among the gentleman's committee, the authorizing committees, the staff that worked very hard on this particular provision of last year's Interior appropriations spending bill, and the Clinton Administration, and that the terms and conditions of this proposed acquisition are fair to all parties, including the private landowners who are party to this agreement.

Mr. Chairman, is it your intention to change any of these conditions or deadlines that are called for in the agreement that was inserted into last year's Interior appropriations spending bill and, therefore, effectively codified into law?

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

Mr. RIGGS. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I agree with my colleague that these negotiations were very difficult, and, of course, the gentleman from California (Mr. RIGGS) played a major role in achieving an agreement. But, in the end, we struck an agreement that addressed the concerns of all parties.

Let me assure my colleague, I will not support any efforts by the administration or the Congress to change any of the deadlines that were negotiated as part of this very costly and very controversial acquisition.

Mr. RIGGS. Reclaiming my time, Mr. Chairman, I know that we had to convince the chairman that this acquisition was worthwhile to get his personal support, and, again, Federal taxpayer funding in the hundreds of millions of dollars.

So I would ask the gentleman from Ohio (Chairman REGULA) to again confirm my understanding: Before the Federal Government provides the $260 million that was authorized and appropriated for the Headwaters Forest acquisition, including $10 million in mitigation to the local government in Humbolt County, California, that the State of California is required to provide $130 million as its share of this acquisition.

As I mentioned, currently certain legislators, the Democratic leadership of the California State legislature, are holding up funding for Headwaters in an effort to obtain further environmental concessions beyond those agreed to by the Federal Government and the State of California Government, in conjunction with the property owner.

Therefore I am rising tonight, Mr. Chairman, to express that concern that these efforts will in fact kill the agreement that was worked out a year ago, and I would like to know if the gentleman from Ohio (Chairman REGULA) shares these concerns?

□ 1930

Mr. REGULA. I agree with the gentleman that it would be a shame if this agreement falls apart after all the laborious negotiations because some people wish to make changes at the eleventh hour.

Mr. RIGGS. Mr. Chairman, reclaiming my time, once again I want to thank the gentleman for his help and his vision and his good counsel.

I will wrap up very briefly by saying I really believe this is our last best chance to see this particular forest land acquisition become a reality. I am concerned when I see newspaper headlines, and I intend to insert these articles in the RECORD under general leave, but I am concerned when I see newspaper headlines as recently published: ''Activists' Demands Jeopardize Deal for Headwaters Forest;'' ''Headwaters Forest Plan Has Politicians at Loggerheads,'' again referring to the State budget deliberations in Sacramento.

[From the Press Democrat, June 29, 1998]

ACTIVISTS' DEMANDS JEOPARDIZE DEAL FOR HEADQUARTERS

(By Mike Geniella)

As recently as late February, negotiators trying to complete public purchase of the target tract of ancient redwoods in private ownership were patting themselves on the back, confident the North Coast's longest running environmental controversy had been resolved.

Four months later, a $380 million agreement to buy Headquarters Forest from Pacific Lumber Co. is on the verge of collapse, the result of the increased demands by environmental leaders who felt frozen out of the process and vanishing patience on the part of a tough Texas tycoon who owns the trees.

At stake is the future of 3,000 acres of old growth redwoods in southern Humboldt County that have become a national symbol of environmental problems and, for environmentalists, a harbinger of a ''mess extinction'' of plants and animals that some wildlife biologists say is already underway.

Originally destined to be turned into lumber Headwaters Forest helped galvanize antilogging protests in the early 90s and prompted Sen. Dianne Feinstein D-Calif., and the Clinton administration to make the controversy a personal challenge. After months of tough negotiations, Feinstein eventually brokered a purchase arrangement with Pacific Lumber that would create a 7,500-acre redwood preserve with Headwaters as it centerpiece.

But environmentalists, who were not privy to most of the negotiations, felt shut out of the process and now are demanding further review of the settlement.

Sierra Club representative Elyssa Rosen said because critical environmental provisions were negotiated behind closed doors, ''The loopholes in the deal are so big you could drive a logging truck through them.

Environmentalists have enlisted the support of Democrat state legislators, including Assemblywoman Virginia Strom-Martin of Duncans Mills, who are now holding up the state's $130 million share of the purchase price in hopes of increasing protections for 200,000 acres of other redwoods owned by Pacific Lumber.

''Proponents are saying adequate protections are there, but we really don't know that,'' said Strom-Martin.

To Pacific Lumber officials, criticism of the agreement is simply another example of a familiar political gambit in which environmentalists seek and get concessions, then up the ante again, knowing that in the meantime Headwaters trees are not being cut.

''They keep moving the goal posts,'' Charles Hurwitz, whose Maxxam Inc. owns Pacific Lumber, complained earlier this year.

Pilloried by environmentalists for not agreeing to more environmental safeguards, Hurwitz and Pacific Lumber are also coming under fire from their own industry for making too many concessions to state and federal agencies, which industry executives fear will become standard for all.

Meanwhile, Feinstein and other public officials who support the pact are increasingly frustrated, arguing that if it is not consummated soon, any practical chance of permanently protecting Headwaters may be lost.

''This is it. We're not going to get another chance,'' said Feinstein.

The senator, who presided over the Washington, D.C. talks on behalf of the Clinton administration, said last week that she's deeply concerned that the agreement might collapse if critics persist in their tactics.

''If this agreement fails at the state level, it will send a very strong signal to the federal government. I can assure you a $250 million congressional authorization to protect Headwaters won't happen again,'' said Feinstein.

Saying she's respectful of state lawmakers' concerns Feinstein said, ''I truly hope we can find a way to work this out. But the bottom line is that time is marching on, and if we don't do this deal now, it will never be done.''

Representatives of the Wilson administration say the same political stopwatch is running at the state level.

''If the Legislature doesn't include the state funding in this year's budget, the chances are virtually nil we can ever resolve this controversy,'' said state Resources Secretary Doug Wheeler.

Hurwitz representatives said last week they're done dealing.

''We've negotiated this deal over many, many months, and along the way won bipartisan support in Congress and approval from state and federal scientists. What more could anyone ask?'' said Hurwitz spokesman Bob Irelan.

If the Headwaters deal falters, Pacific Lumber and Hurwitz vow to renew claims in federal court that the government, through regulatory constraints, has effectively confiscated its old-growth timberlands.

Critics argue that Hurwitz couldn't possibly win such a case—known in legal parlance as a ''takings'' argument—because he still can derive economic benefit from Pacific Lumber's remaining timberlands.

But legal experts suggest the issues are more complex.

''Frankly, there continues to be a state of confusion surrounding the 'takings' issue,'' said Jerold Kaplan, a Harvard University professor and former senior fellow at the Lincoln Institute of Land Policy in Cambridge, Mass.

Based on recent court cases, including Supreme Court rulings, Kaplan said, ''Government still has the upper hand, and has since the 1920s. But there has been a slight shift in the direction of granting further protections to property owners since 1987, although I must emphasize slight,'' said Kaplan.

Hurwitz has hired a high-profile Southern California attorney who specializes in takings cases, and he's more sanguine about Pacific Lumber's chances, saying the company could win $500 million or more in damages if its takings lawsuit is pursued.

''What the critics don't get is that we're not alleging the government is ?????? ing regulatory restraints on our operation,'' said lawyer Michael Berger of Santa Monica. ''What's wrong is that government is protecting the environment at the expense of a private property owner.''

''The real issue is, who's going to pay for that protection?''

Environmentalists, however, argue that the stakes are so high that the Headwaters agreement must be modified.

State Sen. Byron Sher, a Palo Alto Democrat, said if the public looks beyond ''the hype over the deal to save the Headwaters Forest, you'll see that taxpayers may not be getting their money's worth.''

Outlining his position in a recent opinion piece, Sher said he believes the proposed 7,500-acre Headwaters preserve alone is not worth the $380 million price tag.

Sher argued the price can only be justified ''if the public can be assured that the side agreement—a giant string attached to the purchase known as a habitat conservation plan—won't imperil the future of endangered species on Pacific Lumber's 200,000 acres.

Because funding of the state's $130 million share of the Headwaters deal is dependent on a required two-thirds majority in the Legislature, Sher is confident critics can muster enough votes to block legislative approval.

But Feinstein and other proponents argue it's unfair for Sher and his supporters to try to renegotiate key provisions of an agreement that was reached only after more than 100 hours of intense, face-to-face negotiations among state, federal and Pacific Lumber Co., representatives in Washington, D.C.

Wheeler, Pete Wilson's chief negotiator during the Headwaters talks, said he finds it ''troubling that at this late date a few members of the Legislature are attempting to substitute their judgment for that of state and federal scientists who have negotiated very stringent requirements.''

According to Wheeler, the choice is clear.

''Either legislators seize the opportunity now, or lose it for all time to come,'' he said.

Ultimately, for environmentalists, the question may be whether no deal is better than a bad deal.

''That's a tough call,'' said the Sierra Club's Rosen. ''I think most parties would really like to see the agreement go forward. But the Sierra Club is going to have to see something better on the table before we can support state approval.''

[From the San Jose Mercury News, July 18, 1998]

HEADWATERS FOREST PLAN HAS POLITICIANS AT LOGGERHEADS

SAYING IT'S NOT ENOUGH, SHER HOLDS UP AGREEMENT

(By Paul Rogers)

For the past 12 years, environmental activists have chained themselves to trees and hung off the Golden Gate Bridge trying to save the ancient redwoods of Northern California's Headwaters Forest from logging.

Yet in perhaps the most important showdown yet, the struggle has moved away from the TV cameras and the police in riot gear to a new arena: Gov. Pete Wilson's office.

And now it's crunch time.

A $380 million deal to buy 7,500 acres of the forest from Pacific Lumber Co. of Humboldt County is tangled up in negotiations this weekend among ''The Big Five''—Wilson and the top Sacramento lawmakers haggling over the state's budget.

One person more than any other is responsible for holding up the redwood deal: state Sen. Byron Sher, D–Redwood City. And environmentalists couldn't be happier.

Congress already has approved $250 million for the deal. The remaining $130 million must come from Sacramento.

But the deal shortchanges taxpayers and doesn't go far enough to protect salmon streams or old-growth trees, Sher says. So, the 70-year-old Standford University law professor, widely viewed as the environmental dean of the Legislature, earlier this year succeeded in pulling the state's $130 million share out of the budget, where Wilson wanted it. Instead, Sher wrote a separate bill demanding tougher logging rules across the Pacific Lumber's remaining 200,000 acres as a condition of receiving the money.

But he has found himself caught in a powerful bipartisan squeeze from Wilson—California's most powerful Republican—and U.S. Sen. Dianne Feinstein—the state's most powerful Democrat—both of whom painstakingly negotiated the deal with Pacific Lumber owner Charles Hurwitz and now want to see it survive.

''It's high noon for this deal,'' said Carl Pope, national executive director of the Sierra Club. ''Byron Sher is under a tremendous amount of pressure. I'm delighted he has been firm.''

The question now is who will blink. The answer could come any day now. Wilson and the Republicans could go along with Sher and require the tougher standards. That could happen under a scenario where Wilson

compromises on Headwaters to win from Democrats his top goal, a cut in the state's car licensing fees. But one risk is that Hurwitz will walk away from the table. Or top Democratic negotiators—Senate President Pro Tem John Burton, D-San Francisco, and Assembly Speaker Antonio Villaraigosa, D-Los Angeles—could abandon Sher, cutting a deal with Wilson that gives them what they want on issues such as education funding.

Environmental and timber lobbyists have spent weeks frenetically trying to sway lawmakers.

''Of course I'm nervous,'' said John Campbell, president of Pacific Lumber, based in Scotia, near Eureka. ''We've spent over 10 years at this. And now at the 11th hour people are saying it's not enough.''

Sher's bill, said Campbell ''is too restrictive. The company could not remain economically viable.''

Feinstein also says Sher is driving too hard a bargain.

''There have been at least 10 separate efforts to save Headwaters over the last 12 years,'' she said, describing herself as ''incredulous.'' ''Every one of them has failed. This saves virtually more redwood than any other effort I know of.''

If Sher keeps pushing for a stricter deal, she said, that could endanger $250 million in federal money already approved by Congress and signed by President Clinton.

FUNDS COVETED

''There are murmurs back here from other senators about what they would like to do with the money instead,'' said Feinstein. ''I can say 100 percent that if this doesn't go through, then the federal money is gone. I feel I've done everything I could over a long period of time to get the best I could. At some point people have to trust that and recognize that.''

Headwaters Forest, 15 miles south of Eureka, is the world's largest privately owned old-growth redwood forest. It has been a flash point of national controversy since 1985, when Hurwitz, chairman of Houston-based Maxxam Inc., acquired Pacific Lumber in a hostile takeover, doubled the rate of logging and threatened to clear-cut Headwaters Grove.

After huge protests, Feinstein and other officials reached an agreement with Hurwitz in 1996 to buy 7,500 acres—about half of it old growth—for parkland.

The deal also requires Pacific Lumber to prepare a ''habitat conservation plan'' for managing its remaining 200,000 acres of forest during the next 50 years.

This week, details emerged in a 2,000-page document from the U.S. Fish and Wildlife Service, negotiated with Pacific Lumber.

The plan calls for banning logging within 30 feet of endangered salmon streams. By contrast, Sher's bill calls for 170-foot buffer zones.

And although the plan would preserve 11 smaller old-growth groves, Sher wants another, Owl Creek.

He said he's not scuttling any deal, just representing the taxpayers of California.

''I know that Senator Feinstein has invested a lot in this,'' Sher said. ''She deserves credit for getting the agreement. And she was instrumental in getting the appropriation.

''But I don't believe I was elected by my constituents to rubber-stamp a deal that was made behind closed doors in Washington. The Legislature had no influence over it, and then they say OK, give us $130 million.''

If he were almost any other Senate member, Sher probably would have been steamrollered by now.

But on environmental topics, he carries considerable influence.

As an assemblyman in 1988, Sher wrote the state's Clean Air Act. In 1989 he wrote the law that required California cities and counties to reduce by 50 percent their trash, through recycling, by 2000. He also has written laws to toughen drinking water standards, monitor acid rain and put scenic rivers off limits to dams.

''We have a responsibility to see if this is a good deal for the state of California,'' said Sher. ''And frankly it has serious flaws in it, particularly in protecting coho salmon.''

So far, Sher appears to be winning.

In a key test on Thursday, Republican Cathie Wright of Simi Valley attempted to put the $130 million in Headwaters money back in the budget bill. She was rebuffed by budget conference committee Chairman Mike Thompson, D-Napa.

DEAL IS POSSIBLE

Thompson, who is running for Congress this November to represent the North Coast district that includes Headwaters Forest, signed on two weeks ago as a co-sponsor to Sher's bill.

''Senator Thompson thinks the Sher bill makes the agreement stronger,'' said Ed Matovcik, chief of staff for Thompson.

Meanwhile, Wilson's staff hinted on Friday that he may be willing to wheel and deal on Headwaters.

''It has been the administration's preference to pay for the Headwaters agreement out of the general fund,'' said Ron Low, a spokesman for the governor. ''That's the governor's preference. But as to any deals, negotiations are ongoing.''

To approve the funding in any form will require a two-thirds vote of the Legislature.

If the entire deal collapses, environmentalists will be in court fighting Hurwitz on each timber cutting plan. They say that would be better than the precedent-setting deal.

But the company says having the deal fall through would be a disaster.

''I just hope the issue is put to bed,'' said Campbell. ''It's crucial to our 1,500 employees. It will finish a very divisive period on the North Coast. Otherwise, we're back to square one.''

So, Mr. Chairman, I appreciate the chairman sharing my concerns and supporting me in entering into this colloquy so that hopefully, we can send a message to our counterparts in Sacramento that they need to get the job done and we should not miss this opportunity, because it is, in fact, our last best opportunity to make this forest land acquisition a reality.

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

Mr. RIGGS. I yield to the gentleman from Washington, the distinguished ranking member of the subcommittee.

Mr. DICKS. Mr. Chairman, let me just say this to my friend from California. We had a major debate a few years ago on the Riggs amendment. I stood up and urged that the company develop a multi-specie habitat conservation plan.

Now, they negotiated for 2 years with the Federal Government. This is the most difficult negotiation that I can think of. I think the standards here are the highest in the entire country, including some of the standards that are developed in Washington State and are going to be imposed in this agreement.

So I think the company, the Pacific Lumber Company, has been acting in complete good faith, and I would just hope that the legislature in California would provide the resources that they have committed from the State in order to bring this together. If anybody thinks that the standards here of a multi-specie agency are not really high, they just do not understand what is required under the Endangered Species Act.

The CHAIRMAN. The time of the gentleman from California (Mr. RIGGS) has expired.

(On request of Mr. DICKS, and by unanimous consent, Mr. RIGGS was allowed to proceed for 30 additional seconds.)

Mr. DICKS. Mr. Chairman, if the gentleman will yield, I think it is almost miraculous that they made it, and I hope that we can put this together, because I think it is a good agreement.

Mr. RIGGS. Mr. Chairman, reclaiming my time and finishing this colloquy, I appreciate the gentleman's sentiments and I appreciate him joining with me and the chairman in sending that bipartisan message to Sacramento.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $197,444,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $156,167,000, to remain available until expended, as authorized by law.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for administrative expenses associated with the management of funds provided under the headings ''Forest and Rangeland Research'', ''State and Private Forestry'', ''National Forest System'', ''Wildland Fire Management'', ''Reconstruction and Construction'', and ''Land Acquisition'', $1,231,421,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)).

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and waters, $631,737,000, to remain available until expended: *Provided*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

RECONSTRUCTION AND CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, $271,444,000,

to remain available until expended for construction, reconstruction and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: *Provided,* That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the planned obliteration of roads which are no longer needed: *Provided further,* That the Forest Service may make an advance of up to $200,000 from the funds provided under this heading in this Act and up to $800,000 provided under this heading in Public Law 105–83 to the city of Colorado Springs, Colorado for the design and reconstruction of the Pikes Peak Summit House in accordance with terms and conditions agreed to.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $30,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 177 passenger motor vehicles of which 22 will be used primarily for law enforcement purposes and of which 176 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 198 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the advance consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 105–163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report 105–163.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Notwithstanding any other provision of law, hereafter any appropriations or funds available to the Forest Service may be used to disseminate program information to private and public individuals and organizations through the use of nonmonetary items of nominal value and to provide nonmonetary awards of nominal value and to incur necessary expenses for the nonmonetary recognition of private individuals and organizations that make contributions to Forest Service programs.

Notwithstanding any other provision of law, hereafter money collected, in advance or otherwise, by the Forest Service under authority of section 101 of Public Law 93–153 (30 U.S.C. 185(1)) as reimbursement of administrative and other costs incurred in processing pipeline right-of-way or permit applications and for costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities, may be used to reimburse the applicable appropriation to which such costs were originally charged.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

None of the funds available in this Act shall be used for timber sale preparation using clearcutting in hardwood stands in excess of 25 percent of the fiscal year 1989 harvested volume in the Wayne National Forest, Ohio: *Provided,* That this limitation shall not apply to hardwood stands damaged by natural disaster: *Provided further,* That landscape architects shall be used to maintain a visually pleasing forest.

Any money collected from the States for fire suppression assistance rendered by the Forest Service on non-Federal lands not in the vicinity of National Forest System lands shall hereafter be used to reimburse the applicable appropriation and shall remain available until expended as the Secretary may direct in conducting activities authorized by 16 U.S.C. 2101 note, 2101–2110, 1606, and 2111.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

Notwithstanding any other provision of law, hereafter the Forest Service is authorized to employ or otherwise contract with persons at regular rates of pay, as determined by the Service, to perform work occasioned by emergencies such as fires, storms, floods, earthquakes or any other unavoidable cause without regard to Sundays, Federal holidays, and the regular workweek.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided,* That of the Federal funds made available to the Foundation, no more than $400,000 shall be available for administrative expenses: *Provided further,* That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further,* That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further,* That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: *Provided further,* That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, up to $2,225,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16

U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided,* That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least a one-for-one basis funds advanced by the Forest Service: *Provided further,* That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the ''National Forest System'' and ''Reconstruction and Construction'' accounts and planned to be allocated to activities under the ''Jobs in the Woods'' program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided,* That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further,* That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104–134, the direct grants provided in subsection (c) shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

The amount obligated during fiscal year 1999 from the Knutson-Vandenberg fund provided in section 3 of the Act of June 9, 1930 (commonly known as the Knutson-Vandenberg Act; 16 U.S.C. 576b), for indirect support activities (as defined in the Forest Service Handbook) may not exceed 25 percent of total amount obligated from such fund during such fiscal year.

The amount obligated during fiscal year 1999 from the timber salvage sale fund provided in section 14(h) of the National Forest Management Act of 1976 (16 U.S.C. 472a(h)) for indirect support activities (as defined in the Forest Service Handbook) may not exceed 25 percent of total amount obligated from such fund during such fiscal year.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $320,558,000, to remain available until expended: *Provided,* That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

ALTERNATIVE FUELS PRODUCTION
(INCLUDING TRANSFER OF FUNDS)

Moneys received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1998, shall be deposited in this account and immediately transferred to the general fund of the Treasury. Moneys received as revenue sharing from operation of the Great Plains Gasification Plant shall be immediately transferred to the general fund of the Treasury.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $14,000,000, to remain available until expended: *Provided,* That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 1999: *Provided further,* That, notwithstanding any other provision of law, funds available pursuant to the first proviso under this head in Public Law 101–512 shall be immediately available for all naval petroleum and oil shale reserve activities.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $630,250,000, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1999 determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): *Provided,* That $150,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507) and shall not be available until excess amounts are determined under the provisions of section 3003(d) of Public Law 99–509 (15 U.S.C. 4502): *Provided further,* That notwithstanding section 3003(d)(2) of Public Law 99–509 such sums shall be allocated to the eligible programs as follows: $120,000,000 for weatherization assistance grants and $30,000,000 for State energy conservation grants.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $1,801,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $160,120,000, to remain available until expended.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $68,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: *Provided,* That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further,* That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further,* That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

The Secretary, in fiscal year 1999 and thereafter, shall continue the process begun in fiscal year 1998 of accepting funds from

other Federal agencies in return for assisting agencies in achieving energy efficiency in Federal facilities and operations by the use of privately financed, energy savings performance contracts and other private financing mechanisms. The funds may be provided after agencies begin to realize energy cost savings; may be retained by the Secretary until expended; and may be used only for the purpose of assisting Federal agencies in achieving greater efficiency, water conservation and use of renewable energy by means of privately financed mechanisms, including energy savings performance contracts and utility incentive programs. These recovered funds will continue to be used to administer even greater energy efficiency, water conservation and use of renewable energy by means of privately financed mechanisms such as utility efficiency service contracts and energy savings performance contracts. The recoverable funds will be used for all necessary program expenses, including contractor support and resources needed, to achieve overall Federal energy management program objectives for greater energy savings. Any such privately financed contracts shall meet the provisions of the Energy Policy Act of 1992, Public Law 102–486 regarding energy savings performance contracts and utility incentive programs.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $1,932,953,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: *Provided,* That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further,* That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further,* That $377,363,000 for contract medical care shall remain available for obligation until September 30, 2000: *Provided further,* That of the funds provided, up to $17,000,000 may be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: *Provided further,* That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further,* That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): *Provided further,* That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2000: *Provided further,* That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: *Provided further,* That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $194,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 1999.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $313,175,000, to remain available until expended: *Provided,* That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided,* That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: *Provided further,* That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: *Provided further,* That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further,* That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: *Provided further,* That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: *Provided further,* That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: *Provided further,* That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: *Provided further,* That, heretofore and hereafter and notwithstanding any other provision of law, funds available to the Indian Health Service in this Act or any other Act for Indian self-determination or self-governance contract or grant support costs may be expended only for costs directly attributable to contracts, grants and compacts pursuant to the Indian Self-Determination Act and no funds appropriated by this or any other Act shall be available for any contract support costs or indirect costs associated with any contract, grant, cooperative agreement, self-governance compact, or funding agreement entered into between an Indian tribe or tribal organization and any entity other than the Indian Health Service: *Provided further,* That, notwithstanding any other provision of law, hereafter any funds appropriated to the Indian Health Service in this or any other Act for payments to tribes and tribal organizations for contract or grant support costs for contracts, grants, self-governance compacts or annual funding agreements with the Indian Health Service pursuant to the Indian Self-Determination Act of 1975, as amended, shall be allocated and distributed to such contracts, grants, self-governance compacts and annual funding agreements each year on a pro-rata proportionate basis regardless of amounts allocated in any previous year to such contracts, grants, self-governance compacts or annual funding agreements: *Provided further,* That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: *Provided further,* That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $13,000,000, to remain available until expended: *Provided,* That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: *Provided further,* That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further,* That no relocatee will be provided with more than one new or replacement home: *Provided further,* That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $346,449,000, of which not to exceed $48,076,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: *Provided,* That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $4,500,000, to remain available until expended.

REPAIR AND RESTORATION OF BUILDINGS

For necessary expenses of repair and restoration of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $44,500,000, to remain available until expended, of which $4,500,000 is for the Security System Modernization Program: *Provided,* That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $2,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to initiate the planning or design of any expansion of current space or new facility without the advance approval of both the House and Senate Appropriations Committees.

None of the funds in this or any other Act may be used to prepare a historic structures report, or for any other purpose, involving the Holt House located at the National Zoological Park in Washington D.C.

None of the funds in this or any other Act may be used to pay any judgment resulting from a complaint filed by Geddes, Brecher, Qualls & Cunningham in the United States Court of Federal Claims regarding the National Museum of the American Indian Mall Museum.

The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101–185 for the construction of the National Museum of the American Indian.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $57,938,000 of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended: *Provided,* That all functions and activities of the National Gallery of Art funded herein shall be subject to the requirements for a Federal entity under the Inspector General Act of 1978 (5 U.S.C. App. 3).

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $6,311,000, to remain available until expended: *Provided,* That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $12,187,000.

CONSTRUCTION

For necessary expenses for capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $9,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $5,840,000.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $96,800,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $13,900,000, to remain available until expended, of which $9,900,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided,* That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $23,405,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided,* That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: *Provided further,* That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $898,000.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $2,800,000: *Provided,* That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $5,954,000: *Provided,* That all appointed members will be compensated at a rate not to exceed the rate for level IV of the Executive Schedule.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $31,707,000, of which $1,575,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out Title I of the Omnibus Parks and Public Lands Management Act of 1996, $14,913,000 shall be available to the Presidio Trust, to remain available until expended. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $25,000,000.

Mr. REGULA (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 92, line 11 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. ENSIGN

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

The Clerk read as follows:

Amendment offered by Mr. ENSIGN:

Page 56, line 2, after ''$156,167,000'' insert ''(increased by $5,300,000)''.

Page 40, line 14 after ''$37,304,000'' insert ''(decreased by $5,300,000)''.

Mr. ENSIGN. Mr. Chairman, I rise today to offer this amendment because we need this extra money to go into this account so that we can bring this extra money to Lake Tahoe. The Tahoe Regional Planning Agency, which is a bistate agency, has said that we need $6 million for clarity improvement in Lake Tahoe.

First, Mr. Chairman, I would like to recognize the efforts of the chairman of the subcommittee who has included $700,000 in the bill for erosion control around Lake Tahoe, and I know that the people of Nevada thank the chairman for doing this. However, I think that it is important to point out the dire situation Lake Tahoe is experiencing.

First let me say that I grew up at Lake Tahoe. It is a wonderful area and it is still. Even with the decrease in the quality of the clarity of the water, Lake Tahoe is still one of the jewels of the entire world. It is a place where people come from all over this country and literally around the world to see its magnificent beauty.

However, in the last 20 years the lake has lost 25 percent of its clarity. If one flies over Lake Tahoe, one used to be able to see so far down just from the naked eye from an airplane and be able to see huge boulders. There is a visible difference, just with the naked eye, where one can see the difference in the clarity in the last 20 years.

We are at a crossroads. Each sediment particle carries nutrients that spur algae growth in the lake, and this hurts the clarity. We all need to work together. Commitments have been made and it is time for Congress to step up to the plate in our efforts.

Lake Tahoe is an area rich in history and heritage, and we must protect the tranquility of not only the lake itself, but of the surrounding areas. Protection of environmentally sensitive lands and maintenance of water quality should be our highest priority.

The list of activities that are necessary to protect this natural pristine treasure is very long. Supporting this amendment and supplying this much-needed funding is the first step in our long journey to protect the lake.

Millions visit this Alpine community each year, while thousands of families call it home every day. Environmental groups and grassroots organizations have recognized the importance of immediate action to save Lake Tahoe, and just last year, the President and Vice President traveled to Lake Tahoe to personally listen to the challenges in protecting this national treasure.

Nevada, California, and the administration have made strong efforts to focus on the lake and take further actions, whatever actions are necessary for its preservation. It is time for the Members of this body to do the same and support this environmental initiative to save our beloved treasure before it is too late.

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

Mr. ENSIGN. I yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Chairman, I thank my colleague and commend him for his leadership role in helping to preserve Lake Tahoe and the environment surrounding it. The gentleman has been a leader on this issue during his term in the United States Congress and certainly all of us appreciate that.

There is no doubt that Lake Tahoe is a national treasure. In fact, over 130 years ago, Mark Twain, when he first crossed the Sierras and set gaze upon the Lake Tahoe Basin, said that Lake Tahoe was the fairest land in all the world, and that remains so today.

However, today the health of the lake is at risk. As my colleagues have heard, algae growth is reducing the visibility by more than 30 feet today in the lake. Algae growth is primarily due and responsible from erosional runoff. It is the health of the forest that is responsible for that algae growth due to runoff.

Today, one out of every three trees is either dead, dying or decayed, which sets up a rare fuel environment for wildland fire, which will have a catastrophic effect on not only the human loss of life in the area, but also property loss, as well as increasing the erosional runoff by an enormous proportion.

The resulting massive erosion will only add to the problems of the lake clarity. This money will go to improving the health of that forest, which will ultimately help the health of the lake as well.

Mr. Chairman, I urge my colleagues to support this measure, and I thank the gentleman from Nevada for his leadership on this issue.

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

Mr. ENSIGN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman, and I appreciate the efforts of the gentlemen, both gentlemen from Nevada, to protect Lake Tahoe. In fact, it is in large part due to their efforts that the $700,000 appropriated in this bill for erosion control is the largest amount of money ever dedicated to this effort.

While I regret that I cannot support the gentleman's amendment, if he would agree to withdraw the amendment, I will work with him in conference to address his concerns.

Mr. ENSIGN. Mr. Chairman, reclaiming my time, I appreciate the chairman's remarks.

The CHAIRMAN. The time of the gentleman from Nevada (Mr. ENSIGN) has expired.

(By unanimous consent, Mr. ENSIGN was allowed to proceed for 1 additional minute.)

Mr. ENSIGN. Mr. Chairman, let me just close by saying that Lake Tahoe, let us not forget, is a place where people come from all over the world and they think it is incredible beauty when they look at the lake. But those of us who grew up there and have been there for any length of time can see with our visible eye the decreasing clarity in the lake, and this is a treasure we cannot afford to lose. It is too important.

So I appreciate the work that the chairman is going to do on behalf of Lake Tahoe.

The CHAIRMAN. The time of the gentleman from Nevada (Mr. ENSIGN) has expired.

(On request of Mr. REGULA, and by unanimous consent, Mr. ENSIGN was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, if the gentleman will yield to me briefly, I

was interested in both of the gentleman's comments about apparently unification taking place in the lake. Is it caused by runoff from the surrounding national forests bringing nutrients in?

Mr. ENSIGN. Mr. Chairman, there are several causes for the increase in the clarity. The nutrients that are coming in due to erosion is probably one of the biggest parts. There is also, unfortunately, from northern California the air pollution coming over the Sierras is also causing the nitrogen to get down, which is food for the algae. So there are two problems that are really kind of almost exacerbating each other and decreasing clarity is the result.

So we need to work on this. Erosion control is a very important part, but we also need it in other places.

Mr. REGULA. Mr. Chairman, I thank the gentleman for the clarification.

Mr. ENSIGN. Mr. Chairman, I ask unanimous consent at this time to withdraw my amendment.

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

There was no objection.

AMENDMENT NO. 8 OFFERED BY MS. FURSE

Ms. FURSE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. FURSE:

Page 56, line 18, insert before the period at the end the following: : *Provided*, That, of the funds made available in this paragraph, $130,176,000 shall be for timber sales management, $87,654,000 shall be for watershed improvements, and $168,018,000 shall be for recreation management.

Ms. FURSE. Mr. Chairman, what I would like to do is tell my colleagues what this amendment does.

This amendment takes $80.5 million from the timber management line item and the National Forest Service section of the Interior Appropriations bill and it reallocates that money to watershed improvement and recreational management.

Let me also say what it does not do. It does not cut money for road maintenance; it does not eliminate the Federal commercial timber program; it does not affect forest stewardship or personal use sales, and it does not prevent Americans from obtaining fire wood and Christmas trees.

How did I arrive at the $80.5 million? That number is derived from adding together the money lost, lost, I repeat, on commercial timber sales in individual forests in all nine Forest Service regions. I added them together and we have a total of $80.5 million. It allocates that money to some things that will really improve our forests.

What does it do? It allocates money to restoration, to restoration of watershed. Why do we do that? Because not only are watersheds vital to drinking water supply, they are critical to the survival and restoration of healthy fish populations in the West and in other parts of the country.

It puts money to recreation management; $20 million is sent to recreational management, because recreation is going to be more and more the use of our national forests, and we need to get our Forest Service ready and able to deal with that. Recreation is a huge contributor. It contributes over $105 billion to the GDP, or nearly 85 percent of the total forest system contribution. It results in over 2.7 million jobs.

Mr. Chairman, a study by the American Sports Fishing Association says that angling in the national forests generates $8.1 billion. Fishing and other wildlife activities generate more than $200,000 of full-time equivalent jobs in the United States.

So my amendment is sensible; it is environmentally sensible, and it is economically sensible.

Mr. Chairman, I will tell my colleagues why I am not alone in thinking that. I have here over 40, 40 editorials from national newspapers across the country supporting the Furse amendment. Organizations and groups have worked together to support this amendment.

Now, I believe that the national forest is getting on the right track. I believe that it is going that way. However, I think that we need to go a little further.

Now, unfortunately, Mr. Chairman, sometimes circumstances, circumstances make having the right thing happen impossible, despite goodwill and good intentions. When I joined this Congress, the gentleman from Washington (Mr. MCDERMOTT) said to me, he said, ''You know, Elizabeth, victory comes not to the pretty, but to the persistent.''

Well, under these circumstances I think it is wise to be persistent and patient, although I will continue, I hope, to be pretty. Eventually the outcome is what I am striving for: Better forests, better forest management.

My mentor, my personal mentor and hero, Nelson Mandela, President of South Africa, knew that it was important to be persistent. He added 2 years, stayed in jail 2 years longer in order to achieve what he thought was the best thing for South Africa, for his beloved South Africa.

□ 1945

And so although it is very difficult for me because of the heroic work of the environmental movement and the activists, I have decided today in order to protect my beloved forests that they can better get the overwhelming support that they need and deserve in another area. Because we already have a very good agreement in this bill, I think that it is important for me to announce my intention to withdraw my amendment so that another time it will get a majority of support.

Mr. Chairman, I hope that people will not forget that these forests do not belong to the timber companies or to the forest agencies or even to Members of Congress

Mr. MILLER of California. Mr. Chairman, will the gentlewoman yield?

Ms. FURSE. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I would just want to commend the gentlewoman from Oregon (Ms. FURSE) for offering her amendment. Persistence is a word that we will long identify with her in this effort. The gentlewoman from Oregon and the gentleman from Massachusetts (Mr. KENNEDY), who was here earlier, have been two very, very persistent people who have started off in amendments that received very few votes. The gentlewoman did it on the rider. The gentleman from Massachusetts has done it on forest roads.

We saw this Congress arrive at a point where both of those policies have been discredited. They have been dramatically changed. And as was pointed out, we are headed in a direction now for the first time with this agreement that recognizes what I believe is the reality of the forests, the reality of the West.

The CHAIRMAN. The time of the gentlewoman from Oregon (Ms. FURSE) has expired.

(On request of Mr. DICKS, and by unanimous consent, Ms. FURSE was allowed to proceed for 3 additional minutes.)

Mr. MILLER of California. Mr. Chairman, if the gentlewoman would continue to yield, that reality is that our populations, along with the national populations, seek to have these forests properly managed, not there just for a single purpose.

Many of our colleagues on the other side and many on our side have talked about multiple use. For the first time we are talking about real multiple use that recognizes the watershed value of these forests, that recognizes the timber value of these forests, that recognizes the habitat value of these forests, that recognizes the recreational value of these forests.

Many of the problems that the gentleman from Ohio (Mr. REGULA) and the members of the committee are having to deal with and spend money on are having to make up for very bad forest policy in the past, where we have huge scars on our landscape and huge scars on our waterscape. Now we are spending billions of dollars to go back and try to restore these forests, to reclaim these forests, to replant these forests. And it is much more expensive to do it this way than to do it right the first time, the kind of policy that has been articulated on behalf of our forests in the past by the gentlewoman.

This amendment that the gentlewoman is offering to move these monies toward those priorities, recognizing the need, recognizing the urgency, I do not have to tell the gentlewoman as a resident of the Northwest, or myself as a resident of California, we are on an

urgency timetable here if we are, in fact, going to salvage some of these species that are at risk in terms of the fisheries and in terms of that habitat.

So, I also want to recognize the gentlewoman's very serious and pragmatic judgment about the withdrawal of this amendment because of the agreement that is in place. But that agreement is in place because of her persistence over the years, along with others, on these amendments.

Mr. Chairman, it was lonely in the beginning, but it turned out to be the majority position, and I think clearly recognizes in the agreement in this bill that this is the majority position of this Congress.

I think we have further to go. I think we have more to do. And we do really in fact have to make these multiple use lands so they recognize all of the competing values for these forest lands. It is not just the value of timber, as important as that is.

So, I thank the gentlewoman from Oregon, one, for offering the amendment; two, for her decision here; but thirdly, for her service in Congress and especially on these issues where I have had a chance to work with her. For really being a voice of reason and a voice of change with respect to forest policy in this country, I thank the gentlewoman.

Ms. FURSE. Mr. Chairman, reclaiming my time, it is a great joy to have worked with the gentleman from California (Mr. MILLER). I think that we send today a message that the United States is a trustee. It is a trustee and has a legal duty, an enforceable legal duty to manage the public resources in the most responsible manner. And that means getting the best value for our resources.

So, Mr. Chairman, I hope next year, and I feel very confident that this issue will come again. I will not be in this Congress next year. I will be watching from the sidelines. But I think that next year we will move our forests to the way that it was supposed to be, for public use, not for private use.

Mr. DICKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I very much appreciate the decision of the gentlewoman from Oregon (Ms. FURSE) to withdraw this amendment. I think that the gentleman from California (Mr. MILLER), the gentleman from Washington, the gentlewoman from Oregon, we all share a common goal, and that is a sustainable forest policy.

Mr. Chairman, I held the first watershed restoration conference in the Pacific Northwest, the Vice President attended, to try and help work with the administration as they spent $1.2 billion over 5 years to try and not only implement Option 9, but to help the communities in this region that had been hurt by the decision to dramatically reduce.

I can remember, as can the gentleman from Oregon (Mr. SMITH), the chairman of the Committee on Agriculture, when we harvested around 4 billion board feet. That is now down to less than a billion board feet. That I think is about a 75 or 80 percent reduction. The National Timber Program has been reduced from 10 billion board feet down to 3.5 billion board feet. So I think there has been a recognition on the part of the Congress that what we were doing was not sustainable.

Now we have the job, the daunting challenge to deal with some of the problems, one of which the Assistant Secretary of Agriculture laid on us this year, that we need to do road maintenance repair work of about $10 billion.

So, we have got serious problems out there. And I compliment the gentlewoman from Oregon for her persistence and her judgment. We have not always agreed on every single issue, but we have agreed on many. And I think that my hope here is that we can work together, that we can end an era of confrontation and bring people together, work out reasonable solutions from the grassroots up and restore these ecosystems, restore these watersheds, restore these salmon runs. That should be our goal. And the gentlewoman's support for the fish has been probably the hallmark of her career, and that is something that we all agree upon.

Ms. FURSE. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I yield to the gentlewoman from Oregon.

Ms. FURSE. Mr. Chairman, I wonder if I might use this time to enter into a colloquy with the gentleman from Ohio (Mr. REGULA).

Mr. Chairman, as the gentleman knows, for a number of years the Members of this House, including the gentleman from Illinois (Mr. PORTER), of the Committee on Appropriations, and the gentleman from Massachusetts (Mr. KENNEDY), have advocated for the elimination of Federal funding for the Purchaser Road Credit program, a program which used Federal funds to subsidize timber companies for the roads they built. I would like to say that I respect the long-standing commitment of the gentleman from Illinois and the gentleman from Massachusetts to this issue.

It is my understanding that the bill before the House does not include any funding for this particular program. Is that the Chairman's understanding?

Mr. REGULA. Mr. Chairman, if the gentlewoman would yield, that is correct.

Ms. FURSE. Mr. Chairman, as part of the agreement on the Purchaser Road Credit that has been struck, I understand that several Members who would otherwise have supported this amendment are been forced to vote against my amendment. And so although 40 editorials across the country is a good beginning in educating the public and the House on the taxpayer losses associated with the commercial program, it is my understanding that the gentleman from Illinois (Mr. PORTER) and the gentleman from California (Mr. MILLER) may revisit this issue next year.

Mr. Chairman, I encourage the House to support fiscally and environmentally responsible forest management reform.

Mr. REGULA. Mr. Chairman, if the gentlewoman would continue to yield, I thank her for her comments and I would say that that is it what we attempted to do the bill.

Ms. FURSE. Mr. Chairman, is it the gentleman's intention that once the Interior Appropriations bill reaches the conference committee, that he will advocate to maintain the House's position with respect to eliminating the funding for the Purchaser Road Credit?

Mr. REGULA. Mr. Chairman, yes, that is correct. It is my intention to strongly advocate the House position on this and all other matters when this bill reaches the conference committee.

Ms. FURSE. Mr. Chairman, I thank the gentleman from Ohio (Chairman REGULA) and the gentleman from California (Mr. MILLER). As we see this movement towards responsible management, it is absolutely necessary that the forest be better managed for wildlife, for recreation, and for public good.

Mrs. EMERSON. Mr. Chairman, I rise in strong opposition to the amendment proposed by Representative FURSE to cut funding for the federal timber sales program. This amendment attempts to force the Forest Service into a "zero-cut" policy, which would be disastrous for many rural communities as well as the health of our national forests.

The federal timber sales program is a critical component of the Forest Service's active management of our national forests. Lacking reasonable harvesting of timber and scientific management practices, our forests become vulnerable to a host of health threats. In fact, Missouri's State Forester and the President of the National Association of State Foresters, Marvin Brown, recently wrote in a letter to Agriculture Chairman BOB SMITH that, "Timber sales are being used to accomplish many goals, including reducing vulnerability to wildlife, eliminating pests, and improving fish and wildlife habitat." The essential point here is that timber sales are consistent with achieving our environmental goals for our forests.

It is also important to note that logging activities in our national forests are not at all excessive, as some members of the extremist environmental community would have us believe. The fact of the matter is that there will be 18 Billion Board Feet of NEW growth in our national forests this year, while the Forest Service proposes to harvest less than ¼ of that, approximately 4 Billion Board Feet.

Finally, I urge the House to consider the damaging economic consequences of this amendment. The timber industry in the state of Missouri accounts for approximately 20,000 jobs and $3 billion dollars in economic activity. These are family-owned businesses, hard-working folks. Their work is an important part of our local economies in Southern Missouri and a key element in the wise management of our National Forests. If the Furse amendment were to pass, the lives and livelihoods of good people would be disregarded in favor of an extremist agenda. I urge a strong NO vote on this amendment.

Ms. DUNN. Mr. Chairman, I rise today in opposition to an amendment that will be offered during consideration of the Fiscal Year 1999 Interior Appropriations bill by the gentlewoman from Oregon, Ms. FURSE.

This amendment would decimate the U.S. Forest Service timber sale program by reducing the budget for forest management.

Over the last few years, we have endured contentious debate on the floor of the House regarding the Forest Service's Purchaser Road Credit Program.

Last year, a commitment was made by several Member of Congress on both sides of the debate to reach a compromise that would eliminate the program, while still providing funding for road maintenance.

After many months of discussion, a good faith agreement was reached that removed the Purchaser Road Credit program from this year's Forest Service budget with the understanding that no further amendments would be offered on this issue.

It is imperative that we allow this compromise to move forward unchanged.

Too often, Members with divergent points of view have difficulty coming together to find solutions to problems pitting rural America against those advocating stricter public land use policies. Today, we have an opportunity to defend a compromise that clears this hurdle.

I urge my colleagues to reject the Furse Amendment. The hard work that went into crafting this delicate compromise should not be wiped out by arbitrary cuts to important forest management activities.

I thank the gentleman for yielding. (Thank you to REGULA; YATES, for his years of service; Chairman SMITH, STENHOLM, and others for their work and leadership on this issue.) Thank you, Mr. KENNEDY, for your years of service. Ms. FURSE, I enjoy our time on Commerce Committee, you have my respect—but on this one you are wrong!

Mr. Chairman, I rise in strong opposition to the Furse amendment. We have heard many arguments today on both sides of this issue about topics like the environment and the economics of the timber program.

While these are certainly important issues, I am afraid that lost in this debate is the impact this amendment would have on working families and rural communities.

In my district in northern Michigan, and in districts like mine across the Nation, our national forests are a vital part of our economy and livelihood.

Timber is one of the largest industries in northern Michigan, especially in the Upper Peninsula, and is an integral part of its economic base.

With three national forests in my district, thousands of working families literally rely on these forests and the timber program to put food on the table.

Many people think of the timber industry as giant businesses that slash and clear cut forests simply for profit.

The truth is, however, that the majority of people in the timber industry are family businesses—"mom and pop" operations that are struggling to make ends meet and that truly care about the forests and the environment.

The timber program has already been reduced by 70 percent since 1991. The Furse amendment would only serve to further hurt these family-run businesses.

In addition, the Furse amendment would severely impact rural communities across this nation.

By law, counties with national forest lands receive payments equaling 25 percent of federal timber revenues. These communities rely on these payments to provide funding for schools, roads, and emergency services.

In FY 1997, local governments received $220 million for these important programs. Because of this, the National Association of Counties strongly opposes this amendment.

Mr. Chairman, this amendment is bad for working families, bad for rural communities, and bad for schools. I urge my colleagues to oppose the Furse amendment.

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

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

There was no objection.

Mr. SMITH of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the recently withdrawn amendment certainly should have been withdrawn, because the gentlewoman from Oregon (Ms. Furse), my friend, had this amendment exactly correct. There will be room with her amendment, should her amendment have passed, to harvest firewood and Christmas trees. That will be the end of any harvest practically on the public forests.

We know that there are more than 40 million acres, Mr. Chairman, that are in jeopardy of catastrophic fire in this country. We also have followed Chief Dombeck's suggestion that unless we manage forests, quote, manage forests, we indeed will lose our public forests.

The most effective tool we have, obviously, to fight catastrophic fire or to eliminate insect disease, is a timber sale program and managing forests. The amendment would have basically eliminated all U.S. timber sales and that, indeed, threatens the health of our forests.

I want to quote Chief Dombeck because he is right on point on this issue.

> We are hearing calls increasingly for a zero-cut policy for the National Forests. I am opposed to this position. Both science and common sense support active management of National Forests.

And he is right.

Now, this idea went so far that it should have been withdrawn, but it also indeed threatens the health of our forests. It is not only economically unreasonable; it jeopardizes jobs throughout the United States nationwide. It places economic and social stability problems within communities, and it interferes with public education floor funds. It is an extreme, extreme position. It is a Sierra Club position. That is what it is.

I point to the charts to indicate to my colleagues what has occurred here since 1982, but specifically since 1997 and 1998. As my colleagues can see, the timber program has dramatically decreased, and with the Furse amendment in 1999, we can see the yellow would be almost in half. And then in the year 2000, almost no harvest in our public forests.

So, what has happened? What has happened is obvious to everyone. What has happened in this country is our imports have dramatically increased. Obviously, we need the wood. The demand for wood is there. So here go the imports up to almost 12 billion board feet and timber sold, as reported in 1996, almost 3.5 billion in the United States. Almost 12 billion imported, 3.5 billion from our forests. Beyond that it has placed greater pressure, of course, upon private timber lands and our State lands.

Yes, every forest lost money. Well, if we eliminate 85 percent of the harvest, they are going to lose money. What else lost money? The wildlife and fisheries program lost money. The forest fire suppression program lost money. The wilderness program lost money. Every Forest Service program lost money. They are below cost. Maybe we ought to eliminate the whole thing. That is the theory. Should we eliminate the management of forests in America because we have reduced, of course, the impact of harvest? Therefore, they are all below cost. Obviously, that is the wrong way to go, of course.

This amendment is about eliminating the timber sale completely. Zero-cut is not protecting our national forests, it is wasting them.

The national forests are growing over 16 billion board feet every year, plus another 6 billion of timber that dies from insects and disease every year. Yet in 1997 we harvested only 3.3 billion board feet and again we may lose many millions of acres to fire. Certainly we would if an amendment like this were ever adopted.

The zero-cut policy, as I have indicated, would shift production to other countries, cost Americans jobs, hurt communities, injure the forests, and is certainly no benefit to anyone, even those who believe that the wildlife and the environment are the most cherished parts of our national heritage. This amendment would destroy even those cherished items.

□ 2000

It is a good idea for her to withdraw this amendment, and it is a bad idea for it to be brought up ever again.

Mr. HERGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it has come to my understanding that after debating this issue the gentlewoman from Oregon (Ms. FURSE) is going to pull her amendment without allowing it to go for a vote. I understand why the gentlewoman is not going to let this come to a vote. She clearly does not have the votes in the House to support this extreme radical measure.

For years we have argued and debated over possible corporate welfare within the Forest Service road credit purchaser program. As of this year, this program no longer exists. Now we learn the argument was really not over the road credit purchaser program but was really over the extremist agenda of

advocating zero cut on our national forests, a euphemism for which is below-cost timber sales.

This policy strips the Forest Service of its single most effective tool for maintaining forest health and reducing the risk of catastrophic fire. The Forest Service estimates that more than 40 million acres of our national forests are threatened with destruction by catastrophic wildfire. With a full range of management options, the Forest Service can reduce this threat of catastrophic fire.

I would like to ask my colleagues which of these two forests that we have pictures of would they want for their children? On the left we see a forest that is not managed.

Now, I might mention that I represent a district in northern California that has 11 national forests in it. I have examples of both of these forests within my district. Again, the picture on the left is an unmanaged forest. We know a lot about all the rain we have been receiving, at least in California, this year. What we do not remember, sometimes we forget that of the last 12 years, 7 of those 12 years have been drought years.

California, unlike so much of the rest of the Nation, is a desert during the summertime, and when there is this competition for moisture, what we see is this unnatural type of state that we see on the left. Without the ability to be able to go in and thin these forests out and remove the dead and dying timber, what we will see, rather than the forest on the right, which is a managed forest, where we remove dead and dying timbers, what we see is a situation like this.

In 1994, in the United States, we had 5 million acres of timber that burned; that were catastrophic; where there is nothing left. In 1996 we had 6 million acres burned. So it is really up to us. Are we going to manage our forests in a prudent way or are we going to allow them to burn, as we see in this picture to my left?

I am very pleased, again, that the gentlewoman from Oregon has removed this very ill thought out amendment of hers, but I believe it is time that we begin to bring balance to the management of our forests and not allow the extreme environmentalists to run it by politics.

Mr. HINCHEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, what the gentlewoman from Oregon (Ms. FURSE) was trying to do in bringing her amendment before the House was to give us the opportunity to talk about the future direction of the Forest Service. Specifically, we need to determine what its priorities are; that is to say, what the Forest Service priorities should be in managing the national forests and how the Forest Service should spend the money allocated to it.

Historically, the Forest Service has brought a great emphasis on timber production. The gentlewoman from Oregon was not saying in her amendment that timber production should be shut down entirely, as some have inferred, that is not the case, but that it should be put in context among the other purposes of the Forest Service. Commercial timber harvests should pay their own way and should not receive direct or indirect subsidies from the taxpayer.

Here are a few principles that we support: The national forests are owned by all the American people and should serve the diverse interests the American people have in the forests. Those diverse interests include watershed protection, recreational use, wildlife habitat, as well as timber production.

Watershed protection probably serves the greatest number of people today. According to the Forest Service, the greatest number of direct forest users are recreational users, and recreational users produce the greatest amount of forest revenues. These facts should be taken into account in planning the Forest Service budget.

According to the Forest Service's own recent report, it lost $88.6 million on below-cost timber sales last year alone, where the costs of arranging these sales exceeded by that amount the revenue derived from those sales. We should face facts: Below-cost sales are subsidized. We have been giving away our jointly-owned resources.

There are cases where a below-cost sale may clearly support a public good, such as improving a watershed. But more often it is simply a giveaway of public resources to a private interest; what has been called corporate welfare. We have heard a lot of rhetoric about how people should stand on their own and not get help from the government. We have heard a lot of talk about how efficient private industry is in creating jobs. We have heard lots of rhetoric about the futility of propping up uneconomical activities and how we should let the market rule. Well, it is time to apply all of that rhetoric to resource extraction. It is time to say that if a timber operation is not economical and cannot survive without free or cheap public timber, maybe it needs to change.

We are pleased to see the plan to end purchaser road credits. We hope it holds and we hope that all the people who pledge to support it will pledge to keep it in the conference version of this bill, but we do need to go beyond that. We have to modernize the Forest Service and modernize its budget to take into account what we have learned about forests, to take into account and give a much more prominent role to the other purposes of forests that more and more Americans care about, and to stop giving trees away just to keep the machine running or just because that is the way we have always done it.

Mr. KASICH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just want to take a minute to just direct the attention of the House to the fact that we have been able to work out a very thorny issue here in the House; namely, this whole business of the road credits.

As my colleagues know, there was a debate on this floor, I think, for a period of about 3 years, with people really lined up against themselves and 180 degrees apart. The gentleman from California (Mr. HERGER) deserves an awful lot of credit for the effort to try to bring people together. He met with the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentleman from New York (Mr. BOEHLERT), people who were in direct opposition to him and, through a long process of negotiation and talk, we have essentially been able to reach an agreement that will give us a more market-oriented approach to the way in which we, in fact, do these timber roads.

Now, not everybody is thoroughly happy with the solution, but I have to tell my colleagues that this is one of those times when we fought for 2 or 3 years and I happen to believe that the gentleman from California (Mr. HERGER) is the guy that deserves the most amount of credit because he said we ought not to keep fighting on this. The other side has some legitimate points, we have some legitimate points, and let us try to work it out.

For those environmentalists who have been worried about the road building, if, in fact, it is true that there are subsidies, there will be fewer roads built. They will only be built where it makes economic sense. At the same time, for those who are concerned that we not shut down all appropriate road building, it also will make economic sense to those whenever they move forward, and to those who are worried about saving some money and not providing subsidies to anybody, we have been able to deal with that.

So I think this is a win, win, win. For one of the few times in this House on a very tough environmental issue, I think we have had successful regulation. I want to praise the gentlewoman from Oregon (Ms. FURSE) for agreeing not to pursue her amendment. That would not be the wise thing to do. My understanding is she has withdrawn her amendment, will not have a vote on it, which is entirely appropriate, and maybe this is the model that we can use to resolve a number of environmental issues where people of good heart all feel the same way.

I would like to say one other thing about the gentleman from California. He feels very strongly about the fact that sometimes those on the other side do not understand that there is actually some destruction done in the name of environmental protection when, in fact, he has a view that there are things that we can do to make the environment more secure. He has been able to lead the way and stand in the breach, at times under very emotional issues on the environment, and to be a real leader. So I want to compliment him.

I am very happy that I was in the middle of this for the period of the last

3 years, and I think this is a very good success, and I want to thank the chairman of the subcommittee, the great Member, the gentleman from Ohio (Mr. REGULA), for his outstanding work.

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

I wish to thank the chairman for his kindness, and also I do believe, although we disagree, that the first amendment had merit. Obviously, I would have supported it, but I hope we can recognize that even though the amendment was not put to the floor for a vote, that there are issues that we should all discuss about saving our forests and our trees and hope that we will continue this discussion.

Mr. Chairman, my only concern, and I would like to yield to the gentleman as we rise, we are still continuing in title II for tomorrow as we resume; is that my understanding?

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

Ms. JACKSON LEE of Texas. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, the gentlewoman's understanding is correct.

I would also add that I think we have an agreement among many people that the forests have a multipurpose potential for the public. It is a matter of how we achieve that in the best possible way.

Ms. JACKSON LEE of Texas. Mr. Chairman, I appreciate the chairman's kindness and I think we can continue to go forward and work these issues out.

Mr. REGULA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. LATOURETTE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes, had come to no resolution thereon.

EDUCATION SAVINGS AND SCHOOL EXCELLENCE ACT OF 1998—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States.

To the House of Representatives:

I am returning herewith without my approval H.R. 2646, the ''Education Savings and School Excellence Act of 1998.''

As I have said before, we must prepare our children for the 21st century by providing them with the best education in the world. To help meet this goal, I have sent the Congress a comprehensive agenda for strengthening our public schools, which enroll almost 90 percent of our students. My plan calls for raising standards, strengthening accountability, and promoting charter schools and other forms of public school choice. It calls for reducing class size in the early grades, so our students get a solid foundation in the basic skills, modernizing our schools for the 21st century, and linking them with the Internet. And we must strengthen teaching and provide students who need additional help with tutoring, mentoring, and after-school programs. We must take these steps now.

By sending me this bill, the Congress has instead chosen to weaken public education and shortchange our children. The modifications to the Education IRAs that the bill would authorize are bad education policy and bad tax policy. The bill would divert limited Federal resources away from public schools by spending more than $3 billion on tax benefits that would do virtually nothing for average families and would disproportionately benefit the most affluent families. More than 70 percent of the benefits would flow to families in the top 20 percent of income distribution, and families struggling to make ends meet would never see a penny of the benefits. Moreover, the bill would not create a meaningful incentive for families to increase their savings for educational purposes; it would instead reward families, particularly those with substantial incomes, for what they already do.

The way to improve education for all our children is to increase standards, accountability, and choice within the public schools. Just as we have an obligation to repair our Nation's roads and bridges and invest in the infrastructure of our transportation system, we also have an obligation to invest in the infrastructure needs of our public schools. I urge the Congress to meet that obligation and to send me instead the legislation I have proposed to reduce class size; improve the quality of teaching; modernize our schools; end social promotions; raise academic standards; and hold school districts, schools, and staff accountable for results.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 21, 1998.*

□ 2015

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The objections of the President will be spread at large upon the Journal, and the veto message and the bill will be printed as a House document.

Mr. HERGER. Mr. Speaker, I ask unanimous consent that the veto message of the President, together with the accompanying bill, H.R. 2646, be referred to the Committee on Ways and Means.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Such a rollcall vote, if postponed, will be taken tomorrow.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1689) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1689

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 ''Securities Litigation Uniform Standards Act of 1998''.

TITLE I—SECURITIES LITIGATION UNIFORM STANDARDS

SEC. 101. LIMITATION ON REMEDIES.

(a) AMENDMENTS TO THE SECURITIES ACT OF 1933.—

(1) AMENDMENT.—Section 16 of the Securities Act of 1933 (15 U.S.C. 77p) is amended to read as follows:

''SEC. 16. ADDITIONAL REMEDIES; LIMITATION ON REMEDIES.

''(a) REMEDIES ADDITIONAL.—Except as provided in subsection (b), the rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.

''(b) CLASS ACTION LIMITATIONS.—No covered class action based upon the statutory or common law of any State or subdivision thereof may be maintained in any State or Federal court by any private party alleging—

''(1) an untrue statement or omission of a material fact in connection with the purchase or sale of a covered security; or

''(2) that the defendant used or employed any manipulative or deceptive device or contrivance in connection with the purchase or sale of a covered security.

''(c) REMOVAL OF COVERED CLASS ACTIONS.—Any covered class action brought in any State court involving a covered security, as set forth in subsection (b), shall be removable to the Federal district court for the district in which the action is pending, and shall be subject to subsection (b).

''(d) PRESERVATION OF CERTAIN ACTIONS.—

''(1) ACTIONS UNDER STATE LAW OF STATE OF INCORPORATION.—

''(A) ACTIONS PRESERVED.—Notwithstanding subsection (b) or (c), a covered class action described in subparagraph (B) of this paragraph that is based upon the statutory or common law of the State in which the issuer is incorporated (in the case of a corporation) or organized (in the case of any other entity) may be maintained in a State or Federal court by a private party.

''(B) PERMISSIBLE ACTIONS.—A covered class action is described in this subparagraph if it involves—

''(i) the purchase or sale of securities by the issuer or an affiliate of the issuer exclusively from or to holders of equity securities of the issuer; or